ST. MARY PARISH COUNCIL

Primary Government Financial Statements
St. Mary Parish, State of Louisiana

Annual Financial Statements
with Independent Auditor's Report

And

Independent Auditor's Reports on Internal Control and Compliance and Other Matters
For the Year Ended December 31, 2025

ST. MARY PARISH COUNCIL

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PITTS & MATTE

a corporation of
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Chairman and Members of the St. Mary Parish Council
Franklin, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund, Road Construction & Maintenance Fund, and Sanitation Fund of the St. Mary Parish Council (Council), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Council's primary government as listed in the table of contents under Basic Financial Statements. We have also audited the financial statements of each of the Council's nonmajor governmental funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and fund financial statements and individual fund budgetary comparison schedules as of and for the year ended December 31, 2025, as listed in the table of contents under Supplementary Information – Nonmajor Governmental Funds.

In our opinion, based on our audit, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the St. Mary Parish Council as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Road Construction & Maintenance Fund, and Sanitation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the primary government of the St. Mary Parish Council as of December 31, 2025, and the respective changes in financial position, and respective budgetary comparisons, where applicable thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Basis for Opinions

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

Emphasis of Matters

Primary Government Financial Statements Only

As discussed in Note 1, the financial statements referred to above include only the primary government of the St. Mary Parish Council, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Council's legal entity. These primary government financial statements do not include financial data for the Council's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Council's primary government. As a result, these primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the St. Mary Parish Council as of December 31, 2025, the changes in its financial position, or where applicable, its cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of the St. Mary Parish Council as of and for the year ended December 31, 2025, and our report thereon, dated October 27, 2026 expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we

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

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

Required Supplementary Information

Management has omitted Management's 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that Required Supplementary Information Schedule of the Council's Proportionate Share of the Net Pension Liability, Schedule of the Council's Contributions, and Schedule of Changes in the Council's Total OPEB Liability and Related Ratios, as listed in the table of contents be presented to supplement the basic financial statements. Such 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 appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's primary government basic financial statements. The information listed as General Supplementary Information in the table of contents is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, listed as Supplementary Information Required by Uniform Guidance in the table of contents is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is also not a required part of the basic financial statements of the Council's primary government.

The schedule of expenditures of federal awards and the information listed as General Supplementary Information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for that portion marked "unaudited" has been subjected to the auditing procedures applied in the audit of the basic financial statements of the Council's primary government, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the schedule of expenditures of federal awards and the information listed as General Supplementary Information in the table of contents is fairly stated in all material respects in relation to the basic financial statements of the Council's primary government as a whole. The information marked unaudited has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 27, 2026, on our consideration of the St. Mary Parish Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and in considering St. Mary Parish Council's internal control over financial reporting and compliance.

Pitre & Matta

CERTIFIED PUBLIC ACCOUNTANTS

October 27, 2026
Morgan City, Louisiana

BASIC FINANCIAL STATEMENTS

ST. MARY PARISH COUNCIL
Statement of Net Position
December 31, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ 1,426,694	$ 365	$ 1,427,059
Investments	392,837	1,008	393,845
Receivables (net of allowances for uncollectibles)	1,118,254	530,933	1,649,187
Lease receivable	736,471	15,725	752,196
Due from component units	1,080,052		1,080,052
Due from other governments	7,717,806	8,031	7,725,837
Other assets	4,673		4,673
Internal balances	2,532,328	(2,532,328)	-
Total current assets	15,009,115	(1,976,266)	13,032,849
Noncurrent assets			
Restricted cash		1,718,777	1,718,777
Restricted investments		673,732	673,732
Internal balances	(6,182,288)	6,182,288	-
Total restricted assets	(6,182,288)	8,574,797	2,392,509
Capital assets			
Land and improvements	1,919,874	3,762,536	5,682,410
Buildings, net of accumulated depreciation	5,608,298	673,356	6,281,654
Improvements other than buildings, net of accumulated depreciation	16,710,978	12,793,500	29,504,478
Equipment and furniture, net of accumulated depreciation	1,210,959	694,093	1,905,052
Infrastructure, net of accumulated depreciation	63,258,417		63,258,417
Right-of-use leases, net of accumulated amortization	486,350	36,039	522,389
Construction in progress	8,200,973	-	8,200,973
Net pension asset	401,425	144,210	545,635
Total capital assets	97,797,274	18,103,734	115,901,008
Total assets	106,624,101	24,702,265	131,326,366
DEFERRED OUTFLOWS OF RESOURCES			
Debt redemption costs		87,900	87,900
Related to Pensions	600,901	215,869	816,770
Related to OPEB	1,602,166	540,990	2,143,156
Total deferred outflows of resources	2,203,067	844,759	3,047,826
Total assets and deferred outflows of resources	$ 108,827,168	$ 25,547,024	$ 134,374,192
LIABILITIES			
Liabilities			
Current liabilities			
Accounts payable	$ 2,706,177	$ 431,300	$ 3,137,477
Contracts Payable	338,281		338,281
Retainage payable	193,621		193,621
Accrued liabilities	180,521		180,521
Due to other governments	19,431		19,431
Accrued interest payable	247,305		247,305
Current portion of long-term debt	2,113,800	1,144,000	3,257,800
Current portion of lease obligation payable	341,351	143,219	484,570
Total current liabilities	6,140,487	1,718,519	7,859,006
Noncurrent liabilities			
Other post-employment benefits	8,127,072	855,530	8,982,602
Compensated absences	232,000		232,000
Long-term debt	27,783,776	2,348,124	30,131,900
Landfill closure costs and post-closure care costs		12,515,000	12,515,000
Lease obligation payable	581,484	261,547	843,031
Total noncurrent liabilities	36,724,332	15,980,201	52,704,533
Total liabilities	42,864,819	17,698,720	60,563,539
DEFERRED INFLOWS OF RESOURCES			
Related to Leases	-	19,133	19,133
Related to Pensions	343,403	123,366	466,769
Related to OPEB	3,071,547	1,037,146	4,108,693
Deferred inflow of resources related to revenue	338,495	-	338,495
Total deferred inflows of resources	3,753,445	1,179,645	4,933,090
Total liabilities and deferred inflows of resources	46,618,264	18,878,365	65,496,629
NET POSITION			
Net investment in capital assets	66,575,438	14,431,361	81,006,799
Restricted for:			
Debt service	3,470,486	1,295,876	4,766,362
Other purposes	2,717,625		2,717,625
Unrestricted (deficit)	(10,554,645)	(9,058,578)	(19,613,223)
Total net position	62,208,904	6,668,659	68,877,563
Total liabilities, deferred inflows of resources, and net position	$ 108,827,168	$ 25,547,024	$ 134,374,192

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

ST. MARY PARISH COUNCIL

Statement of Activities
Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental activities							
General government	$ 6,538,981	$ 1,044,530	$ 1,393,968	$ 3,580,927	$ (519,556)	$ -	$ (519,556)
Public safety	4,673,781	1,977		280,432	(4,391,372)		(4,391,372)
Public works	7,038,482		555,944	3,169,469	(3,313,069)		(3,313,069)
Sanitation	2,640,632	2,059,099	-	42,819	(538,714)		(538,714)
Culture & recreation	2,259,957	89,661	100		(2,170,196)		(2,170,196)
Health & welfare	935,461	179,836	238,873		(516,752)		(516,752)
Urban redevelopment & housing	565,544	-	620,885		55,341		55,341
Economic development & assistance	245,884				(245,884)		(245,884)
Interest on long-term debt	990,809				(990,809)		(990,809)
Fees on long-term debt	7,019				(7,019)		(7,019)
Total governmental activities	25,896,550	3,375,103	2,809,770	7,073,647	(12,638,030)		(12,638,030)
Business-type activities							
Solid Waste Landfill	$ 6,992,753	$ 3,970,159	$ -	$ -	$ -	$ (3,022,594)	$ (3,022,594)
Small Animal Control	386,810	60,325				(326,485)	(326,485)
Kemper Williams Park	700,205	342,582	46,979			(310,644)	(310,644)
Total business-type activities	8,079,768	4,373,066	46,979	-	-	(3,659,723)	(3,659,723)
Total	33,976,318	7,748,169	2,856,749	7,073,647	(12,638,030)	(3,659,723)	(16,297,753)
General revenues:							
Taxes:							
Sales and use					7,898,141		7,898,141
Ad valorem taxes levied for general purposes					3,784,639		3,784,639
Ad valorem taxes levied for debt service					254,910		254,910
Severance taxes					1,327,415		1,327,415
Other taxes, penalties, & interest, etc.					94,768		94,768
Royalty road funds					589,856		589,856
State shared revenue					1,171,357		1,171,357
Lease revenue					243,481		243,481
Investment earnings & interest					188,828	42,803	231,631
Nonemployer pension contributions					41,683		41,683
Transfers: Operating					(930,000)	930,000	
Total general revenues and transfers					14,665,078	972,803	15,637,881
Change in net position					2,027,048	(2,686,920)	(659,872)
Net position - beginning of year					60,181,856	9,355,579	69,537,435
Net position - end of year					$ 62,208,904	$ 6,668,659	$ 68,877,563

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

ST. MARY PARISH COUNCIL

Balance Sheet
Governmental Funds
December 31, 2025

	General Fund	Road Construction & Maintenance Fund	Sanitation Fund	Capital Improvement Fund	CDBG Recovery Fund	Combined Sewer Construction Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 418	$ -	$ -	$ 19,610	$ 1,145	$ -	$ 1,405,521	$ 1,426,694
Investments			500	356,195		2,652	33,490	392,837
Receivables (net of allowances for uncollectibles)	436,073	96,764	331,466	230,943			23,008	1,118,254
Lease receivable	736,471							736,471
Due from component units	684,362					395,690		1,080,052
Due from other governments	3,320,712	238,926	717,579	2,283,862			1,156,727	7,717,806
Advance to other funds			2,031,033			1,158,952	5,112,210	8,302,195
Other assets				4,673			-	4,673
Total assets	$ 5,178,036	$ 335,690	$ 3,080,578	$ 2,895,283	$ 1,145	$ 1,557,294	$ 7,730,956	$ 20,778,982
LIABILITIES								
Accounts payable	$ 1,674,326	$ 408,259	$ 248,165	$ -	$ -	$	$ 375,427	$ 2,706,177
Contracts payable				338,281				338,281
Retainage payable				193,621				193,621
Accrued liabilities	141,644	34,864	3,012				1,001	180,521
Unearned revenue							19,431	19,431
Advance from other funds	1,981,261	4,704,292		4,774,554		371,758	120,290	11,952,155
Total liabilities	3,797,231	5,147,415	251,177	5,306,456	-	371,758	516,149	15,390,186
Deferred inflows of resources	338,495						-	338,495
Total liabilities and deferred inflows	4,135,726	5,147,415	251,177	5,306,456	-	371,758	516,149	15,728,681
FUND BALANCES								
Fund balances (deficits)								
Nonspendable - non-current receivables	684,362					395,690		1,080,052
Restricted for								
Use in specific geographic areas							2,831,692	2,831,692
Debt service							2,036,228	2,036,228
Assigned for								
General Government							201,838	201,838
Public safety							261,258	261,258
Culture & recreation							260,282	260,282
Health & welfare							64,827	64,827
Debt service							1,681,563	1,681,563
Sanitation			2,829,401			789,846		3,619,247
Capital projects					1,145			1,145
Unassigned	357,948	(4,811,725)		(2,411,173)			(122,881)	(6,987,831)
Total fund balances	1,042,310	(4,811,725)	2,829,401	(2,411,173)	1,145	1,185,536	7,214,807	5,050,301
Total liabilities, deferred inflows, and fund balances	$ 5,178,036	$ 335,690	$ 3,080,578	$ 2,895,283	$ 1,145	$ 1,557,294	$ 7,730,956	$ 20,778,982

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

ST. MARY PARISH COUNCIL

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2025

Reconciliation of the total fund balance - total governmental funds to the total net position of governmental activities:		
Total fund balance - Governmental Funds		$ 5,050,301
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		97,395,849
Interest payable on long-term debt does not require current financial resources, and, therefore, interest payable is not reported as a liability in the governmental funds balance sheet.		(247,305)
Noncurrent liabilities are not due and payable in the current period are not reported in the governmental funds balance sheet:		
Long-term debt	(29,897,576)	
Lease obligation	(922,835)	
Compensated absences	(232,000)	
Other post-employment benefit plans	(8,127,072)	
Net pension asset (liability)	401,425	(38,778,058)
The deferred outflows and inflows of resources that do not affect the current period are not reported in the governmental fund balance sheet:		
Deferred outflows of resources related to pensions	600,901	
Deferred outflows of resources related to OPEBs	1,602,166	
Deferred inflows of resources related to pensions	(343,403)	
Deferred inflows of resources related to OPEBs	(3,071,547)	(1,211,883)
Net position of governmental activities		$ 62,208,904

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

ST. MARY PARISH COUNCIL

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ending December 31, 2025

	General Fund	Road Construction & Maintenance Fund	Sanitation Fund	Capital Improvement Fund	CDBG Recovery Fund	Combined Sewer Construction Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Sales and use	$ -	$ -	$ 3,399,083	$ -	$ -	$ -	$ 4,499,058	$ 7,898,141
Ad valorem	3,784,639						254,910	4,039,549
Other taxes, penalties, & interests, etc.	94,768							94,768
Intergovernmental revenues								
Federal grants	173,515	1,769,469		3,448,534			649,357	6,040,875
Medicaid							-	-
State funds								
State grants	193,384	91,780	-	807,899			210,401	1,303,464
State revenue sharing	1,171,357							1,171,357
Royalty road funds		589,856						589,856
Parish road transportation funds		436,798						436,798
Severance taxes	1,327,415							1,327,415
Local			42,819	132,393			280,432	455,644
Riverboat fees							1,400,000	1,400,000
Licenses & permits	779,351						35,530	814,881
Fees, charges, & commission	157,082		2,059,099				170,466	2,386,647
Mosquito abatement	173,575							173,575
Lease Revenue	243,481							243,481
Investment earnings & interest	28,006	12,290	34,542	34,173		112	79,705	188,828
Other revenues	218,670	24,965		-		2,401	600	246,636
Total revenues	8,345,243	2,925,158	5,535,543	4,422,999	-	2,513	7,580,459	28,811,915
EXPENDITURES								
Current:								
General government	6,642,143						69,864	6,712,007
Public safety	837,214		29,213				2,368,034	3,234,461
Public works	318,720	3,358,896					268,352	3,945,968
Sanitation			2,640,632					2,640,632
Culture & recreation	970,377						115,076	1,085,453
Health & welfare	544,800						238,517	783,317
Urban redevelopment & housing							565,544	565,544
Economic development & assistance	245,884							245,884
Capital outlay				5,143,950				5,143,950
Right-of-Use leases								
Lease	102,577	186,471						289,048
Principal	75,979	82,738						158,717
Interest	4,093	5,564						9,657
Debt service								
Principal							2,745,000	2,745,000
Interest							1,031,693	1,031,693
Fees							7,019	7,019
Total expenditures	9,741,787	3,633,669	2,669,845	5,143,950	-	-	7,409,099	28,598,350
Excess (deficiency) of revenues over (under) expenditures	(1,396,544)	(708,511)	2,865,698	(720,951)	-	2,513	171,360	213,565
OTHER FINANCING SOURCES								
Lease financing	102,577	186,471						289,048
Operating transfers in	2,060,000	650,000				60,000	3,734,782	6,504,782
Operating transfers out	(860,000)	(2,388,901)	(1,258,000)	(22,881)			(2,905,000)	(7,434,782)
Total other financing sources (uses)	1,302,577	(1,552,430)	(1,258,000)	(22,881)	-	60,000	829,782	(640,952)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(93,967)	(2,260,941)	1,607,698	(743,832)	-	62,513	1,001,142	(427,387)
Fund balance at beginning of year	1,136,277	(2,550,784)	1,221,703	(1,667,341)	1,145	1,123,023	6,213,665	5,477,688
Fund balance (deficit) at end of year	$ 1,042,310	$ (4,811,725)	$ 2,829,401	$ (2,411,173)	$ 1,145	$ 1,185,536	$ 7,214,807	$ 5,050,301

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

ST. MARY PARISH COUNCIL

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

Reconciliation of the changes in fund balances - total governmental funds to the change in net position of governmental activities:		
Net change in fund balance - Governmental Funds		$ (427,387)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation ($6,596,096) was exceeded by capital outlays ($4,157,777) meeting the Council's Capitalization policy in the current period.		(2,438,319)
Repayment of bond principal and lease obligations is an expenditure in the governmental funds, but the repayment reduces noncurrent liabilities in the Statement of Net Position		
Repayments of principal on long term debt	2,768,800	
Lease obligation payments	365,179	
Net adjustment		3,133,979
Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, are not reported in governmental funds as expenditures.		
Decrease in accrued compensated absences	2,000	
Decrease in accrued interest expense	26,741	
Amortize on lease assets	(163,272)	
Net adjustment		(134,531)
Effects of recording net pension liability, other postemployment benefits liability, deferred inflows and outflows of resources, and other items related to these liabilities:		
Increase in pension expense	(7,267)	
Non employer pension contributions	41,683	
Decrease on other postemployment benefit expense	1,858,890	
Net adjustment		1,893,306
Change in net position of governmental activities		$ 2,027,048

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

ST. MARY PARISH COUNCIL

Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities Enterprise Funds			
	Reduction and Transfer Fund	Small Animal Control Fund	Kemper Williams Park Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	$ 125	$ -	$ 240	$ 365
Investments	1,008			1,008
Receivables (net of allowances for uncollectibles)	518,950	505	11,478	530,933
Lease Receivable			15,725	15,725
Due from other governments	8,031			8,031
Due from other funds				
Advance to other funds	455,025		323,102	778,127
Total current assets	983,139	505	350,545	1,334,189
Noncurrent assets				
Restricted cash	1,718,777			1,718,777
Restricted investments	673,732			673,732
Restricted advances	6,182,288			6,182,288
Total restricted assets	8,574,797	-	-	8,574,797
Property, plant, and equipment (net of accumulated depreciation)	15,127,598	593,512	2,202,375	17,923,485
Right-of-use leases (net of accumulated amortization)	20,170	15,869		36,039
Net pension asset	99,833	21,775	22,602	144,210
Total noncurrent assets	23,822,398	631,156	2,224,977	26,678,531
Total assets	24,805,537	631,661	2,575,522	28,012,720
DEFERRED OUTFLOWS OF RESOURCES				
Debt redemption costs	87,900			87,900
Related to pension	149,441	32,595	33,833	215,869
Related to OPEB	332,917	124,844	83,229	540,990
Total deferred outflows of resources	570,258	157,439	117,062	844,759
Total assets and deferred outflows of resources	$ 25,375,795	$ 789,100	$ 2,692,584	$ 28,857,479
LIABILITIES				
Current liabilities				
Accounts payable and accrued expenses	$ 398,274	$ 10,525	$ 22,501	$ 431,300
Lease obligation payable within one year	136,558	6,661		143,219
Bonds payable within one year	1,144,000			1,144,000
Advance from other funds	3,140,315	170,140		3,310,455
Total current liabilities	4,819,147	187,326	22,501	5,028,974
Long-term liabilities				
Other post-employment benefits	354,507	244,717	256,306	855,530
Lease obligation payable	251,782	9,765		261,547
Bonds payable, including unamortized premium	2,348,124			2,348,124
Landfill closure and post-closure care costs	12,515,000			12,515,000
Total long-term liabilities	15,469,413	254,482	256,306	15,980,201
Total liabilities	20,288,560	441,808	278,807	21,009,175
DEFERRED INFLOWS OF RESOURCES				
Related to leases			19,133	19,133
Related to pension	85,403	18,628	19,335	123,366
Related to other post-employment benefits	638,244	239,341	159,561	1,037,146
Total liabilities and deferred inflows of resources	21,012,207	699,777	476,836	22,188,820
NET POSITION				
Invested in capital assets, net of related debt	11,635,474	593,512	2,202,375	14,431,361
Restricted	1,295,876			1,295,876
Unrestricted	(8,567,762)	(504,189)	13,373	(9,058,578)
Total net position	4,363,588	89,323	2,215,748	6,668,659
Total liabilities, deferred inflows, and net positior	$ 25,375,795	$ 789,100	$ 2,692,584	$ 28,857,479

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

ST. MARY PARISH COUNCIL

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities Enterprise Funds			
	Reduction and Transfer Fund	Small Animal Control Fund	Kemper Williams Park Fund	Total
OPERATING REVENUES				
Solid waste disposal fees	$ 3,951,522	$ -	$ -	$ 3,951,522
Impound fees		58,064		58,064
Admission fees			20,047	20,047
Campsite fees			223,969	223,969
Special events			18,620	18,620
Other	18,637	2,261	79,946	100,844
Total operating revenues	3,970,159	60,325	342,582	4,373,066
OPERATING EXPENSES				
Personal services	1,010,755	205,793	178,162	1,394,710
Contractual services	303,428		39,542	342,970
Supplies	55,213	30,546	34,784	120,543
Materials	686,383	10,228	28,200	724,811
Utilities	49,542	34,936	139,119	223,597
Repairs and maintenance	814,365	27,056	160,668	1,002,089
Landfill closure costs	731,000			731,000
Equipment and rentals	1,978,652	1,974	17,352	1,997,978
Miscellaneous	84,576	1,099	32,321	117,996
Depreciation	1,014,653	61,192	50,074	1,125,919
Amortization of capital leases	51,845	6,566		58,411
Insurance	47,498	6,283	19,983	73,764
Total operating expenses	6,827,910	385,673	700,205	7,913,788
Net operating income (loss)	(2,857,751)	(325,348)	(357,623)	(3,540,722)
NON-OPERATING REVENUES AND EXPENSES				
Investment earnings	42,091		712	42,803
Gifts/donations			46,979	46,979
Interest	(162,843)	(1,137)		(163,980)
Fees	(2,000)			(2,000)
Total non-operating revenues	(122,752)	(1,137)	47,691	(76,198)
Income (loss) before transfers	(2,980,503)	(326,485)	(309,932)	(3,616,920)
OTHER FINANCING SOURCES (USES)				
Operating transfers in				
General Fund		300,000	280,000	580,000
Sanitation Fund	350,000			350,000
Total transfers	350,000	300,000	280,000	930,000
Change in net position	(2,630,503)	(26,485)	(29,932)	(2,686,920)
Net position, beginning of year	6,994,091	115,808	2,245,680	9,355,579
Net position, end of year	$ 4,363,588	$ 89,323	$ 2,215,748	$ 6,668,659

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

ST. MARY PARISH COUNCIL

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

Increase (Decrease) in Cash & Cash Equivalents

	Business-type Activities Enterprise Funds			
	Reduction and Transfer Fund	Small Animal Control Fund	Kemper Williams Park Fund	Total
Cash flows from operating activities:				
Received from charges for services	$ 4,069,519	$ 61,850	$ 342,734	$ 4,474,103
Payments to suppliers for goods & services	(3,927,981)	(115,157)	(467,765)	(4,510,903)
Payments to employees for services	(1,208,774)	(239,939)	(309,259)	(1,757,972)
Net cash flows (deficiency) from operating activities	(1,067,236)	(293,246)	(434,290)	(1,794,772)
Cash flows from noncapital financing activities:				
Due to other funds	1,971,230			1,971,230
Due from other funds			1,676	1,676
Lease Receivable			15,609	15,609
Contributions			46,979	46,979
Operating transfers in from other funds	350,000	300,000	280,000	930,000
Advances to other funds			98,214	98,214
Repayment of advances by other funds	113,599	857		114,456
Net cash flows (deficiency) from noncapital financing activities	2,434,829	300,857	442,478	3,178,164
Cash flows from capital and related financial activities				
Fixed asset acquisitions	(12,197)	16,941	(8,900)	(4,156)
Lease payments	(158,486)	(24,552)		(183,038)
Debt payments	(1,184,843)			(1,184,843)
Net cash flows (deficiency) from capital and related financing activities	(1,355,526)	(7,611)	(8,900)	(1,372,037)
Cash flows from investing activities				
Investment earnings	42,091	-	712	42,803
Sale of investments	(11,046)	-	-	(11,046)
Net cash flows from investing activities	31,045	-	712	31,757
Net increase (decrease) in cash and cash equivalents	43,112	-	-	43,112
Cash and cash equivalents at beginning of year	1,675,790	-	240	1,676,030
Cash and cash equivalents at end of year	$ 1,718,902	$ -	$ 240	$ 1,719,142
Shown in the accompanying Statement of Net Position as:				
Cash and cash equivalents	$ 125		$ 240	$ 365
Restricted cash	1,718,777			1,718,777
Total cash and cash equivalents	$ 1,718,902	$ -	$ 240	$ 1,719,142

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

	Business-type Activities Enterprise Funds			
	Reduction and Transfer Fund	Small Animal Control Fund	Kemper Williams Park Fund	Total
Reconciliation of operating income (loss) to net cash, provided by operating activities:				
Operating income (loss)	$ (2,857,751)	$ (325,348)	$ (357,623)	$ (3,540,722)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	1,066,498	67,758	50,074	1,184,330
Decrease (increase) in accounts receivable	99,360	1,525	152	101,037
Decrease (increase) in net pension asset	(207,237)	(46,978)	(40,410)	(294,625)
Decrease (increase) in deferred outflows related to pension	155,093	38,865	16,661	210,619
Decrease (increase) in deferred outflows related to other post-employment benefits	(138,162)	(44,260)	20,924	(161,498)
Increase (decrease) in accounts payable and accrued expenses	91,676	(3,035)	4,204	92,845
Increase (decrease) in landfill closure costs	731,000			731,000
Increase (decrease) in other post-employment benefits	(104,830)	(39,311)	(26,208)	(170,349)
Increase (decrease) in deferred inflows related to leases			(14,686)	(14,686)
Increase (decrease) in deferred inflows related to pension	36,290	7,103	11,191	54,584
Increase (decrease) in deferred inflows related to other post-employment benefits	60,827	50,435	(98,569)	12,693
Total adjustments	1,790,515	32,102	(76,667)	1,745,950
Net cash provided by (used for) operating activities	$ (1,067,236)	$ (293,246)	$ (434,290)	$ (1,794,772)

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Ad Valorem	$ 3,800,000	$ 3,830,000	$ 3,784,639	$ (45,361)
Other taxes, penalties, & interests, etc.	112,000	112,000	94,768	(17,232)
Intergovernmental revenues				
Federal grants	8,500	163,660	173,515	9,855
State funds				
State grants		231,306	193,384	(37,922)
State revenue sharing	950,000	1,147,865	1,171,357	23,492
Severance taxes	1,250,000	1,250,000	1,327,415	77,415
Licenses & permits	728,500	728,500	779,351	50,851
Fees, charges, & commission	212,750	204,850	157,082	(47,768)
Mosquito abatement	170,000	170,000	173,575	3,575
Lease Revenue	15,000	15,000	243,481	228,481
Investment earnings & interest	5,000	5,000	28,006	23,006
Other revenues	342,157	566,975	218,670	(348,305)
Total revenues	7,593,907	8,425,156	8,345,243	(79,913)
EXPENDITURES				
Current:				
General government				
Legislative	441,259	441,259	454,051	(12,792)
Judicial	1,349,233	1,349,233	1,042,459	306,774
Executive	343,151	343,151	358,887	(15,736)
Elections	95,863	95,863	94,922	941
Finance & administrative	1,222,476	1,340,869	1,201,223	139,646
Courthouse	1,407,804	1,407,804	1,172,765	235,039
Other	1,401,914	1,725,323	2,317,836	(592,513)
Public safety	770,058	895,498	837,214	58,284
Culture & recreation	845,972	975,972	970,377	5,595
Health & welfare	147,125	147,125	359,055	(211,930)
Economic development & assistance	277,425	277,425	245,884	31,541
Mosquito abatement	181,589	181,589	185,745	(4,156)
Airport operations	259,642	334,212	318,720	15,492
Right-of-use leases				
Lease			102,577	(102,577)
Principal			75,979	(75,979)
Interest			4,093	(4,093)
Total expenditures	8,743,511	9,515,323	9,741,787	(226,464)
Excess (deficiency) of revenues over (under) expenditures	(1,149,604)	(1,090,167)	(1,396,544)	(306,377)
OTHER FINANCING SOURCES (USES)				
Lease financing			102,577	102,577
Operating transfers in				
Sanitation Fund	50,000	50,000	50,000	-
Sales Tax Bond Sinking Fund	1,550,000	1,550,000	1,550,000	-
Gaming Receipt Fund	460,000	460,000	460,000	-
Operating transfers out				
Road Construction & Maintenance Fund	(200,000)	(200,000)	(200,000)	-
Small Animal Control Fund	(300,000)	(300,000)	(300,000)	-
Jail Operating & Maintenance Fund	(80,000)	(80,000)	(80,000)	-
Kemper Williams Park Fund	(280,000)	(280,000)	(280,000)	-
Total other financing sources (uses)	1,200,000	1,200,000	1,302,577	102,577
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	50,396	109,833	(93,967)	(203,800)
Fund balance at beginning of year	1,205,000	1,136,277	1,136,277	-
Fund balance at end of year	$ 1,255,396	$ 1,246,110	$ 1,042,310	$ (203,800)

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Road Construction & Maintenance Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues				
Federal grants	$ 1,500,000	$ 2,120,367	$ 1,769,469	$ (350,898)
State funds				
State grants	91,780	91,780	91,780	-
Royalty road funds	2,850,000	2,850,000	589,856	(2,260,144)
Parish road transportation funds	450,000	450,000	436,798	(13,202)
Investment earnings & interest	4,000	4,000	12,290	8,290
Other revenues	425,000	425,000	24,965	(400,035)
Total revenues	5,320,780	5,941,147	2,925,158	(3,015,989)
EXPENDITURES				
Current:				
Public works				
Highways/streets & roads	2,877,718	2,877,718	3,025,358	(147,640)
Road supervisor	113,804	113,804	94,536	19,268
Bridges	175,250	175,250	128,551	46,699
Avoca ferry	132,210	132,210	110,451	21,759
Right-of-use leases				
Lease			186,471	(186,471)
Principal			82,738	(82,738)
Interest			5,564	(5,564)
Total expenditures	3,298,982	3,298,982	3,633,669	(334,687)
Excess (deficiency) of revenues over (under) expenditures	2,021,798	2,642,165	(708,511)	(3,350,676)
OTHER FINANCING SOURCES (USES)				
Lease financing			186,471	(186,471)
Operating transfers in				
General Fund	200,000	200,000	200,000	
Sanitation Fund	400,000	400,000	400,000	-
Wards 5 & 8 Sales Tax Fund	25,000	25,000	25,000	-
Wards 1, 2, 3, 4, 7, & 10 Sales Tax Fund	25,000	25,000	25,000	-
Operating transfers out				
Debt Service Fund (Interest)	(330,489)	(330,489)	(362,530)	32,041
Debt Service Fund (Principal)	(969,511)	(969,511)	(658,371)	(311,140)
Certificates of Indebtedness Sinking Fund	(1,368,000)	(1,408,878)	(1,368,000)	(40,878)
Total other financing sources (uses)	(2,018,000)	(2,058,878)	(1,552,430)	506,448
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	3,798	583,287	(2,260,941)	(2,844,228)
Fund balance at beginning of year	34,000		(2,550,784)	(2,550,784)
Fund balance at end of year	$ 37,798	$ 583,287	$ (4,811,725)	$ (5,395,012)

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Sanitation Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales and use	$ 2,750,000	$ 3,216,000	$ 3,399,083	$ 183,083
Intergovernmental revenues				
Local grants	70,000	70,000	42,819	(27,181)
Fees, charges, & commission	1,615,000	1,807,000	2,059,099	252,099
Investment earnings & interest	20,000	29,000	34,542	5,542
Total revenues	4,455,000	5,122,000	5,535,543	413,543
EXPENDITURES				
Current:				
Public safety	202,851	202,851	29,213	173,638
Sanitation	2,720,943	2,720,943	2,640,632	80,311
Total expenditures	2,923,794	2,923,794	2,669,845	253,949
Excess (deficiency) of revenues over (under) expenditures	1,531,206	2,198,206	2,865,698	667,492
OTHER FINANCING SOURCES (USES)				
Operating transfers out				
General Fund	(50,000)	(50,000)	(50,000)	-
Road Construction and Maintenance Fund	(400,000)	(400,000)	(400,000)	-
Solid Waste Reduction	(200,000)	(200,000)	(200,000)	-
Solid Waste Bond Sinking Fund	(150,000)	(150,000)	(150,000)	-
3/4% Sales Tax Bond Sinking Fund	(270,000)	(270,000)	(270,000)	-
Combined Sewer Construction Fund	(60,000)	(60,000)	(60,000)	-
Certificates of Indebtedness Sinking Fund	(128,000)	(128,000)	(128,000)	-
Total other financing sources (uses)	(1,258,000)	(1,258,000)	(1,258,000)	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	273,206	940,206	1,607,698	667,492
Fund balance at beginning of year	23,509	1,221,703	1,221,703	-
Fund balance at end of year	$ 296,715	$ 2,161,909	$ 2,829,401	$ 667,492

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On July 16, 1983, the voters of the parish approved a change in the form of parish government from the police jury form of government to the parish council system. The newly elected parish council was seated on November 26, 1984. The St. Mary Parish Council is the governing authority for St. Mary Parish. The parish council consists of eleven members, eight of whom are elected from single-member districts and three elected at large. The parish president, elected by the voters of the parish, is the chief executive officer of the parish and is responsible for carrying out the policies adopted by the parish council and for exercising such general executive authority as authorized by the charter.

The Council, under the provisions of Louisiana Revised Statutes, enacts ordinances, sets policy and establishes programs in such fields as social welfare, transportation, drainage, industrial inducement and health services.

The financial statements of the St. Mary Parish Council have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Council's accounting policies are described below.

A. Reporting Entity

The GASB has established several criteria for determining the governmental reporting entity. The reporting entity for St. Mary Parish should include the St. Mary Parish Council, which as governing authority of the parish is the primary government, and other governmental entities within the parish for which the Council has financial accountability. Financial accountability is determined by the Council, on the basis of applying the following criteria from those established by the GASB:

1. Financial benefit or burden
2. Appointment of a voting majority
3. Imposition of will
4. Fiscally dependent

The GASB requires that certain other organizations be included in the reporting entity although the primary government is not financially accountable if exclusion from the financial statements would render the reporting entity's financial statements incomplete or misleading.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Based on the previous criteria, the Council has determined that the following are component units and should be discretely reported components within the reporting entity but not within the primary government except for the Industrial Development Board of the Parish of St. Mary (included with the Council as part of the primary government as it has no assets, liabilities, deferred inflows or outflows; nor revenues or expenses).

Component Unit	Area Served	Fiscal Year End	Criteria Used
St. Mary Parish Water & Sewer Comm.:			
No. 1	Amelia/Siracusa	December 31	1, 2, 3
No. 2	Bayou Vista	September 30	1, 2,3
No. 3	West of Patterson to Calumet, Verdunville, & Centerville	September 30	1,2,3
No. 4	Chatsworth, St. Joseph, Irish Bend, Yokely, Sorrell, Websterville, Charenton, St. Peter	September 30	1, 2,3
No.5	Four Corners/Glencoe	September 30	1, 2, 3
St. Mary Parish Library	St. Mary Parish except Morgan City	December 31	1, 2, 3
Hospital Service District:			
No. 1	Wax Lake Outlet to Jeanerette	September 30	2, 3
No. 2	Amelia to Wax Lake Outlet	December 31	2, 3
Waterworks District:			
No. 5	West of Patterson to Calumet, Verdunville, & Centerville	May 31	2, 3
Sewerage District:			
No. 11 *(no activity)*	Cypremort Point	September 30	1, 2, 3
Wards 5 & 8 Joint Sewer Comm.	Atchafalaya River west to Wax Lake Outlet	September 30	2, 3
Consolidated Gravity Drainage District:			
No. 1	Wax Lake Outlet west to Jeanerette	September 30	2, 3
No. 2A	Atchafalaya River to Amelia	September 30	2, 3, 4

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Component Unit	Area Served	Fiscal Year End	Criteria Used
Wax Lake East Drainage District	Berwick, Bayou Vista, Patterson, Calumet	September 30	2, 3
Sub Gravity Drainage District No.1 of Gravity Drainage District No.2	Bayou Vista	September 30	2, 3
Cajun Coast Visitors and Convention Bureau	St. Mary Parish	September 30	2, 3
St. Mary Parish Sales and Use Tax Dept. *(Fiduciary Fund-Custodial Type)*	St. Mary Parish	December 31	1, 3
Recreation District:			
No. 1	Amelia	September 30	2, 3
No. 2	Siracusa	September 30	1, 2, 3, 4
No. 3	Bayou Vista	September 30	1, 2, 3
No. 4	Patterson	September 30	1, 2, 3
No. 5	Four Corners, Sorrell Glencoe	September 30	2, 3
No. 7	Centerville, Verdunville	September 30	2, 3
Atchafalaya Golf Course Commission	St. Mary Parish	September 30	1,2,3,4
Fire Protection District:			
No. 1	Cypremort Point	December 31	2, 3
No. 2	Franklin/Ward 3	September 30	1 , 2, 3
No. 3	Amelia	September 30	1, 2, 3
No. 7	Bayou Vista	September 30	2, 3
No. 11	Four Corners, Glencoe, Sorrell	September 30	2, 3
No. 12*(no activity)*	Charenton	September 30	2, 3
Mosquito Control District No. 1	Cypremort Point	December 31	1, 2, 3
Communications District (911)	St. Mary Parish	December 31	2, 3, 4
St. Mary Parish Clerk of Court *(Includes Fiduciary Fund-Custodial Type)*	St. Mary Parish	June 30	1, 4

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The GASB provides for the issuance of primary government financial statements which are separate from those of the reporting entity. However, a primary government's financial statements are not a substitute for the reporting entity's financial statements. The Council has chosen to issue financial statements for the primary government only. As such, the accompanying financial statements are not intended to and do not report in accordance with generally accepted accounting principles. Audit reports for component units can be obtained from the administrative offices of each component and from the Clerk of the Parish Council.

The parish school board, the St. Mary Parish Sheriff, and the municipal level governments, are excluded from the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the Council. Also in accordance with GASB, the St. Mary Community Action Committee Association, Inc. (CAA) and the West St. Mary Parish Port, Harbor, and Terminal District (Port) are considered to be related organizations of the St. Mary Parish Council, primary government. Several different primary governments or other bodies appoint members to the board of the Port and CAA but none are considered to be financially accountable because they do not impose their will or have a financial benefit or burden relationship with the Port or CAA.

B. Basic Financial Statements - Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities which report all activities of the Council as a whole (the Council does not conduct fiduciary activities). The government-wide presentation focuses primarily on the sustainability of the Council as an entity and the change in the Council's net position resulting from the current year's activities. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* generally are financed through taxes, intergovernmental revenues and other nonexchange revenues, are reported separately from *business type activities*, which rely to a significant extent on fees and charges for support.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Council are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows and inflows of resources, reserves, fund equity, revenues, and expenditures.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The following is a description of the funds utilized by the Council.

GOVERNMENTAL FUNDS

General Fund

The General Fund is the primary operating fund of the Council. It is used to account for all financial resources, except those required to be accounted for in other funds. The Council reports the General Fund as a major fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are earmarked for expenditures for specified purposes.

The Council reports two special revenue funds as major funds as follows:

ROAD CONSTRUCTION AND MAINTENANCE FUND

The Road Construction and Maintenance Fund accounts for the maintenance and upkeep of the parish road system. Major financing is provided by the State of Louisiana Parish Transportation Funds and Royalty Road funds. Use of Transportation Funds is restricted by Louisiana Revised Statutes.

SANITATION FUND
The Sanitation Fund accounts for the collection of solid waste for the Parish. Major financing is from the three-fourths percent sales tax and garbage collection fees. The expenditures are restricted by the three-fourths percent sales tax ordinance.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Council reports the three following capital project funds as major funds:

CAPITAL IMPROVEMENT FUND
The Capital Improvement Fund accounts for ongoing capital projects, other than those accounted for in the CDBG Recovery Fund or the Sewer Construction Fund. The projects may be funded with either federal, state, or local funds. A major portion of the funds are currently being funded with the proceeds of the $11,500,000 St. Mary GOMESA Project Fund 2019 Bonds.

CDBG RECOVERY FUND
The CDBG Recovery Fund accounts for major ongoing capital projects and is funded by federal funds. The Fund was established to handle approximately $19 million in federal grants. The Council will continue to maintain this as a major fund until all projects are substantially complete.

COMBINED SEWER CONSTRUCTION FUND
The Combined Sewer Construction Fund is used to account for the proceeds of sewer bonds and three quarters percent sales tax that is being used to construct and improve sewer systems within the Parish.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for activities of providing goods and services to outside parties similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

The Council reports two of its three proprietary funds as major funds:

REDUCTION AND TRANSFER FUND

The Reduction and Transfer Fund accounts for the operation of the parish solid waste disposal plant. All garbage and trash in the western portion area of the parish is collected at the reduction station in Berwick. All garbage and trash in the eastern portion of the parish is first collected at the transfer station in Franklin and then transferred to the Berwick reduction station for disposal.

KEMPER WILLIAMS PARK FUND

The Kemper Williams Park Fund accounts for the operations of Kemper Williams Park, a recreational facility available for parish residents. The facility charges its patrons for admission to the park which consists of picnic grounds, campsites, athletic fields, a jogging trail, and tennis courts.

Because the Council only has one remaining proprietary fund it is presented in the basic financial statements, even though the Council considers it to be a nonmajor fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

SMALL ANIMAL CONTROL FUND

The Small Animal Control Fund accounts for the operation of a small animal shelter. This fund was established for the collection, housing, adoption, and euthanasia of small stray animals within St. Mary Parish and is funded by the parish, cities, and public of St. Mary Parish.

D. Basis of Accounting

Measurement focus is a term used to described "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Government-wide Statements and Proprietary Fund Financial Statements
The government-wide statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, all deferred outflows of resources, all liabilities, and all deferred inflows of resources (whether current or noncurrent) are included in determining financial position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Council has elected not to follow subsequent private-sector guidance.

Fund Financial Statements
Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current deferred outflows of resources and current liabilities and current deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balance.

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 can be determined. Available means the normal time of collection is within the current period or soon enough thereafter to pay current liabilities (the Council generally uses a ninety day period after year end).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Revenues

The following is a summary of the Council's recognition policies for its major revenue sources:

Sales tax revenues are recorded when the taxable sales take place, regardless of when the sales taxes are collected by the St. Mary Parish Council's sales tax department.

Ad valorem taxes and the related State Revenue Sharing (which are based on population and homesteads in the Parish) are recorded in the year the taxes are assessed.

Federal and State aid and grants are recorded when the Council has met the requirements of the grant and is entitled to receive the funds.

Investment earnings are generally recorded when earned.

Substantially all other revenues are recorded when they become available to the Council.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Council's enterprise funds are charges to customers for sale and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

F. Expenses/Expenditures

The government-wide and proprietary fund financial statements recognize expenses under the accrual basis of accounting and records the related liability at the time the expense is incurred.

In the governmental fund financial statements, expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except principal and interest on long-term debt which is not recognized until due.

G. Budgets

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

1. Ninety days prior to the beginning of each fiscal year, the Parish President presents to the Council the annual operating budget which was prepared by the Director of Finance under the direction of the Chief Administrative Officer.

2. The Council then orders a public hearing, notice of which, along with a summary of the budget, will be published ten days prior to the date of the hearing in the official journal of the Council.

3. No later than the second to last regular meeting of the fiscal year, the Council enacts an ordinance to adopt the annual operating budget for the ensuing fiscal year. The Council may adjust the budget as proposed by the Parish President or amend it, as they see fit, by a vote of the majority of the Council.

4. The Parish President may accept or veto the entire budget as approved by the Council or he may line item veto certain appropriations.

5. Should the Council and Parish President be unable to adopt a budget prior to the beginning of the year, then fifty percent of the prior year's budget shall be appropriated for the upcoming year; until such time as a new budget is properly enacted.

6. The Director of Finance, under the direction of the Chief Administrative Officer, has the authority to alter, and must approve all changes in budgeted amounts within function lines. However, budget adjustments that cross function lines require approval of the Council.

7. Formal budgetary integration is employed as a management control device during the year.

8. The General Fund and all Special Revenue Funds with activity have adopted budgets.

9. Budget appropriations lapse at year end.

10. In the financial statement comparison of the budget to actual amounts, both the original and final amended budget amounts are shown.

H. Cash and Cash Equivalents

For financial statement purposes, cash and cash equivalents include cash on hand, demand deposits, and short term investments with original maturities of less than three months.

Certain short-term interest bearing cash accounts are maintained on a pooled basis, interest revenue or expense is allocated to each participating fund based upon its pro rata share of the total pooled account balance. The overall balance in the pooled account is always a large positive balance. However, from time to time an individual fund's proportionate share of the balance may temporarily be negative. This most commonly occurs when a fund makes an unusually large disbursement such as a payment on a construction contract or when the fund is awaiting an investment to mature and be placed in its cash account.

I. Investments

The Council invests in bank certificates of deposit (CDs) and external investment pools. The CDs (nonparticipating contracts) are recorded at cost, unless there is significant impairment of the credit standing of the issuer. The pooled investments are recorded at fair market value.

The Council also invests in Federal government securities which the Council records at fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Receivables

Receivables are stated at net realizable value after provision for estimated uncollectible accounts.

K. Restricted Assets

In the Reduction and Transfer Enterprise Fund certain assets are set aside for certain uses. These amounts are reported as either cash, investments or advances and are reported as restricted assets. At December 31, 2025, these assets are restricted for the following purposes:

Reserved for debt service by debt covenants	$2,131,499
Reserved for depreciation and contingencies by debt covenants	113,410
Ear marked for landfill closure costs and post-closure care costs by Council action	6,329,888
	$8,574,797

L. Fixed Assets

The accounting treatment for property, plant, equipment (fixed assets) depends on whether they are reported in the government-wide, proprietary fund, or governmental fund financial statements.

Government-wide Statements and Proprietary Fund

In the government-wide and proprietary fund financial statements, fixed assets are accounted for as capital assets. All purchased fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received. Fixed assets are reported at their historical cost or estimated fair market value less their accumulated depreciation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation is computed using the straight-line method based on the estimated useful life of the various assets. The following is a summary of estimated useful lives by classification of the fixed assets:

Category	Years
Buildings	25-40
Equipment and furniture	5-15
Improvements	20-30
Infrastructure	25-50

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operation are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Long-term obligations

In the government-wide financial statements, and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Significant bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount, if significant. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Compensated Absences

Employees earn vacation and sick leave annually at varying rates depending upon length of service. These compensated absences are allowed to accumulate from period to period if not used.

Upon termination an employee is compensated for accumulated vacation time; but, employees are not compensated for sick time unless termination is due to qualified retirement.

An accrual is made for the amount of compensation the employees will receive in the future based upon services performed in the current year for vacation time not used. An accrual is also made for accumulated sick time estimated to be paid to employees at retirement. Only the portion of this accumulated sick pay estimated to be paid to employees retiring within the next year is recorded as a liability within the fund to which the particular employees' salary is allocated, the remaining liability is included with long-term debt in the Statement of Net Position. The liability for the long-term portion of this accumulated sick pay, affects twenty-two employees and totals approximately $232,000 and is not discounted to present value.

The Council's current compensated absences, by fund, are approximately as follows:

Major funds	
General Fund	$139,000
Road Construction and Maintenance Fund	17,000
Reduction and Transfer Fund	75,000
Non-major funds	
Small Animal Control Fund	1,000

The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. The noncurrent portion of the liability is not reported.

O. Net Pension Liability or Asset and Related Deferred Outflows and Inflows of Resources

The Council follows GASB pronouncements establishing the accounting and financial reporting by state and local governments for pensions. This guidance requires the Council to calculate and recognize a net pension liability or asset and certain deferred outflows and inflows of resources and pension expense. The Council is a member of Parochial Employees' Retirement System of Louisiana – Plan A (PERS-A), a cost sharing multiple employer public employee retirement system. For purposes of measuring its net pension liability or asset, deferred outflows and inflows of resources, and pension expense, the Council uses the same basis as PERS-A.

See Note 15 for further details about this pension plan.

P. Other Postemployment Benefits Liability and Related Deferred Outflows and Inflows of Resources

The Council has agreed to provide its employees with postemployment benefits. In 2018 the Council adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB) which establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB.

See Note 16 for further details about this OPEB plan.

Q. Deferred Outflows and Inflows of Resources (Related to Debt Refundings)

In prior years the Council's Reduction and Transfer Fund issued refunding debt which resulted in the defeasance of old debt issues. The difference between the reacquisition price (amount required to repay the previously issued old debt) and the net carrying amount of the old debt is reported as a deferred outflow of resources or deferred inflow of resources and recognized as a component of interest expense in future periods. Accordingly, the Reduction and Transfer Fund report debt redemption costs of $87,900 as a deferred outflow of resources. At year end $74,000 of amortization was charged to interest expense for the year.

R. Equity Classifications

Government-wide Statements and Proprietary Fund Statements
Equity is classified as net position and displayed in the three components:

a) Net investment in capital assets- Consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c) Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

At December 31, 2025 $3,356,550 of the Council's restricted net position was required by enabling legislation.

At December 31, 2025, the Council's unrestricted net position (deficit) of ($19,613,223) includes the effect of the $4,108,693 of deferred inflows of resources related to OPEB and $466,769 of deferred inflows of resources related to pensions, which will be recognized as a reduction of the unrestricted net deficit in future years.

Fund Financial Statements

Governmental fund equity is classified by five categories: nonspendable, restricted, committed, assigned and unassigned.

a.) Nonspendable - represents those portions of fund equity that cannot be spent because they are not in spendable form or because they are legally or contractually required to be maintained intact.

b.) Restricted - represents those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

c.) Committed - represents those portions of fund equity that can be used only for specific purposes pursuant to constraints imposed by formal action of the Council's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through formal adoption of an ordinance (other than the annual budget ordinance) by the Council

d.) Assigned – represents those portions of fund equity that are constrained by the Council's intent through budget ordinance to be used for specific purposes, but are neither restricted nor committed.

e.) Unassigned – This classification is the residual fund balance for the General Fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the General fund.

The Council considers amounts to have been expended first out of committed funds, followed by assigned funds, and then unassigned funds when expenditures are incurred for purposes for which funds of any unrestricted fund balance classifications have been used.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Interfund Transfers

Permanent reallocations of resources between funds of the Council are classified as interfund transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds are generally eliminated. Three of the Council's non-major governmental funds, which are substantially funded by Federal grants, operate based upon the grant year which ends within the Council's normal December 31 year end. Occasionally a transfer to one of these three funds to or from another of the Council's funds will occur between their yearend and December 31. In this case, amounts of transfers in and transfers out will differ by the amount of the inter-period transfer.

T. Reclassification

Certain items have been reclassified in order to make these financial statements more meaningful and comparative.

U. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make certain estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

V. New GASB Pronouncements

The GASB has issued its Statement No. 102 "*Certain Risk Disclosures*" which provides users of governmental financial statements with essential information about risk related to governments current vulnerabilities.

This pronouncement is in effect for the Council for the year 2025. Management has determined there is no significant effect of this Statement on the financial statements.

W. Future Accounting Changes

The GASB issued its Statement No. 103 "*Financial Report Model Improvements*" which. improves key components of the financial reporting model to enhance its effectiveness in providing information essential to decision making and assessing a government's accountability. The pronouncement will be effective for the Council for the year 2026. Management has not yet determined the effects of this statement.

The GASB issued its Statement No. 104 "*Disclosure of Certain Capital Assets*" which provides users of governmental financial statements with essential information about certain types of capital assets. The pronouncement will be effective for the Council for the year 2026. Management has not yet determined the effects of this statement.

NOTE 2 - FUND DEFICITS

The following individual fund of the Council had a deficit fund balance at year end:

Fund	Amount
Nonmajor Funds:	
Jail Operating and Maintenance Fund	$(122,881)
Major Funds:	
Road Construction & Maintenance Fund	(4,811,725)
Capital Improvement Fund	(2,411,173)

The deficits in the Road Construction & Maintenance, Capital Improvement, and Jail Operating and Maintenance Funds will be funded by future revenues or transfers into the fund.

NOTE 3 - EXPENDITURES - EXCESS OF ACTUAL OVER APPROPRIATED

Actual expenditures exceeded appropriated expenditures by a significant amount in the following for 2025:

Major Fund	Actual	Budget	Unfavorable Variance
Road Construction & Maintenance Fund	$3,633,669	$3,298,982	$(334,687)

NOTE 4 – SIGNIFICANT BUDGET REVENUE SHORTFALL

During 2025 actual revenue received by the following funds was significantly less than the actual budgeted.

	Budgeted Revenue	Actual Revenue	Shortfall
Major Funds			
Road Construction & Maintenance Fund	$5,941,147	$2,925,158	$3,015,989

Failure to amend the budget is a violation of Louisiana Revised Statutes.

NOTE 5 - TAXES

Sales Taxes

The Council administers a Sales Tax Department that is responsible for the collection and distribution of various sales and use taxes levied within the parish. The Department has agreements with the Council, the school board and various municipalities, whereby they agree to reimburse the Department for the cost of collections of the taxes.

The proceeds from the one per cent sales and use tax received by the Council are used for construction and maintenance of roads, construction and maintenance of navigation channels, and water and flood control projects, acquiring and improving public works and buildings, supplementing salaries of all parish employees, operation of recreational facilities, acquisition, maintenance and repair of vehicles and machinery, and funding bonds. The proceeds of the tax are deposited in the Sales Tax Bond Sinking Debt Service Fund.

NOTE 5 – TAXES (continued)

The proceeds from the three-fourths of one per cent sales and use tax received by the Council are used for construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewerage disposal works, facilities for pollution control and abatement, and funding bonds issued for these purposes. The proceeds of the tax are deposited in the Sanitation Special Revenue Fund.

The proceeds from the three-tenths of one per cent sales and use tax received by the Council are used within Wards 1, 2, 3, 4, 5, 7, 8, and 10 of the parish for acquiring and maintaining electric lights on streets, roads, alleys and public places, acquiring, improving and extending public works, including drainage and water control extensions, acquiring, constructing, improving and maintaining fire protection facilities, public safety facilities and equipment, recreational facilities, and public health facilities and equipment. The proceeds of the tax are deposited in the Wards 5 and 8 Special Revenue Fund and in the Wards 1, 2, 3, 4, 7, and 10 Special Revenue Fund.

The proceeds from the one-half of one percent sales and use tax received by the Council are used solely for the purposes of paying the cost of operating and maintaining jail facilities and minimum security facilities of the Parish, including the cost of feeding, transporting and clothing prisoners and providing medical care. The proceeds of the tax are deposited in the Jail Operating and Maintenance Special Revenue Fund.

Ad Valorem Taxes

Ad valorem taxes are assessed on a calendar year basis in September or October of each year. The taxes become due and payable by December 31 and become delinquent on January 1. Notices regarding seizures are sent out in April with the seizure date being May 1. The taxes are collected on behalf of the Council by the Sheriff and then remitted to the Council. Most ad valorem taxes are received by the Council in December, January and February.

For 2025, the Council levied the following ad valorem taxes.

Purpose	Millage
Parish tax for defraying the expenses of the Council and other legal purposes	7.60
Criminal Justice System Tax helping to defray the expense of the Criminal Justice System	3.80
Library – Debt Service Only	.46

NOTE 6 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Council does not have a formal investment policy related to interest rate risk (the risk of an investment decreasing in value due to increasing interest rates).

In addition, the Council does not have a formal investment policy related to credit risk (including concentrations of credit). However, the Council does follow state law as to limitations on types of deposits and investments as described below.

The Council does not invest in any investments subject to foreign currency risk.

Cash and cash equivalents

Under state law the Council may deposit its funds with certain state and federally chartered financial institutions. These deposits are required to be insured or collateralized by the financial institutions.

At December 31, 2025 the carrying amount of the Council's cash was $2,858,175 and the bank balance was $2,511,399. A portion of these balances was covered by federal depository insurance. The uninsured portion of $1,291,150 is subject to custodial credit risks and was collateralized with securities held by the pledging financial institutions.

Investments

Under state law the Council may invest in certain federal or federally guaranteed securities, certain bank time certificates of deposit, mutual or trust funds, and in the Louisiana Asset Management Pool (LAMP). LAMP is a 2A7-like external investment pool operated to allow local government to pool their investment funds. LAMP is not registered with the SEC as an investment company. LAMP is subject to regulatory oversight of the Louisiana State Treasurer and the LAMP board of directors. LAMP share values for the pool are valued at fair value based on quoted market rates determined on a weekly basis. The value of the Council's investment in LAMP is the same as the net asset values of its pool shares.

The following is a summary of investments held by the Council at December 31, 2025.

	Amount	Percentage of Total Investments
U.S. Government Securities	$1,010,070	95%
LAMP (rated AAAm by Standard & Poors)	57,507	5%
	$1,067,577	100%

As of December 31, 2025, the Council had the following investments and maturities:

		Investment Maturities (in years)	
Investment Type	Fair Value	Less than 1	1 - 5
U.S. Agencies	$1,010,070	$606,312	$403,758

LAMP determines its maturities 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. The WAM for LAMP's total investments is 73 days as of December 31, 2025.

The Council categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72, "Fair Value Measurement and Application". The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Council has the following recurring fair value measurements as of December 31, 2025:

- U.S. Government securities of $1,010,070 are valued using quoted market prices (Level 1 inputs)

NOTE 7 - RECEIVABLES

Receivables at December 31, 2025, are as follows:

	Governmental Funds					
	Major					
	General Fund	Road Const. & Maint. Fund	Sanitation Fund	Capital Improvement Fund	Total Nonmajor Governmental Funds	Total Governmental Receivables
Accounts	$ 436,073	$ 96,764	$ 331,466	$ 230,943	$ 23,008	$ 1,118,254
Total	$ 436,073	$ 96,764	$ 331,466	$ 230,943	$ 23,008	$ 1,118,254

	Nonmajor			
	Jail Operating & Maintenance Fund	Housing Program	16th JDC St. Mary Parish Drug Court	Total Nonmajor Governmental Funds
Accounts	$ 10,806	$ 11,672	$ 530	$ 23,008
Total	$ 10,806	$ 11,672	$ 530	$ 23,008

	Enterprise Funds			
	Reduction and Transfer Fund	Small Animal Control Fund	Kemper Williams Park Fund	Total Enterprise Funds Receivables
Accounts	$ 518,950	$ 505	$ 11,478	$ 530,933
Total	$ 518,950	$ 505	$ 11,478	$ 530,933

All receivables are net of allowances for uncollectible accounts which are immaterial.

NOTE 8 - ADVANCES TO/FROM OTHER FUNDS

Advances to/from other funds as of December 31, 2025 consisted of the following:

	Funds Advance due to					
Funds Advance due from	Sanitation	Reduction and Transfer	Kemper Williams	Combined Sewer	Non Major Governmental Funds	Total
General Fund	$ -	$ -	$ -	$ -	$ 1,981,261	$ 1,981,261
Road Construction & Maintenance	2,031,033	568,435	56,686		2,048,138	4,704,292
Capital Improvement		4,774,554		-	-	4,774,554
Combined Sewer				371,758		371,758
Non Major Governmental	-	-	-	-	120,290	120,290
Subtotal	$ 2,031,033	$ 5,342,989	$ 56,686	$ 371,758	$ 4,149,689	$ 11,952,155
Reduction and Transfer		1,294,324	266,416	-	1,579,575	3,140,315
Small Animal Control	-	-	-	-	170,140	170,140
Total	$ 2,031,033	$ 6,637,313	$ 323,102	$ 371,758	$ 5,899,404	$ 15,262,610

Advances between funds primarily arise as follows:

The Council maintains a comingled cash account and periodically one fund temporarily borrows amounts from the other funds to cover expenditures.

NOTE 9 - INTERFUND TRANSFERS

Interfund transfers in for the year ended December 31, 2025, consisted of the following:

TRANSFER TO	TRANSFER FROM		
Major Governmental Funds:			
General Fund	Sanitation Fund	$ 50,000	
	Sales Tax Bond Sinking Fund	1,550,000	
	Gaming Receipt Fund	460,000	
Total General Fund			2,060,000
Combined Sewer Construction Fund	Sanitation Fund		60,000
Road Construction & Maintenance	Gaming Receipt Fund	200,000	
	Sanitation Fund	400,000	
	Sales Tax Wards 1, 2, 3, 4, 7, & 10	25,000	
	Sales Tax Wards 5 & 8	25,000	
Total Road Construction & Maintenance			650,000
Total Transfers In - Major Governmental Funds			$ 2,770,000
Non Major Governmental Funds:			
Jail Operating & Maintenance Fund	General Fund	$ 80,000	
	Gaming Receipt Fund	845,000	
			925,000
3/4% Sales Tax Bond Sinking Fund	Sanitation Fund		270,000
Certificate of Indebtedness Sinking Fund	Road Construction & Maintenance	1,368,000	
	Sanitation Fund	128,000	
Total Certificate of Indebtedness Sinking Fund			1,496,000
GOMESA Debt Service Fund	Road Construction & Maintenance		1,043,782
Total Transfers In - Non Major Governmental Funds			3,734,782
Total Transfers In - Governmental Funds			$ 6,504,782
Business-type Activities:			
Reduction and Transfer Fund	Sanitation Fund		$ 350,000
Small Animal Control Fund	General Fund		300,000
Kemper Williams Park Fund	General Fund		280,000
Total Transfers In - Business-type Activities			$ 930,000
Total Transfers In			$ 7,434,782

NOTE 9 - INTERFUND TRANSFERS (continued)

Interfund transfers out for the year ended December 31, 2025, consisted of the following:

TRANSFER FROM	TRANSFER TO		
Major Governmental Funds:			
General Fund	Road Construction & Maitenance Fund	$ 200,000	
	Jail Operating & Maintenance Fund	80,000	
	Small Animal Control Fund	300,000	
	Kemper Williams Park Fund	280,000	
Total General Fund			860,000
Road Construction & Maintenance Fund	Excess Revenue Bond Sinking Fund	1,368,000	
	GOMESA Debt Service Fund	1,020,901	
Total Road Construction & Maintenance Fund			2,388,901
Sanitation Fund	General Fund	50,000	
	Road Construction Fund	400,000	
	Reduction and Transfer Fund	200,000	
	Solid Waste Bond Sinking Fund	150,000	
	Combined Sewer Construction Fund	60,000	
	3/4% Sales Tax Bond Sinking Fund	270,000	
	Excess Revenue Bond Sinking Fund	128,000	
Total Sanitation Fund			1,258,000
Capital Improvement Fund	GOMESA Debt Service Fund		22,881
Total Transfers Out - Major Governmental Funds			$ 4,529,782
Non Major Governmental Funds:			
Gaming Receipt Fund	General Fund	460,000	
	Jail Operating & Maintenance Fund	845,000	
Total Gaming Receipt Fund			1,305,000
Sales Tax Wards 1, 2, 3, 4, 7, & 10	Road Construction & Maintenance		25,000
Sales Tax Wards 5 & 8	Road Construction & Maintenance		25,000
Sales Tax Bond Sinking Fund	General Fund		1,550,000
Total Transfers Out- Non Major Governmental Funds			2,905,000
Total Transfers Out			$ 7,434,782

Transfers are used to:

Move revenues from the fund, that the budget ordinance requires to collect them to the fund that the budget ordinance requires to expend them,

Move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and

Use excess unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

To transfer any assets and liabilities remaining in a fund which has ceased operations to a fund continuing to operate.

NOTE 10 - DUE TO/FROM COMPONENT UNITS

Due from component units at December 31, 2025 consists of the following:

Payable to	Due From	Amount	
Major Funds:			
General Fund	Atchafalaya Golf Course Commission	$ 684,362	*
		684,362	
Combined Sewer Construction Fund	St. Mary Parish Water & Sewer Comm. No. 5	216,891	*
	St. Mary Parish Water & Sewer Comm. No. 4	178,799	*
		395,690	
Total due from component units		$ 1,080,052	

*The portion not expected to be repaid currently is shown as non-spendable portion of fund balance in the General Fund and Combined Sewer Construction Fund balance sheets.

NOTE 11 - FIXED ASSETS

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets not being depreciated					
Land	$ 1,919,874	$ -	$ -	$ -	$ 1,919,874
Construction in progress	5,827,694	$ 4,136,930	$ -	$ (1,763,651)	8,200,973
Total capital assets not being depreciated	7,747,568	4,136,930	-	(1,763,651)	10,120,847
Other capital assets:					
Right-of-use lease - equipment	26,176		(13,678)	-	12,498
Right-of-use lease - land	234,565	-	-	-	234,565
Right-of-use lease - improvements	1,346	5,958	-	-	7,304
Right-of-use lease - vehicles	419,266	289,048	(34,289)	-	674,025
Infrastructure	160,143,503	-	-	-	160,143,503
Building	20,100,401	-	-	-	20,100,401
Equipment and furniture	16,681,925	5,000	(81,937)	-	16,604,988
Improvements	39,906,760	97,784	-	1,763,651	41,768,195
Total other capital assets at historical cost	237,513,942	397,790	(129,904)	1,763,651	239,545,479
Less accumulated depreciation and amortization for					
Right-of-use lease - equipment	(13,911)	(6,749)	13,678	- -	(6,982)
Right-of-use lease - land	(102,872)	(34,291)	-	-	(137,163)
Right-of-use lease - improvements	(1,135)	(475)		-	(1,610)
Right-of-use lease - vehicles	(208,819)	(121,757)	34,289	-	(296,287)
Infrastructure	(92,737,259)	(4,147,827)	-	-	(96,885,086)
Building	(14,064,288)	(427,815)	-	-	(14,492,103)
Equipment and furniture	(15,005,853)	(470,113)	81,937	-	(15,394,029)
Improvements	(23,424,939)	(1,632,278)	-	-	(25,057,217)
Total accumulated depreciation	(145,559,076)	(6,841,305)	129,904	-	(152,270,477)
Other capital assets, net	91,954,866	(6,443,515)	-	1,763,651	87,275,002
Governmental capital assets, net	$ 99,702,434	$ (2,306,585)	$ -	$ -	$ 97,395,849
Business-type activities:					
Capital assets not being depreciated					
Construction in progress	$ -	$ -	$ -	$ -	$ -
Land	2,052,372	-	-	-	2,052,372
Land Improvements	1,710,164	-	-	-	1,710,164
Total capital assets not being depreciated	3,762,536	-	-	-	3,762,536
Other capital assets:					
Right-of-use lease - equipment	4,504	-	(4,504)	-	-
Right-of-use lease - vehicles	259,489	-	-	-	259,489
Buildings	5,571,364	-	-	-	5,571,364
Equipment	10,084,457	21,097	(2,801)	-	10,102,753
Improvements	24,019,924	-	-	-	24,019,924
Total other capital assets at historical cost	39,939,738	21,097	(7,305)	-	39,953,530
Less accumulated depreciation and amortization for					
Right-of-use lease - equipment	(4,162)	(342)	4,504	-	-
Right-of-use lease - vehicles	(165,380)	(58,069)	-	-	(223,449)
Buildings	(4,788,071)	(64,291)		(45,647)	(4,898,009)
Equipment	(9,086,452)	(325,009)	2,801	-	(9,408,660)
Improvements	(10,535,452)	(736,619)	-	45,647	(11,226,424)
Total accumulated depreciation	(24,579,517)	(1,184,330)	7,305	-	(25,756,542)
Other capital assets, net	15,360,221	(1,163,233)	-	-	14,196,988
Business-type activities capital assets, net	$ 19,122,757	$ (1,163,233)	$ -	$ -	$ 17,959,524

Depreciation and amortization expenses were charged to function as follows:

Governmental activities:	
General government	$ 965,867
Public safety	1,439,320
Public works	3,109,470
Health and welfare	152,144
Culture and recreation	1,174,504
Total governmental activities depreciation expense	$ 6,841,305
Business type activities:	
Reduction and Transfer	$ 1,066,498
Kemper William Park	50,074
Small Animal Control	67,758
Total business-type activities depreciation expense	$ 1,184,330

NOTE 12 - LONG TERM DEBT

As of December 31, 2025, the governmental long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Governmental Activities:

As of December 31, 2025, the governmental long-term debt of the Council consisted of the following:

Public Improvement Sales Tax Bonds

$2,500,000 of General Obligation Bonds, Series 2009, were issued March 1, 2009, to improve, construct and acquire buildings, equipment, and books for the parish libraries, outside the City of Morgan City. The bonds bear interest at 3.8 to 4.0 percent and are payable through the year 2029. These bonds are to be retired from ad valorem taxes. Although the Council is servicing these bonds, the St. Mary Parish Library Fund will be expending the proceeds and will also be transferring ad valorem taxes to the Council to service the debt. These bonds are being paid from the St. Mary Parish Library General Obligation '96 Sinking Fund	$720,000
$3,960,000 Taxable Public Improvement Sales Tax Refunding Bonds, Series 2020 proceeds were issued February 27, 2020. The proceeds along with $633,803 from the Debt Service Reserve Fund and $29,299 from the Debt Service Fund was used to partially advance refund $4,325,000 of outstanding Public Improvement Sales Tax Bonds, Series 2011. The bonds bear interest of 1.80% to 2.54% and are payable through 2031 are being retired from the Sales Tax Bond Sinking Fund.	$2,755,000
Plus original issue premium, amortized on a straight line basis	62,576
$1,500,000 of Public Improvement Sales Tax Bonds, Series 2020A was issued February 27, 2020 for the purpose of acquiring, constructing, improving, maintaining and repairing roads, capital improvements, public works and buildings, including the acquisition of necessary fixtures, equipment, furnishings and appurtenances bonds bear interest at 2.07 percent being retired from the Sales Tax Bond Sinking Fund and are payable through 2031.	820,000
$1,000,000 of Taxable Public Improvement Sales Tax Bonds, Series 2021 was issued July 1, 2021 for the purpose of improving, equipping and furnishing the Parish jail facilities. The bonds bear interest of 2.28% and are payable through 2031 and are being retired from the Sales Tax Bond Sinking Fund.	650,000

NOTE 12 - LONG TERM DEBT (continued)

$19,500,000 of Limited Tax Revenue Bonds, Series 2021 were issued on April 16, 2021 to provide debt service savings the purpose of refunding the Series 2018 and 2019 Bonds The bonds bear interest at 2.95% and are payable through 2039. These bonds are being retired from the Certificates of Indebtedness Sinking Fund.	15,685,000
$11,500,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (St. Mary Parish GOMESA Project) Series 2019 Bonds were issued on July 23, 2019. These bonds were issued for the purpose of coastal restoration and other activities and endeavors permitted under the provisions of GOMESA. The bonds bear interest at 4.40% and are payable through 2045. These bonds are being retired from GOMESA Debt Service Fund with GOMESA revenues received each year.	9,205,000
Accrued compensated absences-all noncurrent	232,000
Total Governmental Activity Debt	$30,129,576

Business-type Activities:

As of December 31, 2025, the long-term debt payable from proprietary fund resources consisted of the following:

$6,010,000 of Solid Waste Sales Refunding Tax Bonds, Series 2017, were issued on July 13, 2017 for the purpose of constructing and acquiring improvements at the parish landfill. The certificates bear interest of 1.75 to 5 percent and are payable through the year 2028. The bonds are to be retired from the three-fourths percent sales tax and excess operating revenues from the landfill and are to be paid from the Reduction and Transfer Fund	$3,395,000
Plus original issue premium	97,124
Total Enterprise Indebtedness	$3,492,124

NOTE 12 - LONG TERM DEBT (continued)

At December 31, 2025, $22,365,000 of outstanding bonds are considered defeased.

The Council is subject to certain affirmative and negative covenants pursuant to its bond and debt agreements. These covenants include but are not limited to:

1 Establishment and funding of certain debt service funds
2 Preparation and adoption of budgets
3 Preparation and independent audit of financial statements
4 Restriction as to additional debt issuance
5 Restriction as to investments

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Bonds payable:					
General obligation Debt	$ 5,865,000		$ (920,000)	$ 4,945,000	$ 820,000
Revenue bonds	26,715,000		(1,825,000)	24,890,000	1,270,000
Original issue premium	86,376	-	(23,800)	62,576	23,800
Total bonds payable	32,666,376	-	(2,768,800)	29,897,576	2,113,800
Other liabilities:					
Compensated absences	234,000		(2,000)	232,000	-
Lease obligation payable	993,008	295,006	(365,179)	922,835	341,351
Total other liabilities	1,227,008	295,006	(367,179)	1,154,835	341,351
Governmental activities long-term liabilities	$ 33,893,384	$ 295,006	$ (3,135,979)	$ 31,052,411	$ 2,455,151
Business-type Activities					
Bonds payable:					
Landfill debt	$ 4,425,000	$ -	$ (1,030,000)	$ 3,395,000	$ 1,080,000
Original issue premium	161,124	-	(64,000)	97,124	64,000
Total bonds payable	4,586,124	-	(1,094,000)	3,492,124	1,144,000
Other liabilities:					
Lease obligation payable	569,726	-	(164,960)	404,766	143,219
Business-type activities long-term liabilities	$ 5,155,850	$ -	$ (1,258,960)	$ 3,896,890	$ 1,287,219

NOTE 12 - LONG TERM DEBT (continued)

Debt Maturity

Debt service requirements (excluding compensated absences and premiums or discounts) at December 31, 2025 were as follows:

	Governmental Activities - Bonds			
Year Ended	General Obligation		Revenue Bonds	
December 31,	Principal	Interest	Principal	Interest
2026	820,000	120,298	1,270,000	899,551
2027	845,000	99,806	1,315,000	856,496
2028	875,000	78,262	1,355,000	811,970
2029	905,000	55,646	1,400,000	765,973
2030	735,000	35,470	1,450,000	718,430
2031-2035	765,000	18,336	8,030,000	2,816,426
2036-2040	-	-	8,185,000	1,361,450
2041-2044	-	-	1,885,000	328,020
Total	$ 4,945,000	$ 407,818	$ 24,890,000	$ 8,558,316

	Business-type Activities Solid Waste	
	Landfill Debt	
	Principal	Interest
2026	1,080,000	125,500
2027	1,130,000	75,650
2028	1,185,000	23,700
	$ 3,395,000	$ 224,850

	Council's Total Debt		
2026	3,170,000	1,145,349	4,315,349
2027	3,290,000	1,031,952	4,321,952
2028	3,415,000	913,932	4,328,932
2029	2,305,000	821,619	3,126,619
2030	2,185,000	753,900	2,938,900
2031-2035	8,795,000	2,834,762	11,629,762
2036-2040	8,185,000	1,361,450	9,546,450
2041-2044	1,885,000	328,020	2,213,020
	$ 33,230,000	$ 9,190,984	$ 42,420,984

NOTE 13- LEASES

In a prior year, the Council entered into 5 long-term, 5 year, lease purchase agreements for construction equipment totaling $1,704,586.

These agreements qualify as contracts that transfer ownership for accounting purposes and therefore do not qualify as GASB 87 Leases. The obligation was recorded at the present value of the future minimum lease payments as of the lease inception.

As of December 31, 2025, the equipment acquired with these lease purchase agreements is reported at $495,986 ($920,389 less $424,403 for accumulated amortization) for Governmental Activities and $521,737 ($664,027 less $142,290 for accumulated amortization) for Business-Type Activities in the Statement of Net Position as equipment and furniture.

In the year 2025, $127,549 and $47,430 of amortization was taken on the equipment.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2025 is as follows:

Year ending December 31	Governmental Activities	Business-Type Activities	Total
2026	$198,694	$138,720	$ 337,414
2027	198,694	263,745	462,439
2028	57,483	--	57,483
Total minimum lease payments	$454,871	$402,465	$857,336
Less: Interest portion	(32,283)	(35,717)	(68,000)
Present value of minimum lease payments	$422,588	$366,748	$789,336

NOTE 13 - LEASES (continued)

Leases Payable

For the year ended 12/31/2025, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2025, St. Mary Parish, LA had 34 active leases. The leases have payments that range from $135 to $51,900 and interest rates that range from 0.0000% to 3.4450%. As of 12/31/2025, the total combined value of the lease liability is $538,265, the total combined value of the short-term lease liability is $193,179. The combined value of the right to use asset, as of 12/31/2025 of $1,187,881 with accumulated amortization of $665,492 is included within the Lease Class activities table found below. The leases had $0 of Variable Payments and $0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of Fiscal Year-end	
Asset Class	Lease Asset Value	Accumulated Amortization
Equipment	$ 12,498	$ 6,982
Vehicles	933,514	519,737
Land	234,565	137,163
Land Improvements	7,304	1,610
Total Leases	$ 1,187,881	$ 665,492

Principal and Interest Requirements to Maturity

	Business-Type Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 28,253	$ 410	$ 28,663
2027	6,852	187	7,039
2028	2,913	20	2,933
	$ 38,018	$ 617	$ 38,635

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 164,926	$ 9,753	$ 174,679
2027	127,161	6,494	133,655
2028	109,742	4,057	113,799
2029	64,577	1,830	66,407
2030	31,429	272	31,701
2031 - 2034	2,412	36	2,448
	$ 500,247	$ 22,442	$ 522,689

NOTE 13 - LEASES (continued)

Leases Receivable

For the year ended 12/31/2025, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 12/31/2025, St. Mary Parish, LA had 5 active leases. The leases have receipts that range from $4,075 to $265,200 and interest rates that range from 0.7360% to 2.5360%. As of 12/31/2025, the total combined value of the lease receivable is $752,195, the total combined value of the short-term lease receivable is $272,010, and the combined value of the deferred inflow of resources is $357,629. The leases had $0 of Variable Receipts and $0 of Other Receipts, not included in the Lease Receivable, within the Fiscal Year.

Principal and Interest Expected to Maturity

	Business-Type Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 15,725	$ 115	$ 15,840

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 256,285	$ 15,590	$ 271,875
2027	480,186	11,709	491,895
	$ 736,471	$ 27,299	$ 763,770

NOTE 14 - VENTURES WITH OTHER GOVERNMENTS

The Council is participating in an agreement with the City of Franklin (City) for the operation of sewerage facilities for the City and surrounding Parish areas. The City government operates the system including budgetary and financial matters and the Council does not participate in the operation or management of the system. The Council reimburses the City for thirty percent of the operating costs. The Council, in turn, is reimbursed for 33% of its share by St. Mary Parish Water and Sewer Commission No. 4. The fiscal year for the project ends April 30, 2025.

Total revenues for the year ended April 30, 2025, were approximately $168,000; total expenditures were approximately $327,000. Separate balance sheet amounts are not readily available at year end.

The City maintains separate financial information for this project, which is included in its financial report for the year ended April 30, 2025, which is available from the Chief Financial Officer of the City of Franklin.

The City, Parish, and the St. Mary Parish Consolidated Drainage District No. 1 (District) have agreed to set up a fund for maintenance of the Yokely Pumping Station. Each of the three is to place in a Capital Maintenance Fund money in the amount of $3,333 per year until the amount reaches the sum of $50,000. At any time the fund falls below $50,000 each entity is to replenish the fund on the same equal basis up to $50,000. The District is in charge of overseeing the Capital Maintenance Fund. The District maintains separate financial information for this project, which is included in its financial report for the year ended September 30, 2025, which is available from the Clerk of the St. Mary Parish Council. Total revenues for the year ended September 30, 2025, were approximately $7,000; total expenditures were approximately $2,600. At September 30, 2025, total assets were approximately $27,000 and the total fund balance was approximately $17,500.

In 2009 the City, the Council, and the District entered into intergovernmental agreement with the State of Louisiana to fund Phase II of the Yokely Project. The total estimated cost of engineering and construction of this phase of the project is $1,723,494, with the State's share being 90% of the cost or $1,551,145 and the local share of the project being 10% or $172,350. The City, the Council, and the District are each responsible for one-third of the local share. The Council has made payments totaling approximately $531,000 through 2025, which includes construction, engineering, legal, and right of way costs incurred prior to beginning construction. The City is in charge of overseeing the project until completion and will maintain financial information on the project which will be available from the City's Chief Financial Officer.

The Council entered into an agreement with Franklin City Court to provide 34% of the operation expenses for the Court and Marshal's office. The Council's share totaled approximately $150,000 in 2025.

NOTE 15 - PENSION PLAN

Plan Description

The Council contributes to the Parochial Employees' Retirement System of Louisiana Plan A (PERS-A), a cost-sharing, multiple-employer defined benefit public employee retirement system administered by a Board of Trustees. The System was established and provided for by the Louisiana Revised Statutes (LRS).

Benefits Provided

PERS-A provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. All permanent employees who work at least 28 hours a week may become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Retirement Benefits
Members can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:
1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:
1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

The monthly retirement allowance consists of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits
Upon the death of any member with five or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member who is eligible for normal retirement at time of death, the surviving spouse shall receive benefits, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve months immediately preceding death of the member, shall be paid benefits beginning at age 50.

NOTE 15 - PENSION PLAN (continued)

Deferred Retirement Option Plan.
Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for members who are eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, members who are eligible to retire may elect to participate in DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the DROP account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

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

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

NOTE 15 - PENSION PLAN (continued)

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

Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2024, the actuarially determined contribution rate was 7.34% of member's compensation. However, the actual rate for the fiscal year ending December 31, 2024 was 11.50%. Contributions to the Pension Plan from the Council were $460,878 for the year ended December 31, 2025.

According to state statute, the System also receives ¼ of 1.00% of ad valorem taxes collected within the respective parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

At December 31, 2025, the Council reported a liability (asset) of ($545,635) for its proportionate share of the net pension liability (asset). The net pension liability was measured as of December 31, 2024, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Council's proportion of the net pension liability (asset) was based on a projection of the Council's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2024, the Council's proportion was 0.542582%, which was a decrease of 0.09094% from its proportion measured as of December 31, 2023. For the year ended December 31, 2025, the Council recognized pension expense (benefit) of $477,763. The Council recognized revenue of $56,657 as its proportionate share of non-employer contributions for the year ended December 31, 2025.

NOTE 15 - PENSION PLAN (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$332,977	$47,430
Changes of assumptions		60,040
Net difference between projected and actual investment earnings on pension plan investments		359,299
Change in proportion and differences between fund's contributions and proportionate share of contributions	57,298	
Fund's contributions subsequent to the measurement date	426,495	
	$816,770	$466,769

The Council's amount reported as deferred outflows of revenues from contributions subsequent to the measurement date will be recognized as a reduction of net pension liability (or an increase in net pension asset) in the year ended December 31, 2026.

NOTE 15 - PENSION PLAN (continued)

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

Year Ending December 31:	
2026	$228,145
2027	503,978
2028	(537,855)
2029	(270,762)

Actuarial Assumptions

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

Valuation Date	December 31, 2024
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40% (Net of investment expense including inflation)
Expected Remaining Service lives	4 years
Projected Salary Increases	4.75% (2.45% Merit/2.30% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by130% for males and 125% for females using MP2021 scale for disabled annuitants.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2018 through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females each with full generational projection using the MP 2021 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

NOTE 15 - PENSION PLAN (continued)

***Actuarial Assumptions* (continued)**

The investment rate of return was 6.40% for Plan A at December 31, 2024. The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the Capital Asset Pricing Model, (CAPM) (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.13% for the year ended December 31, 2024.

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

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

Discount Rate

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

NOTE 15 - PENSION PLAN (continued)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the participating employers calculated using the discount rate of 6.40%, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate:

	1% Decrease (5.40%)	Current Discount Rate (6.40%)	1% Increase (7.40%)
Council's Proportionate Share of Net Pension Liability (Asset)	$2,784,552	($545,635)	($3,340,940)

Payables to the Pension Plan

The Council recorded no accrued liabilities payable to the System for the year ended December 31, 2025.

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2024. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

NOTE 16 –OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan description – The St. Mary Parish Council (the Council) provides certain continuing health care and life insurance benefits for its retired employees. The St. Mary Parish's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Council. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Council. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. For the few employees not covered by that system, the same retirement eligibility has been assumed.

NOTE 16 –OTHER POSTEMPLOYMENT BENEFITS (continued)

Employees covered by benefit terms – At December 31, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	88
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	103
	191

Total OPEB Liability

The Parish's total OPEB liability of $8,982,602 was measured as of December 31, 2025 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.75%, including inflation
Discount rate	4.08% annually (Beginning of Year to Determine ADC) 4.83%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Getzen model, with initial trend of 5.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2025, the end of the applicable measurement period.

Mortality rates were based on the Pub-2010 Headcount Weighted, increased 30% for males and 25% for females, each with full generational projection using the MP-2021 scale.

The actuarial assumptions used in the December 31, 2025 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2025.

Changes in the Total OPEB Liability

Balance at December 31, 2024	$9,657,448
Changes for the year:	
Service cost	344,360
Interest	395,516
Differences between expected and actual experience	--
Changes in assumptions	(792,927)
Benefit payments and net transfers	(621,795)
Net changes	(674,846)
Balance at December 31, 2025	$ 8,982,602

NOTE 16 –OTHER POSTEMPLOYMENT BENEFITS (continued)

Changes of Assumptions. The discount rate as of December 31, 2024 was 4.08% and it changed to 4.83% as of December 31, 2025.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Parish, as well as what the Parish's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.83%) or 1-percentage-point higher (5.83%) than the current discount rate:

	1.0% Decrease (3.83%)	**Current Discount Rate (4.83%)**	**1.0% Increase (5.83%)**
Total OPEB liability	$ 10,065,295	$ 8,982,602	$ 8,078,554

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Parish, as well as what the Parish's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	**Current Trend (5.5%)**	**1.0% Increase (6.5%)**
Total OPEB liability	$ 7,919,792	$ 8,982,602	$ 10,286,249

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

For the year ended December 31, 2025, the Parish recognized OPEB expense of $(1,556,250). At December 31, 2025, the Parish 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	$644,740	$ (28,454)
Changes in assumptions	1,498,416	(4,080,239)
Total	$2,143,156	$ (4,108,693)

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

Years ending December 31:	
2026	$(1,882,909)
2027	(102,172)
2028	165,076
2029	(145,532)
2030	-

NOTE 17 - COMMITMENTS

In late 2016, the Council renewed an agreement with the Belle of Orleans, LLC (Belle), a riverboat casino approved by parish voters to be berthed in and operated in Amelia, Louisiana, as the Amelia Belle. In lieu of the Council imposing an admission fee upon the Belle's patrons, the Belle has agreed to pay fees to the Council based upon a percentage of its net gaming proceeds for a period of ten years. Presently, the fee is $1,400,000 annually.

In 2019, the Council issued $11,500,000 of GOMESA Revenue Bonds. The proceeds of the bond will be used for coastal restoration and other activities and endeavors permitted under the provisions of GOMESA. Through 2025 the Council has entered into approximately $11.3 million in contracts for work related to fourteen projects. Approximately $10.9 million was spent on these projects through 2025.

NOTE 18 - SOLID WASTE LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

The Council provides for the collection and disposal of garbage through the operation of the Reduction and Transfer Fund, an enterprise fund. As part of this operation, a landfill composed of five areas is maintained. The operation of the landfill is subject to certain federal and state regulations. In 1989, the Council ceased operating and closed approximately 40 acres of the landfill which composed areas one and two.

Area 4 was permitted in 2002 and began operations in 2008, it includes approximately 65 acres and is the main portion of the Parish landfill currently in operation. Area 3A which totals approximately 7 acres is restricted to receiving construction waste and debris and has been used primarily for debris from storms. Area 3 covers approximately 40 acres, in 2008 it reached capacity and was capped on an interim basis, it is now available for additional use.

Since the Council accepted solid wastes at the landfill site after October 1993, the Council will be responsible for meeting state and federal requirements on the portions of the landfill which operate after that time. Those requirements mandate not only rigid landfill closure requirements but also monitoring, remediation and containment requirements for thirty years after closure. For 2024 management, with the assistance of consulting engineers, has updated costs for closure of the landfill to be approximately $19,000,000. In 2025 the costs for postclosure care, monitoring, and containment have been updated to be approximately $4,512,000 (over thirty years). These updated costs for the current year are based upon inflationary factors.

GASB statement No. 18, which specifies the accounting method to be utilized by governments that operate landfills, became applicable to the Council's operations effective January 1, 1994. GASB No. 18 requires that landfills estimate the total cost of closure and post closure care. Further that the landfill recognize a portion of these estimated closure and postclosure costs over the operating life of the landfill. These closure and postclosure costs should be recognized as a liability and charged as an expense of operations of the landfill each year based upon the amount of landfill space utilized in that year as compared to the total available landfill space.

NOTE 18- SOLID WASTE LANDFILL CLOSURE AND POST CLOSURE CARE COSTS (continued)

GASB No. 18 also requires that current costs be adjusted when changes in closure or post closure care plans or landfill operating conditions increase or decrease the estimated costs. In addition changes in estimated cost should also account for inflationary factors. The current year estimates are based upon the inflationary changes and resulted an estimated increase in landfill closure costs of approximately $590,000 and in landfill post closure care costs of approximately $141,000 for a total increase of approximately $731,000 in ultimate landfill closure and post closure care costs over the life of the landfill. The Council recognized $731,000 in landfill closure costs during the current year based upon the amount of landfill space used.

As of December 31, 2025, the Council has recognized $12,515,000 as the total estimated closure and postclosure care costs based upon the actual utilization through yearend compared to estimated total available usable landfill space as follows: Area 3 - 77%, Area 3A - 21%, and Area 4 - 43%. This leaves approximately $10,930,000 of estimated closure and postclosure care costs remaining to be recognized in future years. It is estimated that the landfill will reach its capacity in approximately 30 years at the current rate of use.

Estimated costs for closure and post closure are based on estimated costs at the current time and under the current regulations. Future changes in inflation, technology, or regulating requirements could cause these estimated costs to increase or decrease.

The Council meets the federal and state financial assurance requirements for operations of landfills, under the financial test or "self-insurance" method. The Council has set aside approximately $6,330,000 in restricted assets for closure or post closure care costs, which is reported with restricted assets on the balance sheet of the Reduction and Transfer Fund.

NOTE 19 - RELATED PARTY

The Council received payment from the St. Mary Parish Sales Tax Department of approximately $30,000 for office rental payments in 2025.

The Council made the following payments from the Wards 5 & 8 Sales Tax Fund during the year:

St. Mary Parish Recreation District No. 3	$12,500
Wax Lake East Drainage District	2,700

The Council made a $5,000 payment to St. Mary Parish Recreation No. 5, from the Wards 1,2,3,4,7 & 10 Sales Tax Fund during the year.

The Council made grant payments of $250,000 to the Atchafalaya Golf Course during the year.

See Note 9 for the amounts payable to and receivable from Components at December 31, 2025.

NOTE 20 - RISK MANAGEMENT AND CONTINGENCIES

The Council is exposed to various risks of loss related to torts, theft or damage to assets, errors and omissions, injuries to employees and natural disasters. The Council has purchased commercial insurance to protect against loss from most of these perils. In addition, the Council provides certain medical and health care to parish prisoners. The Council has entered into a "Health Services Agreement" with a Commercial Health Care provider to provide certain medical care to prisoners on an ongoing basis for a monthly fee (a portion of which is reimbursed to the Council by the Sheriff). However, the Council is still responsible for the hospitalization and certain other serious medical problems of the prisoners. During 2025 the Council paid $758,000 and was reimbursed $280,000 by the Sheriff under this agreement. In 2025, the Council paid an additional $54,000 for hospitalization or other serious medical care.

There are no significant reductions in insurance coverages from prior years in the Council's insurance.

Settlements in the prior three years have not exceeded insurance coverages.

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act of 1996. Audits of prior years have not resulted in any significant disallowed costs; however, grantor agencies may provide for further examinations.

The Council is subject to several lawsuits. The Council intends to vigorously defend itself against these claims. Management and its legal counsel cannot yet predict the outcome of these matters. However management believes the Council's ultimate liability, if any, after insurance company and third party reimbursements would be immaterial. Accordingly, no liability is recorded in these financial statements for these claims.

REQUIRED SUPPLEMENTAL INFORMATION

ST. MARY PARISH COUNCIL

SCHEDULE OF THE COUNCIL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Parochial Employees Retirement System of Louisiana (Plan A)
as of December 31, 2024 (The Plan Measurement Date)

	12/31/24	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15
Council's Proportion of the net pension liability (asset)	0.542582%	0.633522%	0.769936%	0.832247%	0.877335%	0.092632%	0.940278%	0.918222%	0.99130%	1.10693%
Amount of council's Proportionate share of the net pension liability (asset)	$ (545,635)	$ 603,571	$ 2,963,321	$ (3,824,591)	$ (1,479,436)	$ 43,606	$ 4,173,289	$ (681,547)	$ 2,041,589	$ 2,913,768
Council's covered-employee payroll	3,817,755	4,217,657	4,704,844	5,416,484	5,144,082	5,434,112	5,724,217	5,586,519	6,080,187	6,346,977
Council's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-14.29%	14.31%	62.98%	-70.61%	-28.76%	0.80%	72.91%	-12.20%	33.58%	45.91%
Plan fiduciary net position as a percentage of the total pension liability	101.97%	98.03%	91.74%	110.46%	96.16%	99.89%	88.86%	101.98%	94.15%	92.23%

Unaudited

ST. MARY PARISH COUNCIL

SCHEDULE OF COUNCIL'S CONTRIBUTIONS
Parochial Employees Retirement System of Louisiana (Plan) A
For the Year Ended December 31, 2025

	12/31/25	12/31/24	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
Contractually required contribution	$ 460,878	$ 487,612	$ 539,085	$ 602,414	$ 663,522	$ 630,150	$ 624,921	$ 658,284	$ 698,309	$ 767,238
Contributions in relation to the contractualy required contribution	(460,878)	(487,612)	(539,085)	(602,414)	(663,522)	(630,150)	(624,921)	(658,284)	(698,309)	(767,238)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	3,917,146	3,817,755	4,217,657	4,704,844	5,416,484	5,144,082	5,434,112	5,724,217	5,586,519	6,080,187
Contribution as a percentage of covered employee payroll	11.77%	12.77%	12.78%	12.80%	12.25%	12.25%	11.50%	11.50%	12.50%	12.62%

Notes to Schedule:

Changes in Benefit Terms
There were no changes of benefit terms.

Changes in Assumptions

Fiscal Year ended December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Projected Salary Increase
2016	7.00%	7.00%	2.50%	5.25%
2017	7.00%	7.00%	2.50%	5.25%
2018	6.75%	6.75%	2.50%	5.25%
2019	6.50%	6.50%	2.40%	4.75%
2020	6.50%	6.50%	2.40%	4.75%
2021	6.40%	6.40%	2.30%	4.75%
2022	6.40%	6.40%	2.30%	4.75%
2023	6.40%	6.40%	2.30%	4.75%
2024	6.40%	6.40%	2.30%	4.75%
2025	6.40%	6.40%	2.30%	4.75%

Unaudited

ST. MARY PARISH COUNCIL

SCHEDULE OF CHANGES IN THE COUNCIL'S NET OPEB LIABILITY AND RELATED RATIOS

For the Year Ended December 31, 2025

	Year Ended December 31,							
Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 344,360	$ 357,676	$ 408,525	$ 476,137	$ 639,600	$ 543,106	$ 484,289	$ 544,183
Interest	395,516	363,762	384,541	443,084	409,315	603,786	672,022	604,744
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	279,586	-	1,474,257	1,030,559	(5,000,888)	924,737	(85,358)
Changes of assumptions	(792,927)	(1,847,205)	623,282	(13,012,471)	196,511	1,739,124	4,163,671	(1,661,026)
Benefit payments	(621,795)	(589,379)	(499,293)	(473,264)	(630,202)	(597,347)	(601,724)	(581,332)
Net change in total OPEB liability	(674,846)	(1,435,560)	917,055	(11,092,257)	1,645,783	(2,712,219)	5,642,995	(1,178,789)
Total OPEB liability - beginning	9,657,448	11,093,008	10,175,953	21,268,210	19,622,427	22,334,646	16,691,651	17,870,440
Total OPEB liability - ending	$ 8,982,602	$ 9,657,448	$ 11,093,008	$ 10,175,953	$ 21,268,210	$ 19,622,427	$ 22,334,646	$ 16,691,651
Covered-employee payroll	$ 3,747,559	$ 3,577,622	$ 4,431,000	$ 4,230,072	$ 5,682,299	$ 5,463,749	$ 5,552,373	$ 5,338,820
Net OPEB liability as a percentage of covered-employee payroll	239.69%	269.94%	250.35%	240.56%	374.29%	359.14%	402.25%	312.65%

Notes to Schedule:

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

Benefit Changes. There were no changes of benefit terms for the year ended December 31, 2025, 2024, 2023, 2022, 2021, 2020, 2019 and 2018.

Changes of Assumptions. The discount rate as of 12/31 was:

2025 4.83%
2024 4.08%
2023 3.26%
2022 3.72%
2021 2.06%
2020 2.12%
2019 2.94%
2018 4.10%

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

Unaudited

SUPPLEMENTARY INFORMATION NON-MAJOR GOVERNMENTAL FUNDS

ST. MARY PARISH COUNCIL
COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS
By Governmental Fund Type

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are earmarked for expenditures for specified purposes.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs.

ST. MARY PARISH COUNCIL

Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
December 31, 2025

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 99,554	$ 1,305,967	$ 1,405,521
Investments	24,901	8,589	33,490
Receivables (net of allowances for uncollectibles)	23,008		23,008
Due from other governments	463,050	693,677	1,156,727
Advance to other funds	3,292,651	1,819,559	5,112,210
Total assets	$ 3,903,164	$ 3,827,792	$ 7,730,956
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
Liabilities			
Accounts payable	$ 375,427	$ -	$ 375,427
Accrued liabilities	1,001		1,001
Unearned revenue	19,431		19,431
Advance from other funds	10,289	110,001	120,290
Total liabilities	406,148	110,001	516,149
Deferred inflows of resources related to debt	-	-	-
Total liabilities and deferred inflows	406,148	110,001	516,149
Fund equity			
Fund balances			
Restricted for			
Use in specific geographic areas	2,831,692		2,831,692
Debt services		2,036,228	2,036,228
Assigned for			
General Government	201,838		201,838
Public safety	261,258		261,258
Culture & recreation	260,282		260,282
Health & welfare	64,827		64,827
Debt services		1,681,563	1,681,563
Unassigned	(122,881)		(122,881)
Total fund equity	3,497,016	3,717,791	7,214,807
Total liabilities, deferred inflows, and fund equity	$ 3,903,164	$ 3,827,792	$ 7,730,956

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

ST. MARY PARISH COUNCIL

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ending December 31, 2025

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes			
Sales and use	$ 2,108,537	$ 2,390,521	$ 4,499,058
Ad Valorem		254,910	254,910
Intergovernmental revenues			
Federal	649,357		649,357
State	210,401		210,401
Local	280,432		280,432
Riverboat fees	1,400,000		1,400,000
Licenses & Permits	35,530		35,530
Fees, Charges, & Commission	170,466		170,466
Investment earnings & interest	16,127	63,578	79,705
Other revenues	600		600
Total revenues	4,871,450	2,709,009	7,580,459
EXPENDITURES			
Current:			
General government	69,864		69,864
Public safety	2,368,034		2,368,034
Public works	268,352		268,352
Culture & Recreation	115,076		115,076
Health & Welfare	238,517		238,517
Urban redevelopment & housing	565,544		565,544
Debt service			
Principal		2,745,000	2,745,000
Interest		1,031,693	1,031,693
Fees		7,019	7,019
Total expenditures	3,625,387	3,783,712	7,409,099
Excess (deficiency) of revenues over (under) expenditures	1,246,063	(1,074,703)	171,360
OTHER FINANCING SOURCES (USES)			
Operating transfers in	925,000	2,809,782	3,734,782
Operating transfers out	(1,355,000)	(1,550,000)	(2,905,000)
Total other financing sources (uses)	(430,000)	1,259,782	829,782
Excess of revenues and other sources over expenditures and other uses	816,063	185,079	1,001,142
Fund balance at beginning of year as restated	2,680,953	3,532,712	6,213,665
Fund balance at end of year	$ 3,497,016	$ 3,717,791	$ 7,214,807

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

ST. MARY PARISH COUNCIL

COMBINING FINANCIAL STATEMENTS & BUDGETARY COMPARISON SCHEDULES
NON-MAJOR SPECIAL REVENUE FUNDS

GAMING RECEIPT FUND

The Gaming Receipt Fund is used to account for money received under an agreement with the Amelia Belle Riverboat Casino.

WITNESS FEE FUND

The Witness Fee Fund is used to account for monies received for court costs and fines related to cases in St. Mary Parish. Funds are used to pay witness fees related to Parish court cases.

JUROR COMPENSATION FUND

The Juror Compensation Fund is used to account for monies received related to juror compensation fees and paid for jury costs for cases in St. Mary Parish.

WARDS 5 & 8 SALES TAX FUND

The Wards 5 and 8 Sales Tax Fund accounts for the proceeds of the three-tenths of one percent sales and use tax levied within Wards 5 and 8 to acquire and maintain lights, public works, fire protection, recreational, and health facilities.

WARDS 1, 2, 3, 4, 7, & 10 SALES TAX FUND

The Wards 1, 2, 3, 4, 7, and 10 Sales Tax Fund accounts for the proceeds of the three-tenths of one percent sales and use tax levied within these wards to acquire and maintain lights, public works, fire protection, recreational, and health facilities.

JAIL OPERATING AND MAINTENANCE FUND

The Jail Operating fund is used to account for the proceeds of the one-half of one percent sales and use tax levied in St. Mary Parish to be used solely for the purposes of paying the cost of operating and maintaining jail facilities and minimum security facilities of the Parish.

16th JDC - ST. MARY PARISH DRUG COURT FUND

The 16th JDC - St. Mary Parish Drug Court fund accounts for the operation of the adult and juvenile outpatient drug court program funded by federal and state grants from the Louisiana Supreme Court.

JOB READINESS PROGRAM FUND

The Job Readiness Program Fund is used to account for Federal and State funds received for the purpose of providing work readiness training and job development/placement for drug court clients and inmates in the Sixteenth Judicial District.

BOAT LANDING PERMITS FUND

The Boat Landing Permits Fund accounts for funds received from the sale of permits and launch fees to users of the various boat landings located throughout St. Mary Parish.

HOUSING PROGRAM

The Housing Program administers the Section 8 Housing Program which covers all of St. Mary Parish, excluding Morgan City.

DWI COURT

The DWI Court Fund is used to increase public safety by ensuring DWI offenders are held accountable for their behavior.

DWI COURT - PATIENT FEE FUND

The DWI Court Patient Fee Fund is used to account for fees received and other expenses related to participants in the DWI Court Program.

ST. MARY PARISH COUNCIL

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2025

ASSETS	Gaming Receipt Fund	Witness Fee Fund	Juror Compensation Fund	Wards 5 & 8 Sales Tax Fund	Wards 1,2,3,4,7 &10 Sales Tax Fund	Jail Operating & Maint. Fund	16th JDC-St. Mary Parish Drug Court	Job Readiness Program Fund
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,506
Investments	141			23,309	873	$ 320		
Accounts receivable						10,806	$ 530	
Due from other governments				140,408	81,296	231,145	10,201	
Advance to other funds	178,033	101,071	100,767	1,475,841	1,139,801		53,176	
Total assets	$ 178,174	$ 101,071	$ 100,767	$ 1,639,558	$ 1,221,970	$ 242,271	$ 63,907	$ 4,506
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY								
Liabilities								
Accounts payable	$ -	$ -	$ -	$ 9,948	$ 19,470	$ 335,432	$ 10,448	$ -
Accrued liabilities					418		583	
Unearned revenue						19,431		
Advance from other funds						10,289		
Total liabilities	-	-	-	9,948	19,888	365,152	11,031	-
Deferred inflows of resources								
Total liabilities and deferred inflows	-	-	-	9,948	19,888	365,152	11,031	-
Fund equity (deficit)								
Fund balances (deficits)								
Restricted for use in specific geographic areas				1,629,610	1,202,082			
Assigned for								
General government		101,071	100,767					
Public safety	178,174							
Culture & Recreation								
Health & Welfare							52,876	4,506
Unassigned						(122,881)		
Total fund equity (deficit)	178,174	101,071	100,767	1,629,610	1,202,082	(122,881)	52,876	4,506
Total liabilities, deferred inflows, and fund equity	$ 178,174	$ 101,071	$ 100,767	$ 1,639,558	$ 1,221,970	$ 242,271	$ 63,907	$ 4,506

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

ST. MARY PARISH COUNCIL

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2025

ASSETS	Boat Landing Permit Fund	Housing Program	DWI Court	DWI Court - Patient Fee	Total Nonmajor Special Revenue Funds
Cash and cash equivalents	$ 16,062	$ 67,721	$ 3,820	$ 7,445	$ 99,554
Investments	258				24,901
Accounts receivable		11,672			23,008
Due from other governments					463,050
Advance to other funds	243,962				3,292,651
Total assets	$ 260,282	$ 79,393	$ 3,820	$ 7,445	$ 3,903,164
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY					
Liabilities					
Accounts payable	$	$ 129	$ -	$ -	$ 375,427
Accrued liabilities					1,001
Unearned revenue					19,431
Advance from other funds					10,289
Total liabilities	-	129	-	-	406,148
Deferred inflows of resources					-
Total liabilities and deferred inflows	-	129	-	-	406,148
Fund equity (deficit)					
Fund balances (deficits)					
Restricted for use in specific geographic areas					2,831,692
Assigned for					
General government					201,838
Public safety		79,264	3,820		261,258
Culture & Recreation	260,282				260,282
Health & Welfare				7,445	64,827
Unassigned					(122,881)
Total fund equity (deficit)	260,282	79,264	3,820	7,445	3,497,016
Total liabilities, deferred inflows, and fund equity	$ 260,282	$ 79,393	$ 3,820	$ 7,445	$ 3,903,164

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

ST. MARY PARISH COUNCIL

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ending December 31, 2025

	Gaming Receipt Fund	Witness Fee Fund	Juror Compensation Fund	Wards 5 & 8 Sales Tax Fund	Wards 1,2,3,4,7 &10 Sales Tax Fund	Jail Operating & Maint. Fund	16th JDC-St. Mary Parish Drug Court	Job Readiness Program Fund
REVENUES								
Taxes								
Sales and use	$ -	$ -	$ -	$ 449,557	$ 533,792	$ 1,125,188	$ -	$ -
Intergovernmental revenues								
Federal							28,472	
State							210,401	
Local						280,432		
Riverboat fees	1,400,000							
Licenses & Permits								
Fees, Charges, & Commission		57,309	50,788			1,977	6,261	
Investment earnings & interest	954			5,406	6,938	1,974		
Other revenues	500				100			
Total revenues	1,401,454	57,309	50,788	454,963	540,830	1,409,571	245,134	-
EXPENDITURES								
Current:								
General government	699	43,625	25,540					
Public safety					37,523	2,330,511		
Public works				120,817	147,535			
Culture & Recreation				12,500	98,203			
Health & Welfare					6,778		231,739	
Urban redevelopment & Housing								
Capital outlay								
Total expenditures	699	43,625	25,540	133,317	290,039	2,330,511	231,739	-
Excess (deficiency) of revenues over (under) expenditures	1,400,755	13,684	25,248	321,646	250,791	(920,940)	13,395	
OTHER FINANCING SOURCES								
Operating transfers in						925,000		
Operating transfers out	(1,305,000)			(25,000)	(25,000)			
Total other financing sources (uses)	(1,305,000)	-	-	(25,000)	(25,000)	925,000	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	95,755	13,684	25,248	296,646	225,791	4,060	13,395	-
Fund balance (deficits) at beginning of year	82,419	87,387	75,519	1,332,964	976,291	(126,941)	39,481	4,506
Fund balance (deficits) at end of year	$ 178,174	$ 101,071	$ 100,767	$ 1,629,610	$ 1,202,082	$ (122,881)	$ 52,876	$ 4,506

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

ST. MARY PARISH COUNCIL

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ending December 31, 2025

	Boat Landing Permit Fund	Housing Program	DWI Court	DWI Court - Patient Fee Fund	Total Nonmajor Special Revenue Funds
REVENUES					
Taxes					
Sales and use	$ -	$ -	$ -	$ -	$ 2,108,537
Intergovernmental revenues					
Federal		620,885			649,357
State					210,401
Local					280,432
Riverboat fees					1,400,000
Licenses & Permits	35,530				35,530
Fees, Charges, & Commission	54,131				170,466
Investment earnings & interest	535	320			16,127
Other revenues					600
Total revenues	90,196	621,205	-	-	4,871,450
EXPENDITURES					
Current:					
General government					69,864
Public safety					2,368,034
Public works					268,352
Culture & Recreation	4,373				115,076
Health & Welfare					238,517
Urban redevelopment & Housing		565,544			565,544
Capital outlay					
Total expenditures	4,373	565,544	-	-	3,625,387
Excess (deficiency) of revenues over (under) expenditures	85,823	55,661			1,246,063
OTHER FINANCING SOURCES					
Operating transfers in					925,000
Operating transfers out					(1,355,000)
Total other financing sources (uses)	-	-	-	-	(430,000)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	85,823	55,661	-	-	816,063
Fund balance (deficits) at beginning of year	174,459	23,603	3,820	7,445	2,680,953
Fund balance (deficits) at end of year	$ 260,282	$ 79,264	$ 3,820	$ 7,445	$ 3,497,016

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Gaming Receipt Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Riverboat fees	$ 1,400,000	$ 1,400,000	$ 1,400,000	$ -
Investment earnings & interest	500	500	954	454
Other revenues			500	500
Total revenues	1,400,500	1,400,500	1,401,454	954
EXPENDITURES				
Current:				
General government	500	500	699	(199)
Public safety	95,000	95,000		95,000
Total expenditures	95,500	95,500	699	94,801
Excess (deficiency) of revenues over (under) expenditures	1,305,000	1,305,000	1,400,755	95,755
OTHER FINANCING SOURCES (USES)				
Operating transfers out				
General Fund	(460,000)	(460,000)	(460,000)	-
Jail Operating & Maintenance Fund	(845,000)	(845,000)	(845,000)	-
Total other financing sources (uses)	(1,305,000)	(1,305,000)	(1,305,000)	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	-	95,755	95,755
Fund balance at beginning of year	10,000	82,419	82,419	-
Fund balance at end of year	$ 10,000	$ 82,419	$ 178,174	$ 95,755

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Witness Fee Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Fees, Charges, & Commission	$ 40,000	$ 52,000	$ 57,309	$ 5,309
Total revenues	40,000	52,000	57,309	5,309
EXPENDITURES				
Current:				
General government				
Witness Fees	5,500	5,500	2,615	2,885
Payment to 16th JDC Crimnal Court Fund	34,500	41,010	41,010	-
Total expenditures	40,000	46,510	43,625	2,885
Excess (deficiency) of revenues over (under) expenditures	-	5,490	13,684	8,194
Excess (deficiency) of revenues sources over (under) expenditures and other uses	-	5,490	13,684	8,194
Fund balance at beginning of year	80,000	87,387	87,387	-
Fund balance at end of year	$ 80,000	$ 92,877	$ 101,071	$ 8,194

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Juror Compensation Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Fees, Charges, & Commission	$ 40,000	$ 40,000	$ 50,788	$ 10,788
Total revenues	40,000	40,000	50,788	10,788
EXPENDITURES				
Current:				
General government	40,000	40,000	25,540	14,460
Total expenditures	40,000	40,000	25,540	14,460
Excess (deficiency) of revenues and other sources over (under) expenditures	-	-	25,248	25,248
Fund balance at beginning of year	45,000	75,519	75,519	-
Fund balance at end of year	$ 45,000	$ 75,519	$ 100,767	$ 25,248

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Wards 5 & 8 Sales Tax Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales and use	$ 320,000	$ 370,000	$ 449,557	$ 79,557
Investment earnings & interest	6,000	6,000	5,406	(594)
Total revenues	326,000	376,000	454,963	78,963
EXPENDITURES				
Current:				
General government	2,500	2,500		2,500
Public safety				
Fire fighting	10,000	10,000		10,000
Public works				
Street lighting	90,000	102,000	110,094	(8,094)
Wax Lake East Drainage District	10,000	10,000	2,700	7,300
Bayou Vista Area Sidewalks	23,000	23,000	8,023	14,977
Culture & Recreation				
Town of Berwick	3,000	3,000		3,000
Recreation District #3	50,000	50,000	12,500	37,500
Recreation District #4	20,000	20,000	-	20,000
Other	90,500	500		500
Total expenditures	299,000	221,000	133,317	87,683
Excess (deficiency) of revenues over (under) expenditures	27,000	155,000	321,646	166,646
OTHER FINANCING SOURCES (USES)				
Operating transfer out				
Road Construction & Maintenance	(25,000)	(25,000)	(25,000)	-
Capital Improvement Fund	-	(53,500)	-	(53,500)
Total other financing sources (uses)	(25,000)	(78,500)	(25,000)	(53,500)
Excess (deficiency) of revenues over (under) expenditures and other uses	2,000	76,500	296,646	113,146
Fund balance at beginning of year	744,621	1,332,964	1,332,964	-
Fund balance at end of year	$ 746,621	$ 1,409,464	$ 1,629,610	$ 113,146

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Wards 1, 2, 3, 4, 7, & 10 Sales Tax Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales and use	$ 440,000	$ 515,000	$ 533,792	$ 18,792
Investment earnings & interest	6,000	6,000	6,938	938
Other revenues			100	100
Total revenues	446,000	521,000	540,830	19,830
EXPENDITURES				
Current:				
Public safety				
Baldwin Police Dept.	-		5,000	(5,000)
Fire fighting	50,523	50,523	32,523	18,000
Public works				
Sidewalks & crosswalks				-
Street lighting	122,000	134,000	147,535	(13,535)
Culture & Recreation				
Elizabeth B. Davis Park	43,481	43,481	30,607	12,874
Hebert-Washington Park	105,701	105,701	36,657	69,044
City of Franklin	3,334	3,334	3,333	1
St. Joseph Recreation Area	2,000	2,000	1,611	389
Recreation District #5		5,000	5,000	-
Recreation District #7	15,000	15,000	-	15,000
Sorrell Park	1,500	1,500	462	1,038
Centerville Park	19,539	19,539	20,468	(929)
Enrichment Programs	5,000	5,000	-	5,000
Other	650	650	65	585
Health & Welfare				
General Assistance	5,000	5,000	6,778	(1,778)
Total expenditures	373,728	390,728	290,039	100,689
Excess (deficiency) of revenues over (under) expenditures	72,272	130,272	250,791	120,519
OTHER FINANCING SOURCES (USES)				
Operating transfers out				
Road Construction and Maintenance Fund	(25,000)	(25,000)	(25,000)	-
Total other financing sources (uses)	(25,000)	(25,000)	(25,000)	-
Excess (deficiency) of revenues over (under) expenditures and other uses	47,272	105,272	225,791	120,519
Fund balance at beginning of year	589,136	976,291	976,291	-
Fund balance at end of year	$ 636,408	$ 1,081,563	$ 1,202,082	$ 120,519

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Jail Operating & Maintenance Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes				
Sales and use	$ 1,100,000	$ 1,100,000	$ 1,125,188	$ 25,188
Local				
Sheriff	300,000	300,000	280,432	(19,568)
Fees, Charges, & Commission	3,000	3,000	1,977	(1,023)
Investment earnings & interest	1,000	1,000	1,974	974
Total revenues	1,404,000	1,404,000	1,409,571	5,571
EXPENDITURES				
Current:				
Public safety				
Administration	512,000	512,000	532,536	(20,536)
Adult Correctional Institution	1,783,500	1,783,500	1,766,637	16,863
Cost for Juvenile Prisoners	10,000	10,000	8,890	1,110
Adult Correctional Institution - Morgan City Jail	20,000	20,000	22,448	(2,448)
Total expenditures	2,325,500	2,325,500	2,330,511	(5,011)
Excess (deficiency) of revenues over (under) expenditures	(921,500)	(921,500)	(920,940)	560
OTHER FINANCING SOURCES				
Operating transfers in				
General Fund	80,000	80,000	80,000	-
Gaming Receipt Fund	845,000	845,000	845,000	-
Total other financing sources	925,000	925,000	925,000	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	3,500	3,500	4,060	560
Fund balance at beginning of year	500	500	(126,941)	(127,441)
Fund balance at end of year	$ 4,000	$ 4,000	$ (122,881)	$ (126,881)

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
16th JDC - St. Mary Parish Drug Court
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Federal grant	$ 22,560	$ 22,560	$ 28,472	$ 5,912
State grant	210,000	210,000	210,401	401
Patient fees	4,000	4,000	6,261	2,261
Total revenues	236,560	236,560	245,134	8,574
EXPENDITURES				
Current				
Health and welfare				
Personal services and benefits	85,595	85,595	75,517	10,078
Operating services	1,000	1,000	3,000	(2,000)
Supplies	500	500	1,293	(793)
Professional services	150	150	257	(107)
PMT to Odyssey House	145,315	145,315	151,672	(6,357)
Travel	2,000	2,000		2,000
Total expenditures	234,560	234,560	231,739	2,821
Excess (deficiency) of revenues over (under) expenditures	2,000	2,000	13,395	11,395
Fund balance (deficit) at beginning of year	-	-	39,481	39,481
Fund balance (deficit) at end of year	$ 2,000	$ 2,000	$ 52,876	$ 50,876

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Job Readiness Program Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Fees, Charges, & Commission	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Health & Welfare	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance at the beginning of year	-	-	4,506	(4,506)
Fund balance at the end of year	$ -	$ -	$ 4,506	$ (4,506)

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Boat Landing Permit Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses & permits	$ 20,000	$ 33,000	$ 35,530	$ 2,530
Fees, Charges, & Commission	35,500	35,500	54,131	18,631
Investment earnings & interest	200	200	535	335
Total revenues	55,700	68,700	90,196	21,496
EXPENDITURES				
Current:				
Culture & Recreation	3,200	3,200	4,373	(1,173)
Capital outlay	50,700	5,000		5,000
Total expenditures	53,900	8,200	4,373	3,827
Excess (deficiency) of revenues and other sources over (under) expenditures	1,800	60,500	85,823	25,323
Fund balance at beginning of year	90,000	174,459	174,459	-
Fund balance at end of year	$ 91,800	$ 234,959	$ 260,282	$ 25,323

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
Housing Program
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Federal grants	$ 594,775	$ 594,775	$ 620,885	$ 26,110
Investment earnings & interest			320	320
Other revenues	-	-	-	-
Total revenues	594,775	594,775	621,205	26,430
EXPENDITURES				
Housing assistance and administrative	594,775	594,775	565,544	29,231
Total expenditures	594,775	594,775	565,544	29,231
Excess (deficiency) of revenues over (under) expenditures	-	-	55,661	55,661
Fund balance at beginning of year	-	-	23,603	23,603
Fund balance at end of year	$ -	$ -	$ 79,264	$ 79,264

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
DWI Court
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Final Budget Positive (Negative)
REVENUES				
Federal grant	$ -	$ -	$ -	$ -
Total Revenue	-	-	-	-
EXPENDITURES				
Health & welfare	-	-	-	-
Total Expenditure	-	-	-	-
Excess of (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance at beginning of year	-	-	3,820	3,820
Fund balance (deficit) at end of year	$ -	$ -	$ 3,820	$ 3,820

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

ST. MARY PARISH COUNCIL

Budgetary Comparison Schedule
DWI Court - Patient Fee Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Fees, charges, & commission	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
EXPENDITURES				
Health & Welfare	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance at beginning of year	-	-	7,445	7,445
Fund balance at end of year	$ -	$ -	$ 7,445	$ 7,445

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

ST. MARY PARISH COUNCIL
COMBINING FINANCIAL STATEMENTS
NON MAJOR - DEBT SERVICE FUNDS

SALES TAX BOND SINKING FUND

The Sales Tax Bond Sinking Fund accounts for the Council's share of a one percent sales tax which is to be used for the retirement the 2011 bond issue totaling $6,865,000, the 2020 bond issue totaling $3,960,000, the 2020A bond issue totaling $1,500,000, and the 2021 bond issue totaling $1,000,000. Any amounts accumulated in excess of debt service requirements can be used by the parish for any lawful purpose.

SALES TAX BOND RESERVE FUND

The Sales Tax Bond Reserve Fund is a reserve fund required by the 2011 $6,865,000 bond issue indenture.

THREE-FOURTHS PERCENT SALES TAX BOND RESERVE FUND

The Three-Fourths Percent Sales Tax Bond Reserve Fund is a reserve fund required by the 2012 $3,890,000 bond issue, and the 2015 $2,190,000 Sales Tax Refunding Bond Issue.

THREE-FOURTHS PERCENT SALES TAX BOND SINKING FUND

The Three-Fourths Percent Sales Tax Bond Sinking Fund accumulates that portion of the three-fourths percent sales tax needed for the payment of 2012 $3,890,000 bond issue, and 2015 $2,190,000 Sewerage Sales Tax Refunding Bond Issue.

ST. MARY PARISH LIBRARY SINKING FUND

The Library General Obligation Sinking Fund accounts for the receipt of ad valorem taxes and payment of the 2009 $2,500,000 of general obligation bonds.

CERTIFICATES OF INDEBTEDNESS SINKING FUND

This fund accounts for the transfer of revenues for the repayment of the $600,000 Certificates of Indebtedness Series 2011, the $19,095,000 Limited Tax Revenue Bonds Series 2021, and the $600,000 Certificates of Indebtedness Series 2020.

GOMESA DEBT SERVICE RESERVE FUND

The GOMESA Debt Service Reserve Fund is a reserve fund required by the $11,500,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (St. Mary Parish GOMESA Project), Series 2019.

GOMESA DEBT SERVICE FUND

The GOMESA Debt Service Fund accounts for receipts and transfers of GOMESA revenues for the repayment of the $11,500,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (St. Mary Parish GOMESA Project), Series 2019.

ST. MARY PARISH COUNCIL

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2025

	Sales Tax Bond Sinking Fund	Sales Tax Bond Reserve Fund	3/4% Sales Tax Bond Reserve Fund	3/4% Sales Tax Bond Sinking Fund	St. Mary Parish Library Sinking Fund	Certificates of Indebtedness Sinking Fund	GOMESA Debt Service Reserve Fund	GOMESA Debt Service Fund	Total Nonmajor Debt Service Funds
ASSETS									
Cash and cash equivalents	$ 327,500	$ -	$ -	$ -	$ 147,100	$ -	$ 584,723	$ 246,644	$ 1,305,967
Investments	7,023	250	2	910	404				8,589
Due from other governments	504,447				189,230				693,677
Advance to other funds	151,447	128,127	730,259	633,097		176,629			1,819,559
Total assets	$ 990,417	$ 128,377	$ 730,261	$ 634,007	$ 336,734	$ 176,629	$ 584,723	$ 246,644	$ 3,827,792
LIABILITIES AND FUND EQUITY									
Liabilities									
Advance from other funds	$ -	$ -	$ -	$ -	$ 110,001	$ -	$ -	$ -	$ 110,001
Total liabilities	-	-	-	-	110,001	-	-	-	110,001
Fund equity									
Fund balances									
Restricted for debt service	327,500		730,261		147,100		584,723	246,644	2,036,228
Assigned for debt service	662,917	128,377		634,007	79,633	176,629			1,681,563
Total fund equity	990,417	128,377	730,261	634,007	226,733	176,629	584,723	246,644	3,717,791
Total liabilities and fund equity	$ 990,417	$ 128,377	$ 730,261	$ 634,007	$ 336,734	$ 176,629	$ 584,723	$ 246,644	$ 3,827,792

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

ST. MARY PARISH COUNCIL

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ending December 31, 2025

	Sales Tax Bond Sinking Fund	Sales Tax Bond Reserve Fund	3/4% Sales Tax Bond Reserve Fund	3/4% Sales Tax Bond Sinking Fund	St. Mary Parish Library Sinking Fund	Certificate of Indebtedness Sinking Fund	GOMESA Debt Service Reserve Fund	GOMESA Debt Service Fund	Total Nonmajor Debt Service Funds
REVENUES									
Taxes									
Sales and use	$ 2,390,521	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,390,521
Ad Valorem	37,325				217,585				254,910
Investment earnings & interest	7,828	320	1,763	1,450	630	160	22,578	28,849	63,578
Total revenues	2,435,674	320	1,763	1,450	218,215	160	22,578	28,849	2,709,009
EXPENDITURES									
Debt service									
Principal	635,000			265,000	160,000	1,015,000		670,000	2,745,000
Interest	101,058			2,769	32,000	477,866		418,000	1,031,693
Fees	2,824			800	1,225	2,170			7,019
Total expenditures	738,882	-	-	268,569	193,225	1,495,036	-	1,088,000	3,783,712
Excess (deficiency) of revenues over (under) expenditures	1,696,792	320	1,763	(267,119)	24,990	(1,494,876)	22,578	(1,059,151)	(1,074,703)
OTHER FINANCING SOURCES (USES)									
Operating transfers in				270,000		1,496,000		1,043,782	2,809,782
Operating transfers out	(1,550,000)								(1,550,000)
Total other financing sources (uses)	(1,550,000)	-	-	270,000	-	1,496,000	-	1,043,782	1,259,782
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	146,792	320	1,763	2,881	24,990	1,124	22,578	(15,369)	185,079
Fund balance beginning of year	843,625	128,057	728,498	631,126	201,743	175,505	562,145	262,013	3,532,712
Fund balance at end of year	$ 990,417	$ 128,377	$ 730,261	$ 634,007	$ 226,733	$ 176,629	$ 584,723	$ 246,644	$ 3,717,791

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

GENERAL SUPPLEMENTARY INFORMATION

St. Mary Parish Council
Compensation Paid Council Members
For the Year Ended December 31, 2025

Council Members at Large	
Gwendolyn Hidalgo	$ 10,200
Kristie Prejean, MD	9,600
Dean Adams	9,600
Single Members:	
James Davis	5,400
Mark Duhon	5,400
Patrick Hebert	5,400
David Hill	5,400
J. Bertrand Ina	5,400
Craig Alonzo Mathews	5,400
Rodney Olander	5,400
Leslie Rulf	5,400
	$ 72,600

ST. MARY PARISH COUNCIL

Schedule of Compensation, Benefits, and Reimbursements to
Agency Head, Political Subdivision Head, or Chief Executive Officer
For the Year Ended December 31, 2025

Parish President: Sam Jones

Purpose	Amount
Salary	$ 12,000
Benefits-Insurance	7,800
Automobile allowance	14,400
Total	$ 34,200

Chief Administrative Officer: Paul Governale

Purpose	Amount
Salary	$ 122,723
Benefits-Insurance	7,767
Benefits-Retirement	13,500
Automoive allowance	9,600
Reimbursement-Travel	634
Total	$ 154,224

These amounts represent all compensation, benefits, and reimbursements for the year.

ST. MARY PARISH COUNCIL
Schedule of Insurance Policies In Force
For the Year Ended December 31, 2025

Coverage	Amounts of Limits	Policy Term	Company
Workers' Compensation and Employer's Liability	$1,000,000.00	01/01/25 - 01/01/26	LWCC
Ferry-Protection & Indemnity	$1,000,000.00	05/16/25 - 05/16/26	Price Forbes & Partners
Equipment Floater	$10,035,931.00	06/15/25 - 06/15/26	Continental Casualty Company
Boiler & Machinery	$33,800,000.00	06/15/25 - 06/15/26	Continental Casualty Company
Property - Burns Point Dwelling	$24,000.00	06/28/25 - 06/28/26	Louisiana Citizens
Airport Liability	$1,000,000.00	09/28/24 - 09/28/27	ACE Property and Casualty Insurance Company
Package Policy		12/31/24 - 12/31/25	
**General Liability (includes Employee Benefits Liability)		12/31/24 - 12/31/25	Obsidian Specialty
Per Occurrence	$2,000,000.00		
**Auto Liability Coverage		12/31/24 - 12/31/25	Obsidian Specialty
Per Accident	$2,000,000.00		
**Public Officials Liability		12/31/24 - 12/31/25	Obsidian Specialty
Per Occurrence	$2,000,000.00		
**Subject to Annual Aggregate Limit for General Liability, Auto Liability, & Public Officials Liability in the amount of $3,000,000			
Property	$61,068,320.00	06/15/25 -06/15/26	AXIS Surplus Ins. Co. Lloyd's of London Marine Insurance Company Ltd. Nautilus Insurance Co. StarStone Specialty Insurance James River Insurance Co. Kinsale Insurance Company Texas Insurance Company
Bond - Terry Foulcard	$5,000.00	12/14/24 - 12/14/25	Travelers
Bond - Name Schedule Bond	$50,000.00	03/01/25 - 03/01/26	Travelers
Bond - Parish President	$80,000.00	01/16/24 - 01/16/28	Western Surety
Bond - Paul Governale	$10,000.00	11/29/24 - 11/29/25	Travelers
Bond - Desiree V. Gros	$40,000.00	11/29/24 - 11/29/25	Travelers

ST. MARY PARISH COUNCIL

Justice System Funding Schedule (Cash Basis) - Receiving Entity
General Fund
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended December 31, 2025

		First Six Month Period Ended 06/30/25	Second Six Month Period Ended 12/31/25
Receipts From:			
Agency Name	Collection Type		
St. Mary Parish Sheriff	Criminal Court cost/fees	$ 15,146	$ 16,521
Subtotal Receipts		$ 15,146	$ 16,521

ST. MARY PARISH COUNCIL

Justice System Funding Schedule (Cash Basis) - Receiving Entity
Witness Fee Fund
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended December 31, 2025

		First Six Month Period Ended 06/30/25	Second Six Month Period Ended 12/31/25
Receipts From:			
Agency Name	Collection Type		
St. Mary Parish Sheriff	Criminal Court cost/fees	$ 27,982	$ 29,328
Subtotal Receipts		$ 27,982	$ 29,328

ST. MARY PARISH COUNCIL

Justice System Funding Schedule (Cash Basis) - Receiving Entity
Juror Compensation Fund
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended December 31, 2025

		First Six Month Period Ended 06/30/25	Second Six Month Period Ended 12/31/25
Receipts From:			
Agency Name	Collection Type		
St. Mary Parish Sheriff	Criminal Court cost/fees	$ 24,248	$ 26,541
Subtotal Receipts		$ 24,248	$ 26,541

SUPPLEMENTARY INFORMATION REQUIRED BY UNIFORM GUIDANCE

St. Mary Parish Council
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	GRANT NUMBER	PASS-THROUGH IDENTIFYING NUMBER	EXPENDITURES INCURRED
U.S. Department of the Interior				
Bureau of Land Management				
Office of the Secretary of the Interior				
Payments in Lieu of Taxes	15.226			$ 8,970
GoMESA	15.435			1,340,879
Total U.S. Department of Interior				1,349,849
U.S. Department of Housing and Urban Development				
Passed through Louisiana Office of Community Development Disaster Recovery Unit				
Housing - Federal Housing Commissioner				
Section 8 Housing Choice Vouchers	14.871			565,544
Total U.S. Department of Housing and Urban Development				565,544
U.S. Department of Transportation				
Airport Improvement Program	20.106			2,096,499
Passed through Louisiana Department of Culture Recreation and Tourism Office of State Parks				
Recreational Trails Program	20.219		(SEE NOTE 2)	126,455
Total U.S. Department of Transportation				2,222,954
U.S. Department of Treasury				
Pass through Office of Recovery Programs and Office of Gulf Coast Restoration				
Resources and Ecosystems Substainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RCDCGR420528-01-00		899,696
Total U.S. Department of Treasury				899,696

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR NAME/ PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH IDENTIFYING NUMBER	EXPENDITURES INCURRED
U.S. Department of Health and Human Services			
Passed through Louisiana Department of Health Office of Public Health Bureau of Community Preparedness			
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074		36,069
Passed through Louisiana Supreme Court Drug Court Office			
Temporary Assistance for Needy Families (TANF)	93.558		37,750
Passed through Louisiana Department of Health and Hospitals			
Total U.S. Department of Health and Human Services			73,819
Department of Homeland Security			
Passed through Governor's Office of Homeland Security and Emergency Preparedness			
Hazard Mitigation Grant	97.039	(SEE NOTE 3)	304,155
Passed through State of Louisiana Office of State Police			
Emergency Management Performance Grants	97.042		53,029
Homeland Security Grant Program	97.067		48,849 406,033
Total Department of Homeland Security			812,066
Total Primary Government Federal Financial Assistance			$ 5,923,928

The accompanying notes are an integral part of this schedule.

ST. MARY PARISH COUNCIL

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of activity of the Council's federal award programs presented on the basis of accounting in accordance with generally accepted accounting principles for fund accounting. In 2025, the Council did not charge nor allocate any indirect costs to federal awards.

NOTE 2 – DEPARTMENT OF TRANSPORTATION

Recreation Trails Program (ASSISTANCE LISTING NUMBER 20.219)
In the current year the Recreation Trail Program is funded 80% by federal funds. Total expenditures for the current year was $158,069 of which $126,455 qualifies for 80% reimbursement.

Airport Improvement Program (ASSISTANCE LISTING NUMBER 20.106)
In the current year, the Airport Improvement Program is funded 90% by federal funds total expenditures for the current year were $2,329,443 of which $2,096,499 qualifies for 90% reimbursement.

NOTE 3 – DEPARTMENT OF HOMELAND SECURITY

Hazard Mitigation Grant (ASSISTANCE LISTING NUMBER 97.039)

In the current year the Hazard Mitigation grant is funded 75% by federal funds. Total expenditures for the current year were $405,540 of which $304,155 qualifies for 75% reimbursement.

INTERNAL ACCOUNTING CONTROL AND COMPLIANCE AND OTHER MATTERS

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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

Chairman and Members of the Council
St. Mary Parish
Franklin, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund, Road Construction & Maintenance Fund, and Sanitation Fund of the St. Mary Parish Council (Council), as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the basic financial statements of the Council's primary government and have issued our report thereon dated October 27, 206.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings, responses, and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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, responses, and questioned costs as items 2025-002 and 2025-003.

St. Mary Parish Council's Response to Findings

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

Purpose of this Report

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

Pitte & Mat

CERTIFIED PUBLIC ACCOUNTANTS

October 27, 2026
Morgan City, Louisiana

PITTS & MATTE

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

Chairman and Members of the Council
St. Mary Parish
Franklin, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited St. Mary Parish Council's (Council) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended December 31, 2025. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings, responses, and questioned costs.

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

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

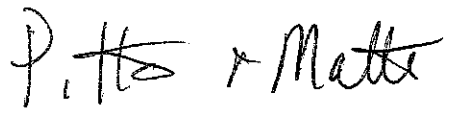
Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

October 27, 2026
Morgan City, Louisiana

ST. MARY PARISH COUNCIL
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
For the Year Ended December 31, 2025

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the St. Mary Parish Council's primary government.

2. One material weakness was disclosed during the audit of the primary government financial statements that are required to be reported in the Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

3. Two instances of noncompliance material to the primary government financial statements of the St. Mary Parish Council were disclosed during the audit

4. No findings related to the audit of major federal award programs are reported as material weaknesses in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for the St. Mary Parish Council expresses an unmodified opinion on all major federal programs.

6. No audit findings relative to the major federal award programs for the St. Mary Parish Council are reported in Part C of this Schedule.

7. The programs tested as major programs include:

   Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component Program (87.051)
   GoMesa (15.435)
   Airport Improvement Program (20.106)

8. The threshold for distinguishing types A and B programs was $1,000,000.

9. St. Mary Parish Council was not determined to be a low risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

INTERNAL CONTROL FINDINGS

MATERIAL WEAKNESS

ITEM NO. 2025-001 Failure to Collect Certain Fees

Auditor's Comments

Condition: The Council sets a fee for garbage pick up service at residences and small businesses that is to be billed and paid monthly. The Council does not have a system to send monthly bills to end users. Because of this, the Council has made agreements with various governmental entities (Water & Sewer Districts and municipalities) located in the Parish that normally bill their own customers on a monthly basis for utilities to also bill the Council's customers for the garbage pick up fee as well. The agreements with the other governments allows them to retain a small portion of the garbage pick up fee as compensation for performing this service. The other governments then pay to the Council the net fees collected on either a monthly or quarterly basis.

During the course of our audit procedures, we discovered that one governmental entity owed the Council approximately $599,000 at the end of 2025.

Criteria: The billing and collections agreements require the billing and collecting governments to remit the collected fees on a periodic agreed upon time frame.

A sound internal control system over collections of revenues should include a monitoring system to insure that all amounts due are collected when due.

Effect: Failure to properly monitor revenue collections on a periodic basis can result in lost revenues.

Cause: The Council's internal control system in place failed to recognize when payments were not received from the entity.

Recommendation: The Council should improve its monitoring of amounts owed to the Council by entities collecting revenues due to the Council. Further, the Council should put this collection procedure in this area in writing.

Management's Response:
We will fine tune our control system in place to ensure all garbage fees from the governmental entities (Water & Sewer Districts and municipalities) are received and management will be informed when entities fail to remit timely payments. The Council will put collections procedures in this area in writing. Subsequent to year end, some of these fees have been received.

INTERNAL CONTROL FINDING

NONCOMPLIANCE

ITEM NO. 2025-002 Budget Monitoring

Auditors' Comments

Condition: During the course of the audit for the year ended December 31, 2025, it was noted that some of the Parish's individual funds needed budget amendments that were not made.

Criteria: State Statute require that budgets be amended when actual revenues are less than budgeted revenues by five percent or more or actual expenditures exceed budgeted expenditures by five percent or more. These conditions are explained in detail below.

Effect: Failure to amend budgets to recognize anticipated shortfalls in funds prevents the governmental body from effectively curtailing projects and/or services in accordance with actual available resources.

Cause: Although the cause of the above condition was not fully determined the following appears to have a significant effect. Although the Parish makes accruals for payables and receivables at year end, adjustments are not made in the interim period. When significant differences exist between payables and receivables from year to year, the amount of funds that appear to be available or costs that appear to have been incurred can be distorted. Failure to recognize the effect of these differences can lead to variances between budgeted and actual activity.

Recommendation: The Council should fine tune its ongoing budget monitoring program to periodically consider accruals for major revenues and expenditures.

A more detailed description of the conditions and criteria is presented below:

Auditor's Detailed Comments

Notification was not made and the following budgets were not amended although actual revenues were less than budgeted revenues by five percent or more:

Funds	Actual Amount	Budgeted Amount	Variance	Percent
Road Construction & Maintenance Fund	$2,925,158	$5,941,147	$(3,015,989)	50.76%

Notification was not made and the following budgets were not amended although actual expenditures exceeded budgeted expenditures by five percent or more:

Funds	Actual Amount	Budgeted Amount	Variance	Percent
Road Construction & Maintenance Fund	$3,633,669	$3,298,982	$(334,687)	10.15%

Management's Response:

We continually monitor budgeted and actual amounts throughout the year and during the budget amendment process we strive to project amounts as close as possible to anticipated year end results. With the lead time required for ordinance introduction and layover, as prescribed in our Parish Charter, it is sometimes difficult to anticipate revenues through year end. We will continually monitor budget variances, especially close to year end, and recommended to the Council when variances exceed the percentages as specified in the State Statute.

ITEM NO. 2025-003 Fund Deficit

Auditor's Comments

Condition: During the course of the audit it was noted that three funds had a deficit fund balance.

Criteria: State statute prohibits expending amounts in excess of fund balance, revenues, and other financing sources.

Effect: Violation of state statute.

Cause: For the special revenue funds and major funds, the Council expended amounts in excess of fund balance, revenues, and other financing sources.

Recommendation: A detailed study should be made to develop additional or alternative funding sources or to consider reallocating existing funding.

The following fund was in violation of state statutes and had a deficit fund balance at year end:

Fund	Deficit Amount
Major Funds	
Road Construction & Maintenance Fund	$(4,811,725)
Capital Improvement Fund	(2,351,933)
Nonmajor Special Revenue Fund	
Jail Operating & Maintenance Fund	$(122,881)

Management's Response:
The deficit in the Road Construction & Maintenance, Capital Improvements, and Jail Operating & Maintenance Funds will be funded by future revenues or fund transfers.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

NONE

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RELATED CORRECTIVE ACTION PREPARED BY MANAGEMENT OF ST. MARY PARISH COUNCIL

Internal Control Weakness

Material Weakness

Item No. 2024-001 Failure to Collect Certain Fees

Condition: During the course of the prior year, it was discovered that two governmental entities failed to make certain payments to the Council during 2024.

Corrective Action: This has not been corrected.

Items of Noncompliance

Item No. 2024-002 Budget Monitoring

Condition: During the course of the audit for the year ended December 31, 2024, it was noted that several of the Parish's individual funds needed budget amendments that were not made.

Corrective Action: This has not been corrected.

Item No. 2024-003 Fund Deficits

Condition: During the course of the audit, it was noted that three funds had a deficit fund balance.

Corrective Action: This has not been corrected.

Item No. 2024-004 Failure to File Audit Report on Time

Condition: The Council's audit was not completed and furnished to the Louisiana Auditor within the required timeframe.

Corrective Action: This has been corrected.

Internal Control and Compliance Material to Federal Awards
NONE

ST. MARY PARISH GOVERNMENT

SAM JONES, PRESIDENT
FIFTH FLOOR - COURTHOUSE
FRANKLIN, LOUISIANA 70538-6198

PAUL J. GOVERNALE CPA, CGFO, CGFM
CHIEF ADMINISTRATIVE OFFICER

DIRECTOR OF FINANCE
DESIREE' V. GROS

DIRECTOR OF PERSONNEL
JILLIAN E. FISHER

DIRECTOR OF PLANNING AND ZONING
MANDI L. LEBLANC

DIRECTOR OF PUBLIC WORKS
JOHN "BOOKER" DAVIS

DIRECTOR OF ECONOMIC DEVELOPMENT
EVAN D. BOUDREAUX

DIRECTOR OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS
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OFFICE HOURS
8:00 A.M. TO 4:30 P.M. MON-THUR.
8:00 A.M. TO 12:00 P.M. FRI.

October 27, 2026

Mr. Michael Waguespack, CPA
Legislative Auditor, State of Louisiana
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Waguespack:

The St. Mary Parish Government respectfully submits the following corrective action plan relative to findings in the audit for the year ended December 31, 2025:

Findings – Financial Statement Audit
Material Weakness
Item No. 2025-001 Failure to Collect Certain Fees

Management's Response:
Subsequent to year end, the outstanding fees have been received. We will fine tune our control system in place to ensure all garbage fees from the governmental entities (Water & Sewer Districts and Municipalities) are received and management will be informed when entities fail to remit timely payments. The council will put collection procedures in this area in writing.

Noncompliance
Item No. 2025-002 Budget Monitoring

Management's Response:
We continually monitor budgeted and actual amounts throughout the year and during the budget amendment process we strive to project amounts as close as possible to anticipated year end results. With the lead time required for ordinance introduction and layover, as prescribed in our Parish Charter, it is sometimes difficult to anticipate revenues and expenditures through year end. We will continually monitor budget variances, especially close to year end, and recommended to the Council when variances exceed the percentages as specified in the State Statute.

Item 2025-003 Fund Deficit

Management's Response:
The deficit in the Road Construction & Maintenance, Capital Improvement, and Jail Operating & Maintenance fund will be funded by future revenues or fund transfers.

Any questions concerning this corrective action plan should be directed to Mrs. Desiree' V. Gros, Director of Finance.

Sincerely,

Desiree' V. Gros

Desiree' V. Gros
Director of Finance, St. Mary Parish Government

ST. MARY PARISH COUNCIL

STATE OF LOUISIANA

SCHEDULE OF PROCEDURES PERFORMED AND
ASSOCIATED FINDINGS BASED UPON THE
STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED
December 31, 2025
WITH
AGREED UPON PROCEDURES REPORT
BY
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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PITTS & MATTE

a corporation of
certified public accountants

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Chairman and Members
Of the St. Mary Parish Council
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated in the attached Schedule of Procedures Performed and Associated Findings Based Upon the Statewide Agreed-Upon Procedures (Schedule), on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor (LLA)'s Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. The St. Mary Parish Council's (Council) management is responsible for those C/C areas identified in the SAUPs presented in the attached Schedule.

The Council has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are included in the attached Schedule.

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

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

p. o. box 2363 — morgan city, louisiana 70381-2363 — (985) 384-7545

The purpose of this report is 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 may be distributed by the LLA as a public document.

P, H & Matte

CERTIFIED PUBLIC ACCOUNTANTS

Morgan City, Louisiana
October 27, 2026

ST. MARY PARISH COUNCIL

PARISH OF ST. MARY STATE OF LOUISIANA

Schedule of Procedures Performed and Associated Findings Based upon the Statewide Agreed-Upon Procedures For the Year Ended December 31, 2025

Guide to Presentation Format

This report contains these items presented in this order:

Statewide Agreed-Upon Procedures (SAUPS) prescribed by the Louisiana Legislative Auditor (LLA),
Procedures performed by the Independent Certified Public Accountant,
Findings based upon the procedures performed, and
Management's Comments relative to the findings, if applicable.

In order to facilitate understanding this report - the procedures and findings are presented in the following format:

Order of Presentation	Presentation Format
Area or function	**Centered all CAPITALS IN BOLD TYPE**
Statewide Agreed-Upon Procedures Prescribed (SAUPS) by Louisiana Legislative Auditor (LLA)	Regular type highlighted with numbers or letters (if there are multiple parts)
Actual procedures performed by Independent Certified Public Accountant	Denoted as **Procedure Performed:** (in bold type) followed by procedure in regular type
Finding based upon procedure performed	Denoted as **Findings:** (in bold type) followed by findings in regular type
Management's response to findings	Denoted as ***Management's Response:*** (in bold type) followed by *managements response in italics*

WRITTEN POLICIES AND PROCEDURES

1) Written Policies and Procedures

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

Budgeting

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

Procedure Performed: Obtained from management and inspected the Council's "Home Rule Charter" and read the written policies and procedures for budgeting.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Purchasing

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

Procedure Performed: Obtained from management and inspected the Council's "Ordinance No. 1297" and "Ordinance No. 1350" and read the written policies and procedures for purchasing.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Disbursements

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

Procedure Performed: Obtained from management and inspected the Council's "Financial Management Policies" and read the written policies and procedures for disbursements.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Receipts/Collections

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

Procedure Performed: Obtained from management and inspected the Council's "Financial Management Policies" and read the written policies and procedures for receipts and collections.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Payroll/Personnel

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

Procedure Performed: Obtained from management and inspected the Council's "Personnel Policy Manual" and read the written policies and procedures for payroll and personnel.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Contracting

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

Procedure Performed: Obtained from management and inspected the Council's "Financial Management Policies" and read the written policies and procedures for contracts.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Travel and Expense Reimbursement

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

Procedure Performed: Obtained from management and inspected the Council's "Personnel Policy Manual" and read the written policies and procedures for travel and expense reimbursements.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Credit Cards

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

Procedure Performed: Obtained from management and inspected the Council's "Financial Management Policies" and read the written policies and procedures for credit cards.

Findings: Found the Council has written policies and procedures that include the specified functions listed above.

Ethics

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

Procedure Performed: Obtained from management and inspected the Council's "Home Rule Charter" and read the written policies and procedures for ethics.

Findings: Found the Council has written policies and procedures that include the specified functions listed above, with the exception of a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Debt Service

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

Procedure Performed: Obtained from management and inspected the Council's "Home Rule Charter" and read the written policies and procedures for debt service.

Findings: Found the Council has written policies and procedures that include the specified functions above.

Information Technology Disaster Recovery/ Business Continuity

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

Procedure Performed: We performed the procedures.

Findings: Discussed the findings with management.

Prevention of Sexual Harassment

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

Procedure Performed: Obtained from management and inspected the Council's "Sexual Harassment Prevention Online Training Memorandum" and read the written policies and procedures for sexual harassment.

Findings: Found the Council has written policies and procedures that include the specified function listed above.

Management's Response:

The Council has policies and procedures in all the areas above. However, procedures are not in writing for Ethics, as it relates to a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy. We plan to put these procedures in writing.

2) Board or Finance Committee

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

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

Procedure Performed: We obtained and read the Council's meeting minutes for the fiscal period as well as the Council's "Home Rule Charter" as it related to "Council Meetings and Rules."

Findings: Found the Council met with quorum at all twenty-four of the semi-monthly meetings and two finance committee meetings.

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.*

Procedure Performed: We obtained and read the Council's meeting minutes for the fiscal period.

Findings: Found the minutes did not reference nor include budget-to-actual comparisons on any fund.

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.

Procedure Performed: We obtained and read the Council's prior audit report and observed the unassigned fund balance in the general fund.

Findings: Found that the general fund did not have a negative ending unassigned fund balance in the prior year audit report.

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.

Procedure Performed: We obtained and read the Council's meeting minutes for the fiscal period.

Findings: Found the minutes did not reference whether the board/finance committee received written updates of the progress of resolving audit findings according to management's corrective action plan.

Management's Response:

Although monthly budget-to-actual comparisons are not referenced in the minutes, periodic comparisons are reviewed during the budget and budget amendment process.

In the future, we will provide the board with written updates regarding the progress of our corrective action plan for resolving audit findings.

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.

Procedures Performed: Obtained the listing of bank accounts from management and management's representation that the listing is complete. The listing contained 16 bank accounts, including 6 investment accounts and 4 money market accounts that are not part of the Council's daily business operations; therefore, we excluded theses accounts for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures. We selected the Council's main operating account and randomly selected 4 additional accounts. We randomly selected one month from the fiscal period and obtained and inspected the corresponding bank statements and bank reconciliations.

Findings:

i. Observed all 5 bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date.

ii. Observed none of the bank reconciliations included evidence that a member of management/board member who does not handles cash, posts ledgers, or issues checks has reviewed the bank reconciliations.

iii. Observed 3 of the 5 accounts had reconciling items outstanding for more than 12 months from the statement closing date. Found no evidence reflecting management has researched the reconciling items for any of the three accounts.

Management's Response:

In the future, we will have a member of management who does not post ledgers review each bank reconciliation and have documentation reflecting research for reconciling items which have been outstanding for more than 12 months.

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).

Procedure Performed: Obtained the 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.

Findings: Found the Council has 2 deposit sites.

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.

Procedure Performed: Obtained the listing of collections locations for the Council's two deposit sites and management's representation that the listing is complete. The list contained 15 cash collection locations. We randomly selected 1 collection location for each deposit site and inquired of management about the employees' job duties.

Findings:

i. Found that employees responsible for collecting cash at both collection locations share a cash box.

ii. Found that employees responsible for collecting cash at both collection locations are also responsible for preparing/making bank deposits.

iii. Found the employees responsible for collecting cash at both collection locations are not responsible for posting collection entries to the general ledgers or subsidiary ledgers.

iv. Found that an employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers at one collection location is also responsible for collecting cash; however, another employee 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.

Procedure Performed: Obtained a copy of the bond and insurance policy for theft covering all employees who have access to cash from management. Observed the bond or insurance policy was in force during the fiscal period.

Findings: Observed the Council's bond policy, covering all employees who have access to cash, 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.

Procedure Performed: Randomly selected two deposit dates from the bank statements for 2 of the 5 bank accounts selected for procedure #3A (selected the next deposit date chronologically if no deposit was made on the date randomly selected) and obtained supporting documentation for the 4 deposits and traced collection documentation to deposit slips, deposit slips to bank statements, and deposits per bank statement to the general ledger.

Findings: Found 3 of the 5 bank accounts selected for procedure #3A had only electronic deposit activity. For the remaining 2 accounts, we:

i. Observed all receipts were sequentially pre-numbered.

ii. Found sequentially prenumbered receipts, system reports, and other related collection documentation agreed to the deposit slips.

iii. Found the deposit slip totals agreed to the actual deposits per the bank statement.

iv. Found that all deposits were made within one business day of receipt.

v. Found the actual deposits per the bank statements were traced to the general ledger.

Management's Response:

In the future, employees responsible for collecting cash will not share a cash box and will not be responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation.

NON-PAYROLL DISBURSEMENTS – (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSMENTS, AND PETTY CASH PURCHASES)

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

The Council has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures.

CREDIT CARDS/ DEBIT CARDS/ FUEL CARDS/ PURCHASE CARDS (CARDS)

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

The Council has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures.

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

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

The Council has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures.

CONTRACTS

8) Contracts

The Council has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures.

PAYROLL AND PERSONNEL

9) Payroll and Personnel

The Council has federal programs subject to Single Audit testing which covers this category; therefore, this area is excluded for the purposes of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures.

10) Ethics

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

i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

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

Procedure Performed: Obtained a listing of employees/officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, then obtained ethics documentation from management and observed the ethics documentation. Inquired of management and obtained management's representation that there were no changes to the Council's ethics policy during the fiscal period.

Findings:

i. Observed documentation demonstrates all 5 selected employees/officials completed one hour of ethics training during the calendar year.

ii. This procedure is not applicable, as there were no changes to the Council's ethics policy during the fiscal period.

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

Procedure Performed: Inquired of management and obtained management's representation that the Council has appointed an ethics designee as required by R.S. 42:1170.

Findings: Found that the Council has appointed an ethics designee.

Management's Response:

No comment.

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.

Procedure Performed: Inquired of management and obtained management's representation that no debt was issued during the fiscal period.

Findings: Found that no debt was issued during the fiscal period.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedure Performed: Obtained a listing of bonds/notes outstanding at the end of the fiscal period from management and management's representation that the listing is complete. Randomly selected 1 bond from the listing, inspected debt covenants, and obtained supporting documentation for the reserve balance and payments.

Findings: Found the listing contained 12 bonds/notes outstanding and observed the actual reserve balance and payments agreed to those required by debt covenants.

Management's Response:

No comment.

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.

Procedure Performed: Inquired of management and obtained management's representation that the Council did not have any misappropriation of public funds or assets during the fiscal period.

Findings: Found the Council did not have any misappropriation of public funds or assets during the fiscal period.

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.

Procedure Performed: Observed the Council posted on its premises and website, the notice required by R.S. 24-523.1.

Findings: Found that the Council posted the notice required by R.S 24-523.1 on the premises and website.

Management's Response:
No comment.

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.

Procedure Performed: We performed the procedures.

Findings: 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.

Procedure Performed: We performed the procedures.

Findings: 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.

Procedure Performed: We performed the procedures.

Findings: 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.

Procedure Performed: We performed the procedures.

Findings: 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.

Procedure Performed: We performed the procedures.

Findings: 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.

Procedure Performed: Obtained and observed sexual harassment training documentation from management for the 5 randomly selected employees/officials obtained for procedure #10A.

Findings: Observed the documentation demonstrates that all 5 selected employees/officials completed at least one hour of sexual harassment training during the calendar year.

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).

Procedure Performed: Observed the Council posted its sexual harassment policy and complaint procedure on its premises and website.

Findings: Found the Council posted its sexual harassment policy and complaint procedure on its premises and 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.

Procedure Performed: Obtained and read the Council's annual sexual harassment report for the current fiscal period.

Findings: Observed the report dated January 21, 2026 included all the applicable requirements of R.S. 42:344. Found that no complaints of sexual Harassment were received by the Council during the fiscal period.

Management's Response:

No comment.