

R E P O R T

EMPLOYEES' RETIREMENT SYSTEM
OF JEFFERSON PARISH

COMPONENT UNIT OF JEFFERSON PARISH

DECEMBER 31, 2025 AND 2024

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
COMPONENT UNIT OF JEFFERSON PARISH

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INDEPENDENT AUDITOR'S REPORT

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The Board of Trustees of
Employees' Retirement System of
Jefferson Parish, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Employees' Retirement System of Jefferson Parish (System), a component unit of Jefferson Parish, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Employees' Retirement System of Jefferson Parish, as of December 31, 2025 and 2024, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Employees' Retirement System of Jefferson Parish and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Emphasis of Matter

As disclosed in Note 4 to the financial statements, the total pension liability for the Employees' Retirement System of Jefferson Parish was \$41,724,294 and \$42,665,887 as of December 31, 2025 and 2024, respectively. The actuarial valuations were based on various assumptions made by the System's actuary. Because actual experience may differ from the assumptions used in the actuarial valuation, there is a risk that the total pension liability at December 31, 2025 and 2024 could be under or overstated.

Other Matter – Financial Statements for the Prior Year Audited by Another Auditor

The financial statements of Employees' Retirement System of Jefferson Parish for the year ended December 31, 2024, were audited by another auditor, who expressed an unmodified opinion on those financial statements on June 20, 2025. Our opinion is not modified in respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Employees' Retirement System of Jefferson Parish's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may arise 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 Employees' Retirement System of Jefferson Parish's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Employees' Retirement System of Jefferson Parish's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Employees' Retirement System of Jefferson Parish's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the

underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2026, on our consideration of the Employees' Retirement System of Jefferson Parish's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Employees' Retirement System of Jefferson Parish's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Employees' Retirement System of Jefferson Parish's internal control over financial reporting and compliance.

Duplantier, Chapman, Hogan and Parker, LLP

Metairie, Louisiana

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

The Management's Discussion and Analysis (MD&A) of the Employees' Retirement System of Jefferson Parish's (System) financial performance presents a narrative overview and analysis of the System's financial activities for the year ended December 31, 2025 and 2024. This System is a component unit of Jefferson Parish and is reporting as a single-employer defined benefit pension plan which is closed to new employee participants. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Employees' Retirement System of Jefferson Parish's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

- The System's assets and deferred outflows exceeded its liabilities and deferred inflows as of December 31, 2025 by \$58,683,526, which represents an increase from the prior year. The net position restricted for pension benefits increased by \$4,542,517 or 8.39%. The System's assets and deferred outflows exceeded its liabilities and deferred inflows as of December 31, 2024 by \$54,141,009. The net position restricted for pension benefits increased by \$2,870,005 or 5.60%.
- Fiscal year 2025 contributions to the System by members, employers, totaled \$474,641, an increase of \$54,070 or 12.86% from prior year. Fiscal year 2024 contributions to the System by members, and employers totaled \$420,571, an increase of \$64,343 or 18.06% over prior year.
- Fiscal year 2025 retirement benefits paid to retirees and beneficiaries totaled \$2,378,897, a decrease of \$40,714 or 1.68% over prior year. Fiscal year 2024 retirement benefits paid to retirees and beneficiaries totaled \$2,419,611, a decrease of \$42,740 or 1.74% over prior year.
- Fiscal year 2025 administrative expenses including pension expense, OPEB expense and depreciation expense of the System totaled \$429,618, an increase of \$31,848 or 8.01% over prior year. Fiscal year 2024 administrative expenses of the System totaled \$397,770 an increase of \$26,383 or 7.10% over prior year.
- Net investment income was \$6,836,582 for the year ended December 31, 2025, which represents an increase of \$1,533,535 compared to the prior year. The increase was primarily attributable to favorable market conditions in the current year compared to the prior year. For the year ended December 31, 2024 the System experienced net investment income of \$5,303,047.

OVERVIEW OF THE FINANCIAL STATEMENTS

The System's basic financial statements were prepared in conformity with GASB Statement No. 67, *Reporting for Pension Plans*, and include the following: (1) statements of fiduciary net position, (2) statements of changes in fiduciary net position, and (3) notes to the financial statements.

The *Statement of Fiduciary Net Position* reports the System's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the resultant net position restricted for pension benefits. It discloses the financial position of the System as of December 31, 2025 and 2024.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The *Statement of Changes in Fiduciary Net Position* reports the results of the System's operations during the year, disclosing the additions to and deductions from the fiduciary net position. It supports the change that has occurred to the prior year's net position on the statement of fiduciary net position.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the financial statements. The notes begin on page 11.

The *Required Supplementary Information* consists of seven schedules and related notes. The seven schedules report changes in net pension liability, employers' net pension liability, contributions – employer, and investment returns. It also includes the schedules of changes in the total OPEB liability, the System's OPEB contributions, the System's proportionate share of the net pension liability in Parochial Employees' Retirement System (PERS), and the System's contributions to PERS.

The *Other Supplementary Information* section includes schedule of investments, schedule of administrative expenses, schedule of board compensation and schedule of compensation, benefits, and other payments to agency head.

FINANCIAL ANALYSIS OF THE SYSTEM

The System's financial position is measured in several ways. One way is to determine the fiduciary net position (difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources) available to pay benefits. Over time, increases and decreases in the System's fiduciary net position indicates whether its financial health is improving or deteriorating. The following table represents a condensed version of the System's Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position.

Condensed Statements of Fiduciary Net Position
December 31, 2025, 2024 and 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Cash	\$ 100,921	\$ 61,238	\$ 46,588
Receivables	216,743	210,462	150,049
Investments	58,545,325	54,114,549	51,342,860
Net pension asset	27,625	-	-
Capital assets	3,720	-	1,216
Total assets	<u>58,894,334</u>	<u>54,386,249</u>	<u>51,540,713</u>
Deferred outflows of resources	54,559	183,662	211,856
Total liabilities	216,829	297,230	365,577
Deferred inflows of resources	48,538	131,672	115,988
Net Position Restricted For Pension Benefits	<u>\$ 58,683,526</u>	<u>\$ 54,141,009</u>	<u>\$ 51,271,004</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

FINANCIAL ANALYSIS OF THE SYSTEM (Continued)

Fiduciary net position is restricted to provide monthly retirement allowances to members who contributed to the System as employees and their beneficiaries. Net position increased by \$4,542,517 for the fiscal year ended December 31, 2025, increased by \$2,870,005 for fiscal year ended December 31, 2024, and increased \$2,986,116 for fiscal year ended December 31, 2023. The increase in fiduciary net position for the fiscal year ended December 31, 2025 was a result of the increase in value of the investments due to favorable markets. The increase in fiduciary net position for the year ended December 31, 2024, was a result of the increase in value of the investments due to favorable markets.

Condensed Statements of Changes in Fiduciary Net Position
For the Years Ended December 31, 2025, 2024 and 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Additions:			
Contributions	\$ 474,641	\$ 420,571	\$ 356,228
Net investment income	6,836,582	5,303,047	5,496,051
Other additions	64,635	-	-
Total deductions	<u>2,833,341</u>	<u>2,853,613</u>	<u>2,866,163</u>
Increase in Fiduciary Net Position	<u><u>\$ 4,542,517</u></u>	<u><u>\$ 2,870,005</u></u>	<u><u>\$ 2,986,116</u></u>

Additions to Fiduciary Net Position

Additions to the System's fiduciary net position were derived primarily from employer contributions, and investment income. The System experienced a net investment income of \$6,836,582 during the fiscal year ended December 31, 2025 and a net investment income of \$5,303,047, and a net investment income of \$5,496,051 during the fiscal years ended December 31, 2024, and 2023, respectively.

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Member contributions	\$ 1,598	\$ 1,591	\$ 1,540
Employer contributions	473,043	418,980	354,688
Net investment income	6,836,582	5,303,047	5,496,051
Other additions	64,635	-	-
Total Additions	<u><u>\$ 7,375,858</u></u>	<u><u>\$ 5,723,618</u></u>	<u><u>\$ 5,852,279</u></u>

Deductions from Fiduciary Net Position

Deductions from fiduciary net position include primarily retirement, benefits, and administrative expenses. Deductions from fiduciary net position totaled \$2,833,341, \$2,853,613, and \$2,866,163, during the fiscal years ended December 31, 2025, 2024, and 2023, respectively.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

FINANCIAL ANALYSIS OF THE SYSTEM (Continued)

Deductions from Fiduciary Net Position: (Continued)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Retirement benefits	\$ 2,378,897	\$ 2,419,611	\$ 2,462,351
Refunds of contributions	24,826	36,232	34,425
Administrative expenses	403,274	396,554	367,399
Pension expense	14,821	-	-
Other postemployment benefit	10,593	-	-
Depreciation expense	930	1,216	1,988
Total deductions	<u>\$ 2,833,341</u>	<u>\$ 2,853,613</u>	<u>\$ 2,866,163</u>

Investments:

The System is responsible for the prudent management of funds held in trust for the exclusive benefits of their members' pension benefits. Funds are invested to achieve maximum returns without exposing retirement assets to unacceptable risks. Total investments as of December 31, 2025, were valued at \$58,545,325 as compared to \$54,114,549 as of December 31, 2024 and \$51,342,860 as of December 31, 2023.

The System's investments in various markets as of December 31, 2025, 2024, and 2023 are indicated in the following table:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Cash equivalents	\$ 2,191,611	\$ 2,374,832	\$ 1,178,108
Common stocks	31,213,208	28,267,419	28,772,041
Corporate bonds	7,965,315	8,714,992	7,567,894
U.S. treasury obligations	11,219,964	8,701,654	7,334,080
U.S. government agencies	5,955,227	6,055,652	6,490,737
	<u>\$ 58,545,325</u>	<u>\$ 54,114,549</u>	<u>\$ 51,342,860</u>

CONTACTING THE SYSTEM'S MANAGEMENT

If you have any questions about this report or need additional financial information, please contact the Employees' Retirement System of Jefferson Parish, Louisiana at Suite 4100, P.O. Box 9, Gretna, Louisiana 70054.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
STATEMENTS OF FIDUCIARY NET POSITION
DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS:		
Cash	\$ 100,921	\$ 61,238
Receivables:		
Member contributions	79	72
Employer contributions	12,699	21,053
Accrued interest and dividends	203,965	189,337
Total receivables	<u>216,743</u>	<u>210,462</u>
Investments, at fair value:		
Cash equivalents	2,191,611	2,374,832
Fixed income - domestic	24,852,567	23,216,794
Fixed income - international	287,939	255,504
Equities - domestic	30,191,351	27,523,123
Equities - international	1,021,857	744,296
Total investments	<u>58,545,325</u>	<u>54,114,549</u>
Net pension asset	<u>27,625</u>	<u>-</u>
Office equipment, net of depreciation	<u>3,720</u>	<u>-</u>
 TOTAL ASSETS	 <u>58,894,334</u>	 <u>54,386,249</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	42,595	54,987
Deferred outflows related to OPEB	11,964	128,675
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>54,559</u>	<u>183,662</u>
LIABILITIES:		
Accounts payable and other liabilities	37,590	35,620
Accrued annual and sick leave	46,768	111,404
Hospitalization premiums payable	7,281	7,115
Other postemployment benefits obligation	125,190	117,456
Net pension liability	-	25,635
TOTAL LIABILITIES	<u>216,829</u>	<u>297,230</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	42,316	11,598
Deferred inflows related to OPEB	6,222	120,074
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>48,538</u>	<u>131,672</u>
 NET POSITION - RESTRICTED FOR PENSION BENEFITS	 <u>\$ 58,683,526</u>	 <u>\$ 54,141,009</u>

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

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ADDITIONS:		
Contributions:		
Member contributions	\$ 1,598	\$ 1,591
Employer contributions	473,043	418,980
Total contributions	<u>474,641</u>	<u>420,571</u>
Investment income:		
Net appreciation in fair value of investments	5,494,619	4,146,301
Interest	915,074	790,356
Dividends	617,060	550,583
Total investment income	<u>7,026,753</u>	<u>5,487,240</u>
Less: investment expenses	<u>190,171</u>	<u>184,193</u>
Net investment income	<u>6,836,582</u>	<u>5,303,047</u>
Other additions:		
Miscellaneous income	64,635	-
Total other additions	<u>64,635</u>	<u>-</u>
TOTAL ADDITIONS	<u>7,375,858</u>	<u>5,723,618</u>
DEDUCTIONS:		
Retirement benefits paid	2,378,897	2,419,611
Refund of contributions	24,826	36,232
Administrative expenses	403,274	396,554
Pension expense	14,821	-
Other postemployment expense	10,593	-
Depreciation expense	930	1,216
TOTAL DEDUCTIONS	<u>2,833,341</u>	<u>2,853,613</u>
NET INCREASE IN FIDUCIARY NET POSITION	4,542,517	2,870,005
NET POSITION -RESTRICTED FOR PENSION BENEFITS:		
BEGINNING OF YEAR	<u>54,141,009</u>	<u>51,271,004</u>
END OF YEAR	<u>\$ 58,683,526</u>	<u>\$ 54,141,009</u>

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

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

DESCRIPTION OF ORGANIZATION:

Employees' Retirement System of Jefferson Parish (System), was established January 1, 1973. The System is a single-employer defined benefit pension plan, a component unit of Jefferson Parish and is included in their annual comprehensive financial report as a pension trust fund. The System replaced Social Security for substantially all employees of Jefferson Parish who began their employment prior to December 15, 1979. Beginning December 15, 1979, the System merged with the Parochial Employees' Retirement System of Louisiana (PERS) and became a closed system. All new employees of Jefferson Parish after December 15, 1979, are members of PERS.

The System's governing body is comprised of a seven-member Board of Trustees, as follows:

- The Parish's Finance Director
- The Parish Council Clerk who remains on the Board until the Parish Council appoints a new Clerk
- The Parish Council appoints an additional seat on the Board.
- The Personnel Director, serves as ex-officio and is appointed by the personnel board and remains on the Board until retirement
- Three Board members who are employee members or retiree members, and are elected by the members of the System. They serve four-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The System's financial statements are prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB).

The financial statements include the provisions of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*, GASB Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pension Plans*, and GASB Statement No. 82, *Pension Issues*.

The System's financial statements are prepared on the accrual basis of accounting, whereby revenues are recognized when they are earned, and expenses are recognized when incurred.

Contributions made to the System by Jefferson Parish, the employer, are recognized when due and the employer has made a formal commitment to provide the contributions.

Pension benefits and refunds of employee contributions are recognized when due and payable in accordance with the terms of the plan.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Basis of Accounting (Continued)

Interest income is recognized when earned. Dividends are recognized when declared. Expenditures are recognized in the period incurred.

Reporting Entity

In classifying the reporting entity, the System uses GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, an amendment of GASB Statements No. 14 and No. 34, where criteria defining the organizations, functions and activities of a governmental unit that should be included in the general-purpose financial statements of another governmental entity.

Based on the criteria of the GASB standards, the Employees' Retirement System of Jefferson Parish was determined to be a component unit of Jefferson Parish, the governmental entity with oversight responsibility. The accompanying financial statements present information only on those funds maintained by the System and do not present information on Jefferson Parish, the general government services provided by that governmental entity, or other governmental entities that comprise the governmental reporting entity.

Cash Deposits

All cash deposits are valued and reported at cost, which approximate fair value.

Investments

Investments are reported at fair value as required by GASB Statement No. 72, *Fair Value Measurement and Application*. Fair value is described as an exit price. This statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value, which has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices, included within Level 1 that are observable for the asset or liability, whether directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. This statement requires disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures are organized by type of asset or liability. GASB 72 also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent).

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Investments: (Continued)

Short-term investments are reported at fair value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at the current exchange rate. Realized gains and unrealized gains and losses are reported in the statements of changes in fiduciary net position as net appreciation (depreciation) in fair value of investments during the period the instruments are held and when instruments are sold.

Capital Assets

Capital assets of the System are capitalized and depreciated over the estimated future life of the asset. All capital assets are valued on the basis of historical cost and depreciated using the straight-line method of depreciation over its estimated useful life.

Compensated Absences

Employees of the System accumulate annual leave up to forty days and unlimited sick leave at varying rates as established by the System. Upon resignation or retirement, unused annual leave of up to twenty hours is paid and sick leave is payable up to forty days to an employee at their current rate of pay. The System recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off during or upon separation from employment.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses and disclosures at the date of the financial statements. Actuarial valuations are used to determine the net pension liability and total OPEB liability. Actual results could differ from those estimates. The System utilizes various investment instruments, which by nature are exposed to a variety of risk levels and risk types, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes could materially affect the amounts reported in the Statements of Fiduciary Net Position.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources:

In addition to assets, the statements of fiduciary net position reports a separate section for deferred outflows of resources that represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. The System has two items that qualify for reporting in this category, which are amounts related to net pension liability and other postemployment benefits.

In addition to liabilities, the statements of fiduciary net position report a separate section for deferred inflows of resources that represent an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The System has two items that meet the criterion for this category, which are amounts related to net pension liability and other postemployment benefits.

Net Pension Liability (Asset) (PERS):

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Parochial Employee's Retirement System (PERS) and change in PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB):

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Jefferson Parish Post-Retirement Medical Benefits Other Than Pensions Plan (Plan), and additions to/deduction from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

New Accounting Standards:

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which became effective for the year ended December 31, 2024. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The System has analyzed the provisions of GASB Statement No. 101, *Compensated Absences* and recorded compensated absences liability in accordance with GASB Statement No. 101. A cumulative effect adjustment was not necessary in the year of adoption.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

New Accounting Standards: (Continued)

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures*, which became effective for the year ended December 31, 2025. The objective of this Statement is to provide users of governmental financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or accessing accountability. The implementation of the Standard did not require any changes to the System's financial reporting requirements.

2. PLAN DESCRIPTION:

The Jefferson Parish Employees' Retirement System (JPERS) is a defined benefit pension plan that provides retirement and other benefits to employees of Jefferson Parish who began their employment prior to December 15, 1979 and who meet the requirements of section 23-221 of the Parish Code of Ordinances. The benefits are separately defined for two groups of individuals: those who are in System exclusively and those who are concurrently members of another retirement system and the System. For members who are in two systems, the System's benefits are offset by the amounts payable under the provisions of the Parochial Employees' Retirement System (PERS).

The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits. The provisions contained within this section are as of December 31, 2025 and 2024. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to Ordinance No. 11027 and all amendments for more complete information.

As of December 31, 2025 and 2024, pension plan membership consisted of the following:

	<u>2025</u>	<u>2024</u>
Retired plan members or beneficiaries currently receiving benefits	246	255
Retired plan members with contingent survivors receiving benefits	153	161
Inactive plan members entitled to but not yet receiving benefits	19	18
Active plan members	<u>3</u>	<u>3</u>
Total number of members	<u>421</u>	<u>437</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

2. PLAN DESCRIPTION: (Continued)

Retirement Benefits

Beginning on January 1, 1980, PERS provided substantially all benefits to new retirees who belonged to both systems. For such retirees, the benefits provided by the System are now limited to amounts resulting from differences between benefits provided by the two systems: the System's free credit for military service to retirees who did not purchase credit from PERS, the System's automatic one-half benefit to a surviving spouse, and the System's guarantee that combined retirement benefits at least equal the benefits a member would have received had they remained under only Social Security and PERS until the date of their retirement, death or disability.

The System permits retirement at age 60 with at least 10 years of service; members with 25 years of service may retire at age 55; members with 30 years of service may retire regardless of age. Members terminating before rendering 10 years of service may elect to receive a lump-sum distribution equal to their accumulated contributions at their termination date.

Ten years of credible service are required in order to be eligible for disability benefits. Members have the option to choose benefits equal to retirement benefits based on service projected to age 60, not to exceed 85% of final average compensation with benefits terminating at death (the "maximum") or accrued retirement benefits paid on the basis of a joint and 50% survivor annuity (the "minimum").

Survivor Benefits:

For members who have attained a vested interest in the System, the surviving spouse receives one-half of what the member's retirement benefit would have been on the date when the member would have been eligible for retirement.

3. CONTRIBUTIONS AND RESERVES:

Contributions

Member contribution rates are established by the Jefferson Parish Council. The required contribution percentages for members depend on which retirement system that individual is a member. Employees who are members of the System contribute 6.05% of their salary. Employees who are members of both the System and the Parochial Employees' Retirement System (PERS) or the Firefighters' Retirement System (FRS) contribute an additional 4% of all monthly earnings over \$100. The System receives the excess if any of these contributions over 9.25% of pay.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

3. CONTRIBUTIONS AND RESERVES: (Continued)

Contributions: (Continued)

The employer contribution rate for the System is actuarially determined. For the years ended December 31, 2025 and 2024, the actuarially determined contribution rate was 0% for each year. The actual employer contribution rate for the years ended December 31, 2025 and 2024 was 0.23% and 0.21%, respectively. The System's Board of Trustees can recommend a change in the employer contribution rate; however, the Jefferson Parish Council has to approve the change.

Reserves:

Use of the term “reserve” by the System indicates that a portion of the fund balances is legally restricted for a specific future use. The nature and purpose of these reserves are explained below:

A. Annuity Savings:

The Annuity Savings was created by ordinance and is credited with contributions made by the members of the System. When a member terminates his service, or upon his death before qualifying for a benefit, the refund of his contributions is made from this reserve. If a member dies and there is a survivor who is eligible for a benefit, the amount of the member's accumulated contributions is transferred from the Annuity Savings to the Annuity Reserve. When a member retires, the amount of his accumulated contributions is transferred to Annuity Reserve to fund part of the benefits. The Annuity Savings balance was \$103,546 and \$100,761 for the years ending December 31, 2025 and 2024, respectively.

B. Pension Accumulation:

The Pension Accumulation was created by ordinance and consists of contributions paid by employers, investment income on investments, administrative expenses, and any other income or expense not covered by other accounts. This reserve account is charged annually with an amount, determined by the actuary, to be transferred to the Annuity Reserve to fund retirement benefits for existing recipients. It is also relieved when expenditures are not covered by the other accounts. The Pension Accumulation was \$17,219,823 and \$11,854,697 as of December 31, 2025 and 2024, respectively.

C. Annuity Reserve:

The Annuity Reserve was created by ordinance and consists of the reserves for all pensions granted to retired members and is the reserve account from which such pensions and annuities are paid. Survivors of deceased beneficiaries also receive benefits from this reserve account. The Annuity Reserve as of December 31, 2025 and 2024 was \$41,360,157 and \$42,303,007, respectively.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

4. NET PENSION LIABILITY (ASSET) OF EMPLOYERS:

The components of the net pension liability of the System determined in accordance with GASB No. 67 as of December 31, 2025 and 2024, is as follows:

	<u>2025</u>	<u>2024</u>
Total Pension Liability	\$ 41,724,294	\$ 42,665,887
Less: Fiduciary Net Position	<u>58,683,526</u>	<u>54,141,009</u>
Net Pension Liability (Asset)	<u>\$ (16,959,232)</u>	<u>\$ (11,475,122)</u>
Plan Fiduciary Net Position as a % of the Total Pension Liability	140.65%	126.90%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future.

The actuarial assumptions used in the December 31, 2025 and 2024 valuations were based on the assumptions used in the December 31, 2025 and 2024 actuarial funding valuations. The mortality assumptions and valuation interest rate assumptions which were based on results of an actuarial experience study for the period of January 1, 2015 through December 31, 2019. Other demographic assumptions were left unchanged since only three active members remain. These demographic assumptions were set in previous studies based on the study of a larger group of active members.

The total pension liability as of December 31, 2025 and 2024 is based on actuarial valuation for the same period, updated using generally accepted actuarial procedures.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

4. NET PENSION LIABILITY (ASSET) OF EMPLOYERS:

Information on the actuarial valuation and assumptions is as follows:

Valuation Date	2025	2024
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Inflation	2.10%	2.10%
Salary increases, including inflation and merit increases	5.00%	5.00%
Expected Remaining Service Lives	1	1
Investment Rate of Return (Discount Rate)	4.75%, net of pension plan investment expense, including inflation	4.75%, net of pension plan investment expense, including inflation
Mortality Rate	Based on the Pub-2010 Healthy Annuitant Mortality Table for annuitants and beneficiaries, and the Pub-2010 Healthy Retiree Table for active members. The Pub-2010 Disabled Retiree Table for disabled retirees. All using the MP2020 for full generational improvement scales	Based on the Pub-2010 Healthy Annuitant Mortality Table for annuitants and beneficiaries, and the Pub-2010 Healthy Retiree Table for active members. The Pub-2010 Disabled Retiree Table for disabled retirees. All using the MP2020 for full generational improvement scales

The long-term expected rate of return on pension plan investments was based on a projection of cash flows using capital market assumptions. These assumptions provide a 10-year forecast of average annual total returns, volatilities and correlations across a broad group of asset classes. Risk return and correlations are projected using a building-block method, 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 2.26% and 2.31% for the years ended December 31, 2025 and 2024, respectively. The resulting expected long-term rate of return is 8.52% and 8.45% for the years ended December 31, 2025 and 2024, respectively.

The System's investment policy includes a "target allocation" of equity holdings of 55%, and fixed income/bond holdings of 45% is to be maintained in the portfolio. This allocation was agreed upon in the Investment Policy between the System and the Investment Broker.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

4. NET PENSION LIABILITY (ASSET) OF EMPLOYERS: (Continued)

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, 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Cash equivalents	5%	0.18%
Domestic equity	25%	2.11%
International equity	10%	0.76%
Domestic fixed income	50%	2.61%
Alternatives	10%	0.60%
Totals	100%	6.26%
Inflation		2.26%
Expected Arithmetic Nominal Return		8.52%

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:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Cash equivalents	5%	0.22%
Domestic equity	25%	2.01%
International equity	10%	0.79%
Domestic fixed income	50%	2.47%
Alternatives	10%	0.65%
Totals	100%	6.14%
Inflation		2.31%
Expected Arithmetic Nominal Return		8.45%

The discount rate used to measure the total pension liability was 4.75% for each of the years ended December 31, 2025 and 2024. The discount rate was based on a projection of cash flows performed as of December 31, 2017 and in conjunction with the Jefferson Parish Employees Retirement System practice of collecting at least the minimum recommended actuarial employer contribution, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments to 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.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

4. NET PENSION LIABILITY (ASSET) OF EMPLOYERS: (Continued)

In accordance with GASB 67, regarding the disclosure of the sensitivity of the net pension liability (asset) to changes in the discount rate, the following presents the net pension liability of the participating employers calculated as of December 31, 2025 and 2024 using the discount rate of 4.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.75%), or one percentage point higher (5.75%), than the current rate.

Changes in the discount rate for the year ended December 31, 2025 is as follows:

	2025		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>3.75%</u>	<u>4.75%</u>	<u>5.75%</u>
Net Pension Liability (Asset)	<u>\$ (12,427,335)</u>	<u>\$ (16,959,232)</u>	<u>\$ (20,802,455)</u>

Changes in the discount rate for the year ended December 31, 2024 is as follows:

	2024		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>3.75%</u>	<u>4.75%</u>	<u>5.75%</u>
Net Pension Liability (Asset)	<u>\$ (6,884,872)</u>	<u>\$ (11,475,122)</u>	<u>\$ (15,586,883)</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

5. FAIR VALUE DISCLOSURES:

The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The System has the following recurring fair value measurements as of December 31, 2025:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	December 31, 2025			
Investments by Fair Value Level:				
Cash Equivalents	\$ 2,191,611	\$ 2,191,611	\$ -	\$ -
Fixed Income Investments:				
U.S. Treasury obligations	11,219,964	11,219,964	-	-
Mortgage backed securities	5,955,227	-	5,955,227	-
Corporate bonds - domestic	5,053,955	-	5,053,955	-
Corporate bonds - international	287,939	-	287,939	-
Fixed income mutual funds - domestic	2,623,421	2,623,421	-	-
Total fixed income investments	25,140,506	13,843,385	11,297,121	-
Equity Securities:				
Corporate stocks - domestic	22,119,893	22,119,893	-	-
Corporate stocks - international	1,021,857	1,021,857	-	-
Equity mutual funds - domestic	2,642,529	2,642,529	-	-
Equity mutual funds - etf	5,428,929	5,428,929	-	-
Total equity securities	31,213,208	31,213,208	-	-
Total investments by fair value level	\$ 58,545,325	\$ 47,248,204	\$ 11,297,121	\$ -

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

5. FAIR VALUE DISCLOSURES: (Continued)

The System had the following recurring fair value measurements as of December 31, 2024:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	December 31, 2024			
Investments by Fair Value Level:				
Cash Equivalents	\$ 2,374,832	\$ 2,374,832	\$ -	\$ -
Fixed Income Investments:				
U.S. Treasury obligations	8,701,654	8,701,654	-	-
Mortgage backed securities	6,055,652	-	6,055,652	-
Corporate bonds - domestic	5,863,958	-	5,863,958	-
Corporate bonds - international	255,504	-	255,504	-
Fixed income mutual funds - domestic	2,595,530	2,595,530	-	-
Total fixed income investments	23,472,298	11,297,184	12,175,114	-
Equity Securities:				
Corporate stocks - domestic	20,778,993	20,778,993	-	-
Corporate stocks - international	744,296	744,296	-	-
Equity mutual funds - domestic	2,461,149	2,461,149	-	-
Equity mutual funds - etf	4,282,981	4,282,981	-	-
Total equity securities	28,267,419	28,267,419	-	-
Total investments by fair value level	\$ 54,114,549	\$ 41,939,435	\$ 12,175,114	\$ -

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

6. REQUIRED SUPPLEMENTARY SCHEDULE INFORMATION:

The information in the Required Supplementary Schedules on pages 46 through 63 is designed to provide information about the System's progress in accumulating sufficient assets to pay benefits.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS:

Following are the components of the System's deposits, cash equivalents, and investments at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Deposits (bank balance)	\$ 106,959	\$ 69,345
Cash equivalents	2,191,611	2,374,832
Investments - fair value	56,353,714	51,739,717
	<u>\$ 58,652,284</u>	<u>\$ 54,183,894</u>

Deposits:

Cash includes amounts in an interest-bearing demand deposit account. Under state law, the System may deposit funds in demand deposit accounts with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. These deposits are stated at market value. Under state law, these deposits or the resulting bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. For the years ended December 31, 2025 and 2024, the System was not exposed to custodial credit risk.

For the years ended December 31, 2025 and 2024, the carrying amount (book balance) of the System's cash account was \$100,921 and \$61,238, respectively. For the years ended December 31, 2025 and 2024, the bank balance was \$106,959 and \$69,345, respectively. Federal depository insurance (FDIC) totaling \$250,000 secured the bank balance during the years ended December 31, 2025 and 2024. The inflow and outflow of cash deposits within the System's checking account is monitored by the financial institution frequently to make sure all deposits are protected by either FDIC or securities pledged as collateral.

Cash Equivalents:

Cash equivalents consisted of holdings in money market funds. The funds are classified as investments in the Statement of Fiduciary Net Position. The System reported a cash equivalent money market mutual fund in the amount of \$2,191,611 and \$2,374,832 as of December 31, 2025 and 2024, respectively. The money market mutual fund was rated AAA-mf as of December 31, 2025 and 2024.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Investments:

In accordance with Louisiana Revised Statute 11:263, the System is authorized to invest under the Prudent-Man Rule. The Prudent-Man Rule shall require each fiduciary of a retirement system and each Board of Trustees acting collectively on behalf of each system to act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation but in regard to the permanent disposition of funds considering probable safety of capital as well as probable income. Notwithstanding the Prudent-Man Rule, the System shall not invest more than 55% of the total portfolio in common stock.

The current Investment Policy Statement, dated October 1, 2021, is between the System and its brokerage house, Hancock Whitney Bank. Hancock Whitney Bank will adhere to the guidelines in the Investment Policy Statement.

Investment Objective: Long-term growth - to achieve annual returns of 4.75%, net of pension plan investment expenses, including inflation, consistent with actuarial assumptions and expectations.

Concentration of Credit Risk:

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the System's investment in a single issuer.

The System's investment policy states that the equity portfolio should be diversified to avoid undue exposure to any single economic sector, industry group, or individual security; (1) no more than 5% of total equity assets can be invested in any one stock or issuing corporation at the time of purchase; (2) no more than 20% of the market value of the equities should be invested in any one industry at the time of purchase; (3) investments in any corporation should not exceed 5% of the outstanding shares of the corporation; (4) Domestic Real Estate Investment Trusts (REIT) shall be limited to 3% of the total fund. Excluding U.S. government securities or securities guaranteed by the U.S. government, no more than 4% of assets will be held in securities of any one entity.

All investments were approved by the Board. There were no investments that exceed 5% of the total investments at market value as of December 31, 2025 and 2024.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Credit Risk:

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Any security which receives a rating of less than Ba3 by Moody's or BB- Standard and Poor's shall be sold within 90 days at the manager's discretion.

The System's investment policy states any security which receives a rating of less than Ba3 by Moody's or BB- by Standard and Poor's shall be sold within 90 days at the manager's discretion. Fixed income assets may only be U.S. Dollar denominated assets but may include entities that are domiciled outside of the U.S. Corporate notes, debentures, asset backed, and pass-through securities rated between Baa-I and Baa-3 by Moody's and BBB+ and BBB- by Standard & Poor's shall be limited to 15 % of the fixed income of the portfolio.

The System invests in obligations guaranteed or explicitly guaranteed by the U.S. Government and these investments are not considered to have credit risk. These obligations include debt securities with the Federal Home Loan Mortgage/Bank, Federal National Mortgage Association, and U.S. Treasury Notes.

The following were the credit risk ratings of the System's investments in long-term debt securities as of December 31, 2025:

December 31, 2025							
	Corporate Bonds	US Treasury Obligations	Federal Home Loan Mortgage Corporation (FHLMC)	Federal National Mortgage Association (FNMA)	Foreign Bonds	Mutual Funds and ETF	Total
AAA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276,071	\$ 276,071
AA	422,833	-	-	-	-	1,805,868	2,228,701
AA-	209,179	-	-	-	-	-	209,179
A+	210,009	-	-	-	-	-	210,009
A	1,379,851	-	-	-	-	78,581	1,458,432
A-	807,921	-	-	-	-	-	807,921
BBB+	1,353,253	-	-	-	287,939	-	1,641,192
BBB	670,909	-	-	-	-	66,903	737,812
BB	-	-	-	-	-	44,368	44,368
B	-	-	-	-	-	21,000	21,000
CCC	-	-	-	-	-	4,020	4,020
CC	-	-	-	-	-	90	90
Not Rated	-	11,219,964	1,827,673	4,127,554	-	326,520	17,501,711
	<u>\$ 5,053,955</u>	<u>\$ 11,219,964</u>	<u>\$ 1,827,673</u>	<u>\$ 4,127,554</u>	<u>\$ 287,939</u>	<u>\$ 2,623,421</u>	<u>\$ 25,140,506</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Credit Risk: (Continued)

The following were the credit risk ratings of the System's investments in long-term debt securities as of December 31, 2024:

December 31, 2024							
	Corporate Bonds	US Treasury Obligations	Federal Home Loan Mortgage Corporation (FHLMC)	Federal National Mortgage Association (FNMA)	Foreign Bonds	Mutual Funds and ETF	Total
AAA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,498	\$ 10,498
AA	427,890	-	-	-	-	2,250,423	2,678,313
AA-	191,129	-	-	-	-	-	191,129
A+	321,398	-	-	-	-	-	321,398
A	1,671,737	-	-	-	-	55,406	1,727,143
A-	893,028	-	-	-	-	-	893,028
BBB+	1,381,025	-	-	-	255,504	-	1,636,529
BBB	977,751	-	-	-	-	61,126	1,038,877
BB	-	-	-	-	-	49,034	49,034
B	-	-	-	-	-	57,002	57,002
CCC	-	-	-	-	-	5,736	5,736
CC	-	-	-	-	-	89	89
Not Rated	-	8,701,654	1,855,194	4,200,458	-	106,216	14,863,522
	<u>\$ 5,863,958</u>	<u>\$ 8,701,654</u>	<u>\$ 1,855,194</u>	<u>\$ 4,200,458</u>	<u>\$ 255,504</u>	<u>\$ 2,595,530</u>	<u>\$ 23,472,298</u>

Custodial Credit Risk:

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

On the Broker's books, the System's investments are segregated from the Broker's assets while being held in trust in the name of the System.

Among other duties and responsibilities as listed in the System's Investment Policy Statement, the Broker is responsible for the following: act as the custodian to safeguard the System's assets; design, recommend and implement an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints of the policy statement; advise on allocation of asset categories; monitor asset performance; recommend changes to the policy; monitor its compliance with the guidelines of the investment policy and provide a certification of the same on a quarterly basis.

Interest Rate Risk:

Interest rate risk is defined as the risk that changes in the interest rate will adversely affect the fair value of an investment. The interest rate risk of the fixed income portfolio should normally be no more or no less than 20% of the comparable benchmark duration.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
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7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Interest Rate Risk: (Continued)

As of December 31, 2025, the System had the following investments in fixed income securities and maturities:

	Less than <u>Year</u>	1-5 <u>Years</u>	6-10 <u>Years</u>	Greater than <u>10 years</u>	Fair <u>Value</u>
<u>Fixed Income Securities:</u>					
Mortgage Backed Securities	\$ -	\$ 42,884	\$ 122,519	\$ 5,789,824	\$ 5,955,227
U.S. Treasury Obligations	-	8,076,335	2,995,005	148,624	11,219,964
Corporate Bonds	-	3,145,696	1,575,017	333,241	5,053,954
Foreign Bonds	-	287,939	-	-	287,939
Mutual Funds & ETF Bond Funds	-	861,959	1,597,515	163,948	2,623,422
	<u>\$ -</u>	<u>\$ 12,414,813</u>	<u>\$ 6,290,056</u>	<u>\$ 6,435,637</u>	<u>\$ 25,140,506</u>

As of December 31, 2024, the System had the following investments in fixed income securities and maturities:

	Less than <u>Year</u>	1-5 <u>Years</u>	6-10 <u>Years</u>	Greater than <u>10 years</u>	Fair <u>Value</u>
<u>Fixed Income Securities:</u>					
Mortgage Backed Securities	\$ 322,208	\$ 48,477	\$ 77,974	\$ 5,606,993	\$ 6,055,652
U.S. Treasury Obligations	-	3,864,408	4,837,246	-	8,701,654
Corporate Bonds	-	4,243,358	1,402,567	218,033	5,863,958
Foreign Bonds	-	255,504	-	-	255,504
Mutual Funds & ETF Bond Funds	-	352,974	2,077,852	164,704	2,595,530
	<u>\$ 322,208</u>	<u>\$ 8,764,721</u>	<u>\$ 8,395,639</u>	<u>\$ 5,989,730</u>	<u>\$ 23,472,298</u>

Foreign Currency Risk:

Foreign currency risk is defined as the risk that changes in exchange rates will adversely affect the fair value of an investment. The System's foreign investments are traded on United States exchanges.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

7. DEPOSITS, CASH EQUIVALENTS AND INVESTMENTS: (Continued)

Money-Weighted Rate of Return:

For the years ended December 31, 2025 and 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.85% and 10.55% respectively. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

8. CAPITAL ASSETS:

A summary of changes in capital assets and accumulated depreciation for the years ended December 31, 2025 and 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>2025</u>				
Office furniture and equipment	\$ 24,103	\$ 4,650	\$ -	\$ 28,753
Less: accumulated depreciation	(24,103)	(930)	-	(25,033)
	<u>\$ -</u>	<u>\$ 3,720</u>	<u>\$ -</u>	<u>\$ 3,720</u>
<u>2024</u>				
Office furniture and equipment	\$ 24,103	\$ -	\$ -	\$ 24,103
Less: accumulated depreciation	(22,887)	(1,216)	-	(24,103)
	<u>\$ 1,216</u>	<u>\$ (1,216)</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$930 and \$1,216 for each of the years ended December 31, 2025 and 2024, respectively.

9. OTHER POST-EMPLOYMENT BENEFITS:

Health and Life Insurance Benefits Plan:

Plan Description:

Jefferson Parish (hereafter referred to as the "Parish") provides health care and life insurance benefits to its employees upon retirement as authorized by Resolution No. 74791 under its other post-employment benefit health and life insurance plan. The System's employees are members of the Parish's plan. Health coverage includes a fully insured group health maintenance organization plan (HMO) together with Medicare 65 plans for those eligible. Life insurance coverage is continued after retirement but at a reduced amount of coverage. There are no assets accumulated in a trust that meet the criteria of paragraph 4 of GASB Statement 75.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

9. OTHER POST-EMPLOYMENT BENEFITS: (Continued)

Health and Life Insurance Benefits Plan: (Continued)

Plan Description: (Continued)

Medical benefits are provided to Parish employees upon retirement according to the retirement eligibility provisions as follows: for employees hired prior to January 1, 2007, 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 basis; for employees hired after January 1, 2007, age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service basis. The plan is a fully insured, single-employer defined benefit plan.

Life insurance coverage is provided in the amount of \$10,000 for retirees under age 70 and \$5,000 to retirees age 70 and older.

A summary of members participating in the Parish's plan at December 31, 2025 and 2024, is as follows:

	<u>2025</u>	<u>2024</u>
	<u>Plan Membership</u>	<u>Plan Membership</u>
Active employees	3,204	2,933
Retirees and beneficiaries currently receiving benefit payments	<u>3,163</u>	<u>3,124</u>
Total	<u>6,367</u>	<u>6,057</u>

Certain amounts in this note were arrived at by multiplying the Parish's figures in those respective categories by a multiplier of .0012 and .0013 for the years ended December 31, 2025 and 2024, respectively, which was calculated by dividing the System's annual covered payroll for the current year by the Parish's annual covered payroll. This is the same multiplier used in calculating the System's amounts as listed in the additional tables below.

Funding Policy:

Prior to the implementation of GASB Statement No. 45 in 2007, the Parish recognized the cost of providing post-employment medical and life benefits (the Parish's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2025, the Parish's portion of healthcare funding cost for retired employees totaled \$5,423,416 and the life insurance totaled \$401,847. In 2024, the Parish's portion of healthcare funding cost for retired employees totaled \$4,992,643 and the life insurance totaled \$387,070.

The Parish has set up an internal service fund as a dedicated reserve for the post-employment benefit obligation. As of December 31, 2025 and 2024, \$57,268,153 and \$51,075,140, respectively has been dedicated in the Internal Service Fund Post-Employment Benefits for this purpose.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

9. OTHER POST-EMPLOYMENT BENEFITS: (Continued)

Total OPEB Liability: (Continued)

The System's proportionate share of the Parish's total OPEB liability for December 31, 2025 is \$125,190. It was measured as of December 31, 2025, and was determined by an actuarial valuation report dated July 1, 2026.

The System's proportionate share of the Parish's total OPEB liability for December 31, 2024 is \$117,456. It was measured as of December 31, 2024, and was determined by an actuarial valuation report dated April 17, 2025.

Actuarial Methods and Other Inputs:

The total OPEB liability in the January 1, 2025 and 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	December 31, 2025	December 31, 2024
Salary increase	2.50%	2.50%
Discount rate	4.43% based on the S&P High Grade 20 Year Rate Index	4.28% based on the S&P High Grade 20 Year Rate Index
Healthcare cost trend rates	8.00% graded uniformly to 5.75% over 3 years and following the Getzen model thereafter to an ultimate rate of 4.04% in the year 2075.	7.50% graded uniformly to 6.60% over 3 years and following the Getzen model thereafter to an ultimate rate of 4.04% in the year 2075.
Retirees' share of benefit-related costs	Retiree medical premiums are determined according to a "vesting" schedule based on the number of years of service at retirement date. There are different schedules for retiree coverage and for dependent coverage. Contributions are assumed to increase at the health care cost trend rates.	Retiree medical premiums are determined according to a "vesting" schedule based on the number of years of service at retirement date. There are different schedules for retiree coverage and for dependent coverage. Contributions are assumed to increase at the health care cost trend rates.
Mortality Rates	For active employees, mortality rates were based on the PUB-2016 Employee Mortality Table, Generational with Projection Scale MP-2021. For retirees and beneficiaries, PUB-2016 Mortality Tables for retirees and disabled employees, Generational Contingent Survivor with Projection Scale MP-2021	For active employees, mortality rates were based on the PUB-2010 Employee Mortality Table, Generational with Projection Scale MP-2021. For retirees and beneficiaries, PUB-2021 Mortality Tables for retirees and disabled employees, Generational Contingent Survivor with Projection Scale MP-2021

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

9. OTHER POST-EMPLOYMENT BENEFITS: (Continued)

Actuarial Methods and Other Inputs: (Continued)

Changes of assumptions and other inputs reflect a change in the discount rate from 4.28% as of the beginning of the measurement period to 4.43% based on the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2025.

Sensitivity of the System's OPEB Liability to Changes in the Discount Rate:

The following presents the System's total OPEB liability, as well as what the System's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate as of December 31, 2025 and 2024:

2025			
	1.00%	Current	1.00%
	<u>Decrease</u>	<u>Discount Rate</u>	<u>Increase</u>
	3.43%	4.43%	5.43%
System's total OPEB liability	<u>\$ 138,046</u>	<u>\$ 125,190</u>	<u>\$ 114,561</u>
2024			
	1.00%	Current	1.00%
	<u>Decrease</u>	<u>Discount Rate</u>	<u>Increase</u>
	3.28%	4.28%	5.28%
System's total OPEB liability	<u>\$ 132,385</u>	<u>\$ 117,456</u>	<u>\$ 105,237</u>

Sensitivity of the System's OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the System's total OPEB liability, as well as what the System's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates as of December 31, 2025 and 2024:

2025			
	1.00%	Current Healthcare	1.00%
	<u>Decrease</u>	<u>Cost Trend Rate</u>	<u>Increase</u>
	5.40%	6.40%	7.40%
System's total OPEB liability	<u>\$ 115,987</u>	<u>\$ 125,190</u>	<u>\$ 136,209</u>
2024			
	1.00%	Current Healthcare	1.00%
	<u>Decrease</u>	<u>Cost Trend Rate</u>	<u>Increase</u>
	5.60%	6.60%	7.60%
System's total OPEB liability	<u>\$ 105,600</u>	<u>\$ 117,456</u>	<u>\$ 131,807</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

9. OTHER POST-EMPLOYMENT BENEFITS: (Continued)

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the years ended December 31, 2025 and 2024, the System recognized total OPEB expense of \$10,593 and \$37,864, respectively.

As of December 31, 2025 and 2024, the System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources, respectively:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,964	\$ -
Changes in assumptions and other inputs	-	6,222
	<u>\$ 11,964</u>	<u>\$ 6,222</u>

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 119,235
Changes in assumptions and other inputs	128,675	839
	<u>\$ 128,675</u>	<u>\$ 120,074</u>

Amounts reported by the System as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year Ended December 31:	Recognized in OPEB Expense
2026	\$ 2,657
2027	3,085
	<u>\$ 5,742</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

9. OTHER POST-EMPLOYMENT BENEFITS: (Continued)

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: (Continued)

The following is a summary of the changes in the System's total OPEB liability for the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 117,456	\$ 119,991
Changes for the year:		
Service cost	1,490	1,579
Interest	4,300	4,566
Difference between expected and actual experience	17,946	-
Changes in assumptions	(8,689)	(1,259)
Benefit payments	<u>(7,313)</u>	<u>(7,421)</u>
Net Changes	<u>7,734</u>	<u>(2,535)</u>
Balance at December 31	<u><u>\$ 125,190</u></u>	<u><u>\$ 117,456</u></u>

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A):

The System's employees are members of the Parochial Employees Retirement System of Louisiana (PERS), a cost sharing, multiple-employer, defined benefit pension plan administered by a separate board of trustees. The PERS is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. The System's employees are members of Plan A.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System of Louisiana and additions to/deductions from the PERS's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Plan Description:

The PERS was established and provided for by R.S.11:1901-2025 of the Louisiana Revised Statutes (LRS). The PERS provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elect to become members of PERS.

Eligibility Requirements:

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

For employees hired prior to January 1, 2007:

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

For employees hired after January 1, 2007:

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

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

Survivor Benefits:

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

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

DROP Benefits:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the PERS. DROP is an option for that member who is eligible for normal retirement.

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, 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 PERS, 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 the PERS, 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:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been 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, or three percent multiplied by years of service assuming continued service to age sixty.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
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10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (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 2.0% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2.0% 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 2.50% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.50% cost of living adjustment commencing at age 55.

According to state statute, PERS also receives one-fourth of one percent of ad valorem taxes collected within respective parishes, except for Orleans and East Baton Rouge parishes. PERS 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 members' compensation.

These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Employer Allocations:

The schedule of employer allocations reports the required projected employer contributions, in addition to the employer allocation percentage. The required projected employer contributions are used to determine the proportionate relationship of each employer to all employers of the PERS. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of pension amounts.

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

As of December 31, 2025 and 2024, the System reported a liability (asset) of \$(27,625) and \$25,635, respectively, for its proportionate share of the PERS' net pension liability. The net pension liability was measured as of December 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date also. The System's proportion of the net pension liability was based on a projection of the System's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of December 31, 2024, the System's proportion was 0.027470%, which is an increase of 0.000563% from its proportion measured as of December 31, 2023, which was 0.026907%.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Pension Liabilities (Assets), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: (Continued)

For the years ended December 31, 2025 and 2024, the System recognized its proportionate share of plan pension expense of \$23,351 and \$10,141, respectively.

At December 31, 2025 and 2024, the System reported deferred outflows of resources and deferred inflows of resource related to pensions from the following sources:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,858	\$ 2,401
Net difference between projected and actual earnings on pension plan investments	-	18,191
Changes in assumptions	-	3,040
Changes in proportion and differences between employer contributions and proportionate share of contributions	766	18,684
Employer contributions subsequent to measurement date	24,971	-
	<u>\$ 42,595</u>	<u>\$ 42,316</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Pension Liabilities (Assets), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: (Continued)

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,139	\$ 6,881
Net difference between projected and actual earnings on pension plan investments	41,314	-
Changes in assumptions	-	4,466
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,534	251
	<u>\$ 54,987</u>	<u>\$ 11,598</u>

Deferred outflows of resources related to pension resulting from employer contribution subsequent to the measurement date of \$24,971 will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. 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 Ended <u>December 31:</u>	
2026	\$ 4,793
2027	18,426
2028	(34,202)
2029	(13,709)
	<u>\$ (24,692)</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Contributions - Proportionate Share:

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

Actuarial Assumptions:

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

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was then assigned credibility weighting and combined with a standards table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the PERS's liabilities.

Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

A summary of the actuarial methods and assumptions for PERS Plan A used in determining the total pension liability as of December 31, 2025 and 2024, are as follows:

Valuation Date: Actuarial Cost Date	December 31, 2024	December 31, 2023
Actuarial Cost Method	Plan A: Entry Age Normal	Plan A: Entry Age Normal
Investment Rate of Return (Discount rate)	6.40%, net investment expense, including inflation	6.40%, net investment expense, including inflation
Expected Remaining Service Lives	4 years	4 years
Projected Salary Increases: Inflation Rate	4.75%	4.75%
Inflation Rate	2.30%	2.30%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Actuarial Assumptions: (Continued)

Cost of Living Adjustments:

The present value of future retirement benefits is based on benefits currently being paid by the PERS 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 of annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up), and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% for each of the years ended December 31, 2024 and 2023, and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.13% and 7.50% for the years ended December 31, 2024 and 2023, respectively.

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

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

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

Actuarial Assumptions: (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the PERS target asset allocation as of December 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	33%	1.12%
Equity	51%	3.20%
Alternatives	14%	0.67%
Real assets	2%	0.11%
Totals	<u>100%</u>	<u>5.10%</u>
Inflation		<u>2.40%</u>
Expected Arithmetic Nominal Return		<u>7.50%</u>

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

As of the years ended December 31, 2025 and 2024, the discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contributions rates and 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 were applied to all periods of projected benefit payments to determine the total pension liability.

The following presents in the net pension liability of the participating employers calculated using the discount rates as of December 31, 2025 and 2024, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

10. PENSION PLAN ON THE SYSTEM'S EMPLOYEES WHO ARE MEMBERS IN THE PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM (PERS PLAN A): (Continued)

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

	<u>2025</u>		
	<u>Current</u>		
	<u>1.00%</u>	<u>Discount</u>	<u>1.00%</u>
	<u>Decrease</u>	<u>Rate</u>	<u>Increase</u>
	5.40%	6.40%	7.40%
Employer's proportionate share of the net position liability (asset)	<u>\$ 140,977</u>	<u>\$ -</u>	<u>\$ (169,146)</u>

	<u>2024</u>		
	<u>Current</u>		
	<u>1.00%</u>	<u>Discount</u>	<u>1.00%</u>
	<u>Decrease</u>	<u>Rate</u>	<u>Increase</u>
	5.60%	6.60%	7.60%
Employer's proportionate share of the net position liability (asset)	<u>\$ 182,910</u>	<u>\$ 25,635</u>	<u>\$ (106,382)</u>

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System 2024 Annual Financial Report at www.persla.org.

Payables to the Pension Plan:

As of December 31, 2025 and 2024, the System had no payables to the PERS.

11. COMPENSATED ABSENCES:

Employees of the System earn annual and sick leave in accordance with personnel policies consistent with those of Jefferson Parish. Annual and sick leave are earned based on employee service and may be accumulated.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

11. COMPENSATED ABSENCES: (Continued)

Upon termination or retirement, employees may be compensated for unused annual leave, limited to a maximum of 20 days. Employees may also be compensated for unused sick leave, limited to a maximum of 40 days, provided that eligibility requirements are met. Sick leave is payable upon retirement and upon termination, only if the employee has completed at least seven years of service.

In accordance with GASB Statement No. 101, *Compensated Absences*, the System has recorded a liability for accumulated annual and eligible sick leave that is attributable to services already rendered and is expected to be paid upon separation or retirement. No liability has been recorded for civil or funeral leave, as these leave types do not accumulate or result in compensation upon separation. For the years ended December 31, 2025 and 2024, a liability for compensated absences is recorded in the statements of fiduciary net position for \$46,768 and \$111,404, respectively.

12. RISK MANAGEMENT:

The System is exposed to risks of loss in the areas of general and auto liability and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no reductions in insurance coverage during the current year, nor have there been any settlements which have exceeded the insurance coverages maintained in the past three years.

13. CONCENTRATIONS AND CONSTRAINTS:

In accordance with Governmental Accounting Standards Board Statement No. 102, *Certain Risk Disclosures*, the System has evaluated known concentrations and constraints that could significantly affect the ability to continue providing benefits or meet financial obligations. Based on this evaluation, management does not expect these factors to have a significant negative impact within 12 months of the issuance of these financial statements.

Known Concentrations:

As of December 31, 2025, the System is exposed to the following concentration risks:

Geographic Concentration: The System has one employer. The System is therefore subject to risks associated with an economic downturn, natural disasters, or legislative actions affecting public finance of the employer.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

13. CONCENTRATIONS AND CONSTRAINTS: (Continued)

Known Constraints: (Continued)

As of December 31, 2025, the System is subject to the following legal and operational constraints:

Statutory Funding Structure: Contribution rates and benefit provisions are determined by the employer and actuarial recommendations. Any changes require legislative action, which may limit the System's ability to respond swiftly to financial or demographic fluctuations.

Investment Custodian: The System maintains a custodial relationship with a single financial institution for the majority of its investment assets. A disruption in that institution's services could temporarily delay access to funds or reporting capabilities.

Management regularly monitors these risks and believes that current governance, actuarial funding methods, and investment diversification strategies mitigate the impact of such concentrations and constraints.

14. TAX QUALIFICATION:

The System applied to the Internal Revenue Service (IRS) in January 2011 for a determination regarding the qualified status of its retirement plan under Section 401(a) of the Internal Revenue Code. The IRS subsequently issued a favorable determination letter confirming the plan's qualified status.

The System has been advised that, following changes to the IRS determination letter program, the IRS would no longer routinely issue subsequent determination letters. The plan remains qualified under Section 401(a) so long as it continues to comply with the applicable Internal Revenue Code requirements and its plan provisions are not amended in a manner that would affect its qualified status. The System has not made any amendments to the plan that would affect its qualified status.

15. RECLASSIFICATION:

Certain amounts reported in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on the previously reported net position or changes in net position of the System.

REQUIRED SUPPLEMENTARY INFORMATION

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Total Pension Liability:			
Service Cost	\$ 6,790	\$ 6,610	\$ 6,387
Interest	1,972,043	2,031,473	2,111,741
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(581,338)	(891,272)	(1,332,656)
Changes of Assumptions	-	-	-
Benefit Payments	(2,378,897)	(2,419,611)	(2,462,351)
Refunds of Member Contributions	(24,826)	(36,232)	(32,425)
Other	64,635	-	-
Net Change in Total Pension Liability	<u>(941,593)</u>	<u>(1,309,032)</u>	<u>(1,709,304)</u>
Total Pension Liability - Beginning	<u>42,665,887</u>	<u>43,974,919</u>	<u>45,684,223</u>
Total Pension Liability - Ending (a)	<u><u>\$ 41,724,294</u></u>	<u><u>\$ 42,665,887</u></u>	<u><u>\$ 43,974,919</u></u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 473,043	\$ 418,980	\$ 354,689
Contributions - Member	1,598	1,591	1,539
Contributions - Non-employers Contributing Entities	-	-	-
Net Investment Income (Loss)	6,836,582	5,303,047	5,496,051
Benefit Payments	(2,378,897)	(2,419,611)	(2,462,351)
Refunds of Member Contributions	(24,826)	(36,232)	(32,425)
Administrative Expenses	(429,618)	(397,770)	(371,387)
Other	64,635	-	-
Net Change in Plan Fiduciary Net Position	<u>4,542,517</u>	<u>2,870,005</u>	<u>2,986,116</u>
Plan Fiduciary Net Position - Beginning	<u>54,141,009</u>	<u>51,271,004</u>	<u>48,284,888</u>
Plan Fiduciary Net Position - Ending (b)	<u>58,683,526</u>	<u>54,141,009</u>	<u>51,271,004</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u><u>\$ (16,959,232)</u></u>	<u><u>\$ (11,475,122)</u></u>	<u><u>\$ (7,296,085)</u></u>
Plan Fiduciary Net Position as a % of Total Pension Liability	140.65%	126.90%	116.59%
Covered Payroll	\$ 216,882	\$ 215,347	\$ 209,738
Net Pension Liability (Asset) as a % of Covered Payroll	-7819.57%	-5328.67%	-3478.67%

(Continued)

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Pension Liability:			
Service Cost	\$ 10,363	\$ 10,207	\$ 12,189
Interest	2,102,232	2,161,333	2,238,083
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	621,141	(877,416)	(455,299)
Changes of Assumptions	-	-	1,424,500
Benefit Payments	(2,520,366)	(2,470,199)	(2,423,269)
Refunds of Member Contributions	(43,252)	(43,766)	(16,979)
Other	-	-	-
Net Change in Total Pension Liability	<u>170,118</u>	<u>(1,219,841)</u>	<u>779,225</u>
Total Pension Liability - Beginning	<u>45,514,105</u>	<u>46,733,946</u>	<u>45,954,721</u>
Total Pension Liability - Ending (a)	<u>\$ 45,684,223</u>	<u>\$ 45,514,105</u>	<u>\$ 46,733,946</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 436,632	\$ 536,305	\$ 686,866
Contributions - Member	1,557	2,563	3,603
Contributions - Non-employers contributing entities	-	-	-
Net Investment Income (Loss)	(7,545,316)	6,706,254	5,559,271
Benefit Payments	(2,520,366)	(2,470,199)	(2,423,269)
Refunds of Member Contributions	(43,252)	(43,766)	(16,979)
Administrative Expenses	(277,253)	(353,510)	(471,932)
Depreciation Expense	-	-	-
Net Change in Plan Fiduciary Net Position	<u>(9,947,998)</u>	<u>4,377,647</u>	<u>3,337,560</u>
Plan Fiduciary Net Position - Beginning	<u>58,232,886</u>	<u>53,855,239</u>	<u>50,517,679</u>
Plan Fiduciary Net Position - Ending (b)	<u>48,284,888</u>	<u>58,232,886</u>	<u>53,855,239</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ (2,600,665)</u>	<u>\$ (12,718,781)</u>	<u>\$ (7,121,293)</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	105.69%	127.94%	115.24%
Covered Payroll	\$ 203,840	\$ 342,689	\$ 340,390
Net Pension Liability (Asset) as a % of Covered Payroll	-1275.84%	-3711.46%	-2092.10%

(Continued)

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CHANGES IN NET PENSION LIABILITY (ASSET)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability:				
Service Cost	\$ 14,757	\$ 14,684	\$ 11,946	\$ 20,045
Interest	2,301,319	2,357,190	2,481,835	2,474,064
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(1,071,131)	(895,823)	(427,223)	285,538
Changes of Assumptions	-	-	2,569,457	-
Benefit Payments	(2,512,320)	(2,601,391)	(2,595,133)	(2,612,078)
Refunds of Member Contributions	(60,015)	(13,066)	(26,025)	(27,755)
Other	-	249	75	702
Net Change in Total Pension Liability	<u>(1,327,390)</u>	<u>(1,138,157)</u>	<u>2,014,932</u>	<u>140,516</u>
Total Pension Liability - Beginning	<u>47,282,111</u>	<u>48,420,268</u>	<u>46,405,336</u>	<u>46,264,820</u>
Total Pension Liability - Ending (a)	<u>\$ 45,954,721</u>	<u>\$ 47,282,111</u>	<u>\$ 48,420,268</u>	<u>\$ 46,405,336</u>
Plan Fiduciary Net Position:				
Contributions - Employer	\$ 831,994	\$ 1,437,221	\$ 1,562,975	\$ 2,497,301
Contributions - Member	4,761	4,684	4,665	5,609
Contributions - Non-employers contributing entities	-	-	-	-
Net Investment Income (Loss)	7,509,901	(2,001,810)	6,198,990	1,747,381
Benefit Payments	(2,512,320)	(2,601,391)	(2,595,133)	(2,612,078)
Refunds of Member Contributions	(60,015)	(13,066)	(26,025)	(27,755)
Administrative Expenses	(343,991)	(507,353)	(393,215)	(405,865)
Depreciation Expense	-	249	75	702
Net Change in Plan Fiduciary Net Position	<u>5,430,330</u>	<u>(3,681,466)</u>	<u>4,752,332</u>	<u>1,205,295</u>
Plan Fiduciary Net Position - Beginning	<u>45,087,349</u>	<u>48,768,815</u>	<u>44,016,483</u>	<u>42,811,188</u>
Plan Fiduciary Net Position - Ending (b)	<u>50,517,679</u>	<u>45,087,349</u>	<u>48,768,815</u>	<u>44,016,483</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ (4,562,958)</u>	<u>\$ 2,194,762</u>	<u>\$ (348,547)</u>	<u>\$ 2,388,853</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	109.93%	95.36%	100.72%	94.85%
Covered Payroll	\$ 518,446	\$ 625,187	\$ 624,890	\$ 618,467
Net Pension Liability (Asset) as a % of Covered Payroll	-880.12%	351.06%	-55.78%	386.25%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYERS' NET PENSION LIABILITY (ASSET)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

Fiscal Year <u>End</u>	Total Pension <u>Liability</u>	Plan Fiduciary <u>Net Position</u>	Employers' Net Pension <u>Liability (Asset)</u>	Plan Fiduciary Net Position as a % of Total Pension <u>Liability</u>	Covered <u>Payroll</u>	Employers' Net Pension Liability (Asset) as a % of <u>Covered Payroll</u>
2025	\$ 41,724,294	\$ 58,683,526	\$ (16,959,232)	140.65%	\$ 216,882	-7819.57%
2024	\$ 42,665,887	\$ 54,141,009	\$ (11,475,122)	126.90%	\$ 215,347	-5328.67%
2023	\$ 43,974,919	\$ 51,271,004	\$ (7,296,085)	116.59%	\$ 209,738	-3478.67%
2022	\$ 45,684,223	\$ 48,284,888	\$ (2,600,665)	105.69%	\$ 203,840	-1275.84%
2021	\$ 45,514,105	\$ 58,232,886	\$ (12,718,781)	127.94%	\$ 342,689	-3711.46%
2020	\$ 46,733,946	\$ 53,855,239	\$ (7,121,293)	115.24%	\$ 340,390	-2092.10%
2019	\$ 45,954,721	\$ 50,517,679	\$ (4,562,958)	109.93%	\$ 518,446	-880.12%
2018	\$ 47,282,111	\$ 45,087,349	\$ 2,194,762	95.36%	\$ 625,187	351.06%
2017	\$ 48,420,268	\$ 48,768,815	\$ (348,547)	100.72%	\$ 624,890	-55.78%
2016	\$ 46,405,336	\$ 44,016,483	\$ 2,388,853	94.85%	\$ 618,467	386.25%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CONTRIBUTIONS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

Fiscal Year <u>End</u>	Actuarially Determined <u>Contribution</u>	Contributions in Relation to the Actuarially Determined <u>Contribution</u>	Contribution Deficiency (<u>Excess</u>)	Employer Covered <u>Payroll</u>	Contributions as a Percentage of Covered <u>Payroll</u>
2025	\$ 473,043	\$ 473,043	\$ -	\$ 216,882	218.11%
2024	\$ 418,980	\$ 418,980	\$ -	\$ 215,347	194.56%
2023	\$ 354,689	\$ 354,689	\$ -	\$ 209,738	169.11%
2022	\$ 401,701	\$ 436,632	\$ (34,931)	\$ 203,840	214.20%
2021	\$ 393,290	\$ 536,305	\$ (143,015)	\$ 342,689	156.50%
2020	\$ 412,120	\$ 686,866	\$ (274,746)	\$ 340,390	201.79%
2019	\$ 499,196	\$ 831,994	\$ (332,798)	\$ 518,446	160.48%
2018	\$ 1,405,283	\$ 1,437,221	\$ (31,938)	\$ 625,187	229.89%
2017	\$ 1,281,640	\$ 1,562,975	\$ (281,335)	\$ 624,890	250.12%
2016	\$ 1,201,826	\$ 2,497,301	\$ (1,295,475)	\$ 618,467	403.79%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

<u>Fiscal Year End</u>	<u>Annual Money-Weighted Rate of Return*</u>
2025	12.85%
2024	10.55%
2023	11.64%
2022	-13.22%
2021	12.64%
2020	11.20%
2019	4.50%
2018	-7.12%
2017	10.77%
2016	3.03%

*Annual money-weighted rates of return are presented net of investment expense

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE SYSTEM'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE EIGHT YEARS ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:								
Service Cost	\$ 1,490	\$ 1,579	\$ 2,216	\$ 4,591	\$ 2,590	\$ 2,147	\$ 1,663	\$ 1,934
Interest	4,300	4,566	7,285	6,302	4,574	7,733	6,878	7,987
Changes of Benefit Terms	-	-	-	-	-	-	-	954
Differences Between Expected and Actual								
Experience	17,946	-	(90,405)	(12,280)	19,050	49,249	(50,663)	-
Changes of Assumptions	(8,689)	(1,259)	7,344	(73,611)	9,099	17,780	29,862	19,280
Benefit Payments	<u>(7,313)</u>	<u>(7,421)</u>	<u>(6,935)</u>	<u>(11,721)</u>	<u>(10,829)</u>	<u>(11,244)</u>	<u>(8,366)</u>	<u>(9,637)</u>
Net Change in Total OPEB Liability	7,734	(2,535)	(80,495)	(86,719)	24,484	65,665	(20,626)	20,518
Total OPEB Liability - Beginning	<u>117,456</u>	<u>119,991</u>	<u>200,486</u>	<u>287,205</u>	<u>262,721</u>	<u>197,056</u>	<u>217,682</u>	<u>197,164</u>
Total OPEB Liability - Ending	<u>\$ 125,190</u>	<u>\$ 117,456</u>	<u>\$ 119,991</u>	<u>\$ 200,486</u>	<u>\$ 287,205</u>	<u>\$ 262,721</u>	<u>\$ 197,056</u>	<u>\$ 217,682</u>
Covered Payroll	\$ 228,283	\$ 221,375	\$ 213,463	\$ 182,275	\$ 201,630	\$ 218,383	\$ 201,630	\$ 185,599
Total OPEB Liability as a Percentage of Covered Payroll	54.84%	53.06%	56.21%	109.99%	142.44%	120.30%	97.73%	117.29%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SYSTEM'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY (ASSET) IN PERS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

<u>Fiscal Year*</u>	System's Proportion of the Net Pension Liability (Asset)	System's Proportionate Share of the Net Pension Liability (Asset)	System's Covered Employee Payroll	System's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2025	0.027470%	\$ (27,625)	\$228,283	-12.10%	101.97%
2024	0.026907%	\$ 25,635	\$221,375	11.60%	98.03%
2023	0.025548%	\$ 98,329	\$213,463	46.10%	91.74%
2022	0.029270%	\$ (137,874)	\$182,275	-75.64%	110.46%
2021	0.030162%	\$ (52,886)	\$201,630	-26.23%	104.00%
2020	0.027809%	\$ 1,309	\$218,383	0.60%	99.89%
2019	0.028556%	\$ 126,742	\$188,146	67.36%	88.86%
2018	0.027019%	\$ (20,055)	\$185,599	-10.81%	101.98%
2017	0.026736%	\$ 55,063	\$171,352	32.13%	94.15%
2016	0.025704%	\$ 67,600	\$159,623	42.39%	92.23%

* The amounts presented for each fiscal year were determined as of the prior fiscal year.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF THE SYSTEM'S CONTRIBUTIONS TO PERS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>System's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2025	\$ 24,971	\$ 24,971	\$ -	\$228,283	10.9%
2024	\$ 24,435	\$ 24,435	\$ -	\$221,375	11.0%
2023	\$ 22,427	\$ 22,427	\$ -	\$213,463	10.5%
2022	\$ 20,007	\$ 20,007	\$ -	\$182,275	11.0%
2021	\$ 23,909	\$ 23,909	\$ -	\$201,630	11.9%
2020	\$ 24,885	\$ 24,885	\$ -	\$218,383	11.4%
2019	\$ 20,869	\$ 20,869	\$ -	\$188,146	11.1%
2018	\$ 20,180	\$ 20,180	\$ -	\$185,599	10.9%
2017	\$ 20,438	\$ 20,438	\$ -	\$171,352	11.9%
2016	\$ 20,680	\$ 20,680	\$ -	\$159,623	13.0%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

1. SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET):

The total pension liability contained in this schedule was provided by the System's actuary, Curran Actuarial Consulting, Ltd. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the System.

2. SCHEDULE OF EMPLOYERS' NET PENSION LIABILITY (ASSET):

The schedule of employers' net pension liability shows the percentage of the System's employers' net pension liability as a percentage of covered payroll. The employers' net pension liability is the liability of contributing employers to members for benefits provided through the System. Covered payroll is the payroll on which contributions to the system are based.

3. SCHEDULE OF CONTRIBUTIONS:

The difference between the actuarially determined employer contributions for employers and non-employer contributing entities and the contributions received and the percentage of contributions received to covered payroll is presented in this schedule.

4. SCHEDULE OF INVESTMENT RETURNS:

The annual money-weighted rate of return is shown in this schedule. The money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. This expresses investment performance adjusted for the changing amounts actually invested throughout the year, measured using monthly inputs with expenses measured on an accrual basis.

5. ACTUARIAL ASSUMPTIONS – NET PENSION LIABILITY:

The information presented in the required supplementary schedules was used in the actuarial valuation for purposes of determining the actuarially determined contribution rate. The assumptions and methods used for the actuarial valuation were recommended by the actuary and adopted by the Board. Additional information on the assumptions and methods used as of the latest actuarial valuation are disclosed in the notes to the financial statements note 4, Net Pension Liability (Asset) of Employers.

6. SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY:

This schedule reflects the participation of the System's employees in the Jefferson Parish Post-employment Benefits Plan and changes in the total other postemployment liability.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

7. SCHEDULE OF THE SYSTEMS' PROPORTIONATE SHARE OF THE NET PENSION LIABILITY IN PERS:

This schedule reflects the participation of the System employees in PERS and its proportionate share of the net pension liability, the proportionate share of net pension liability as a percentage of it covered payroll, and the plan fiduciary net position as a percentage of the total pension liability. The measurement period for each fiscal year ended is for the prior period calculated.

8. SCHEDULE OF THE SYSTEMS' CONTRIBUTIONS TO PERS:

This schedule represents the difference between the actuarially determined employer contributions and contributions received and the percentage of employer contributions received to covered payroll.

9. CHANGES IN ACTUARIAL ASSUMPTIONS:

System's Net Pension Liability:

The following is a detailed description of the changes in actuarial assumptions:

Valuation Date	Investment Rate of Return	Expected Remaining Services Lives	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31, 2025	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%
December 31, 2024	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%
December 31, 2023	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%
December 31, 2022	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

System's Net Pension Liability: (Continued)

Valuation Date	Investment Rate of Return	Expected Remaining Services Lives	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31, 2021	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%
December 31, 2020	4.75%	1 year	2.10%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 120% for males and 115% for females using MP2020 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 120% for males and 115% for females using MP2020 scale	5.00%
December 31, 2019	5.00%	1 year	2.25%	RP-2000 Healthy Annuitant SexDistinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.00%
December 31, 2018	5.00%	1 year	2.25%	RP-2000 Healthy Annuitant SexDistinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.00%
December 31, 2017	5.00%	1 year	2.25%	RP-2000 Healthy Annuitant SexDistinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.00%
December 31, 2016	5.50%	1 year	2.50%	RP-2000 Healthy Annuitant SexDistinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.00%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

Parochial Employees' Retirement System (PERS):

The following is a detailed description of the changes in actuarial assumptions:

Valuation Date	Investment Rate of Return	Expected Remaining Services Lives	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31, 2024	6.40%	4 years	2.30%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2021 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale	4.75%
December 31, 2023	6.40%	4 years	2.30%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2021 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale	4.75%
December 31, 2022	6.40%	4 years	2.30%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale	4.75%
December 31, 2021	6.40%	4 years	2.30%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale	4.75%
December 31, 2020	6.40%	4 years	2.30%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale	4.75%

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

Parochial Employees' Retirement System (PERS): (Continued)

Valuation Date	Investment Rate of Return	Expected Remaining Services Lives	Inflation Rate	Mortality Rate - Annuitant and Beneficiary	Mortality Rate - Employees	Mortality Rate - Disabled Annuitants	Salary Increases
December 31, 2019	6.50%	4 years	2.40%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale	4.75%
December 31, 2018	6.50%	4 years	2.40%	Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale	Pub-2010 Public Ret Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale	4.75%
December 31, 2017	6.75%	4 years	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
December 31, 2016	7.00%	4 years	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%
December 31, 2015	7.00%	4 years	2.50%	RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA set back 1 year for females	RP-2000 Employee table set back 4 years for males and 3 years for females	RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females	5.25%

OPEB Plan:

The following changes were made to the actuarial assumptions and methods reported in the 2025 valuation:

Amounts reported in the 2025 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 4.28% as of December 31, 2024 to 4.43% as of December 31, 2025 for the Jefferson Parish OPEB Plan.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

OPEB Plan: (Continued)

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 8.00% grading uniformly to 6.60% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.
- The mortality tables were updated to use the Pub-2016 General Headcount weighted tables with improvements scale MP-2021.

The following changes were made to the actuarial assumptions and methods reported in the 2024 valuation:

Amounts reported in the 2024 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 4.00% as of December 31, 2023 to 4.28% as of December 31, 2024 for the Jefferson Parish OPEB Plan.

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 7.50% grading uniformly to 5.75% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.

The following changes were made to the actuarial assumptions and methods reported in the 2023 valuation:

Amounts reported in the 2023 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 4.31% as of December 31, 2022 to 4.00% as of December 31, 2023 for the Jefferson Parish OPEB Plan.

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 7.00% grading uniformly to 5.60% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.
- The effect of the lower claims cost assumption due to the introduction of the United Medicare Advantage Plan was included in the experience gain.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

OPEB Plan: (Continued)

The following changes were made to the actuarial assumptions and methods reported in the 2022 valuation:

Amounts reported in the 2022 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 2.25% as of December 31, 2021 to 4.31% as of December 31, 2022 for the Jefferson Parish OPEB Plan.

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 6.50% grading uniformly to 5.20% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 3.94% in the year 2075.
- The claims assumption was updated from the prior year and reflected as an experience gain.

The following changes were made to the actuarial assumptions and methods reported in the 2021 valuation:

Amounts reported in the 2021 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 1.93% as of December 31, 2020 to 2.25% as of December 31, 2021 for the Jefferson Parish OPEB Plan.

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 6.00% grading uniformly to 5.50% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.
- The mortality tables were updated to use the Pub-2010 General Headcount weighted tables with improvements scale MP-2021.
- 40% of males, and 20% of females are now assumed to elect medical coverage for a spouse during retirement.

The following changes were made to the actuarial assumptions and methods reported in the 2020 valuation:

Amounts reported in the 2020 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 3.26% as of December 31, 2019 to 1.93% as of December 31, 2020 for the Jefferson Parish OPEB Plan.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

9. CHANGES IN ACTUARIAL ASSUMPTIONS: (Continued)

OPEB Plan: (Continued)

Other changes are as follows:

- The assumed trend rate for the medical claims was changed to 6.50% grading uniformly to 5.75% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2076.
- The mortality tables were updated to use the Pri-2012 tables with Improvement Scale MP-2020.

The following changes were made to the actuarial assumptions and methods reported in the 2019 valuation:

Amounts reported in the 2019 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 3.23% as of December 31, 2018 to 3.26% as of December 31, 2019 for the Jefferson Parish OPEB Plan.

Other changes are as follows:

- The medical claims aging table was updated to be based on the aging factors in the Dale Yamamoto study released by the Society of Actuaries in June 2013.
- The assumed trend rate for the medical claims was changed to 7.50% grading uniformly to 6.75% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.
- The mortality improvement assumption was changed from Improvement Scale MP-2016 to Improvement Scale MP-2019.

The following changes were made to the actuarial assumptions and methods reported in the 2018 valuation:

Amounts reported in the 2018 valuation reflect an adjustment in the discount rate used to measure the total OPEB liability. The discount rate changed from 3.76% as of December 31, 2017 to 3.23% as of December 31, 2018 for the Jefferson Parish OPEB Plan.

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025 AND 2024

10. CHANGES IN BENEFIT TERMS:

System:

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

Parochial Employees' Retirement System (PERS):

During the year ended December 31, 2022, PERS granted a 2.5% Cost of Living Adjustment (COLA) to retirees aged 62 and older, effective January 1, 2023.

During the year ended December 31, 2020, PERS granted a 2.5% Cost of Living Adjustment (COLA) to retirees aged 62 and older, effective January 1, 2021.

During the year ended December 31, 2017, PERS granted a 2.5% Cost of Living Adjustment (COLA) to retirees aged 62 and older, effective January 1, 2018.

OPEB Plan:

There were no changes of benefit terms for the OPEB Plan during any of the years presented.

OTHER SUPPLEMENTARY INFORMATION

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENTS
DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
FIXED INCOME - DOMESTIC:		
Bonds:		
Federal Home Loan Mortgage Corporation	\$ 1,827,673	\$ 1,855,194
Federal National Mortgage Association	4,127,554	4,200,458
United States Treasury Obligations	11,219,964	8,701,654
Corporate Bonds	5,053,954	5,863,958
Total Bonds	<u>\$ 22,229,145</u>	<u>\$ 20,621,264</u>
Exchange-Traded Funds:		
Fixed Income ETF	\$ 2,623,422	\$ 2,595,530
Total Exchange-Traded Funds	<u>\$ 2,623,422</u>	<u>\$ 2,595,530</u>
 TOTAL FIXED INCOME - DOMESTIC	 <u>\$ 24,852,567</u>	 <u>\$ 23,216,794</u>
FIXED INCOME - INTERNATIONAL:		
Foreign Bonds, Notes, and Debt:		
Aercap Ireland	\$ 287,939	\$ 255,504
TOTAL FIXED INCOME - INTERNATIONAL	<u>\$ 287,939</u>	<u>\$ 255,504</u>
EQUITIES - DOMESTIC:		
Marketable Securities:		
Common Stock	\$ 22,119,893	\$ 20,778,994
Total Marketable Securities	<u>\$ 22,119,893</u>	<u>\$ 20,778,994</u>
Mutual Funds:		
Blackrock Multi STR Inst	\$ 1,283,071	\$ 1,239,190
Goldman Sachs Absolute Return Tracker Fund	1,359,458	1,221,959
Total Mutual Funds	<u>\$ 2,642,529</u>	<u>\$ 2,461,149</u>
Exchange-Traded Funds:		
Equity ETF	\$ 5,428,929	\$ 4,282,980
Total Exchange-Traded Funds	<u>\$ 5,428,929</u>	<u>\$ 4,282,980</u>
 TOTAL EQUITIES - DOMESTIC	 <u>\$ 30,191,351</u>	 <u>\$ 27,523,123</u>
EQUITIES - INTERNATIONAL:		
Marketable Securities:		
Foreign Stock	\$ 1,021,857	\$ 744,296
Total Marketable Securities	<u>\$ 1,021,857</u>	<u>\$ 744,296</u>
 TOTAL EQUITIES - INTERNATIONAL	 <u>\$ 1,021,857</u>	 <u>\$ 744,296</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
SUPPLEMENTARY INFORMATION
SCHEDULES OF ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Actuarial	\$ 29,700	\$ 29,700
Audit and consulting fees	27,700	27,700
Bank charges	3,291	-
Expense allowance	10,500	10,050
Group insurance	56,295	50,396
Insurance	8,281	16,846
Legal fees	8,512	15,117
Membership dues & publications	300	-
Office expense	14,088	12,784
Postage	2,475	1,470
Retirement contributions	534	24,907
Salaries	228,283	221,375
Security	9,912	12,042
Telephone	884	176
Travel and seminar	2,519	2,382
TOTAL EXPENSES	\$ 403,274	\$ 424,945
		(28,391) *
		\$ 396,554

* Includes deferred inflows, deferred outflows, pension expense (income), net pension liability (asset), and net other postemployment benefit obligation

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
SUPPLEMENTARY INFORMATION
SCHEDULES OF BOARD COMPENSATION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

<u>TRUSTEE</u>	<u>2025</u>	<u>2024</u>
Gary L. Duker	\$ 212	\$ 193
Linda A. Roy	963	857
Joy B. Armstrong	150	150
Timothy J. Palmatier	-	175
Victor J. LaRocca III	-	-
Lizabeth A. Johnston	-	-
John G. Dumas	150	-
Ned A. Pitre	<u>175</u>	<u>559</u>
	<u>\$ 1,650</u>	<u>\$ 1,934</u>

EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
SUPPLEMENTARY INFORMATION
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2025

Agency Head: Gary L. Duker

	<u>Amount</u>
Purpose:	
Registration Fees	\$ 150
Travel & expense reimbursement	<u>62</u>
Total	<u><u>\$ 212</u></u>



Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)
Felix J. Hrapmann, Jr., CPA
(1919-1990)
William R. Hogan, Jr., CPA
(1920-1996)
James Maher, Jr., CPA
(1921-1999)

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Grady C. Lloyd, III, CPA
Robynn P. Beck, CPA
J. Patrick Butler, III, CPA
Wesley D. Wade, CPA

Heather M. Jovanovich, CPA
Terri L. Kitto, CPA
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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*

August 28, 2026

The Board of Trustees of
The Employees' Retirement System of
Jefferson Parish, 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 Employees' Retirement System of Jefferson Parish, a component unit of Jefferson Parish, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Employees' Retirement System of Jefferson Parish's basic financial statements and have issued our report thereon dated August 28, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Employees' Retirement System of Jefferson Parish's internal control over financial reporting to determine 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 Employees' Retirement System of Jefferson Parish's internal control.

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Accordingly, we do not express an opinion on the effectiveness of the Employees' Retirement System of Jefferson Parish's internal control.

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

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

Report on Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the Employees' Retirement System of Jefferson Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 System's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Duplantier, Chapman, Hogan and Parker, LLP

Metairie, Louisiana

THE EMPLOYEES' RETIREMENT SYSTEM OF JEFFERSON PARISH
SUMMARY OF SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of the Employees Retirement System of Jefferson Parish for the year ended December 31, 2025 was unmodified.

2. Internal Control

Material weakness: None noted

Significant deficiency: None noted

3. Compliance and Other Matters

Noncompliance material to financial statements: none noted

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENTAL AUDITING STANDARDS:

None

SUMMARY OF PRIOR YEAR FINDINGS:

None

EMPLOYEES' RETIREMENT SYSTEM
OF JEFFERSON PARISH

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR JANUARY 01, 2025
THROUGH DECEMBER 31, 2025

EMPLOYEES’ RETIREMENT SYSTEM OF JEFFERSON PARISH

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE FISCAL YEAR JANUARY 01, 2025 THROUGH DECEMBER 31, 2025

April 27, 2026

Employees' Retirement System of Jefferson Parish and Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2025 through December 31, 2025. The Employees' Retirement System of Jefferson Parish's management is responsible for those C/C areas identified in the SAUPs.

The Employees' Retirement System of Jefferson Parish has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 01, 2025 through December 31, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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1) Written Policies and Procedures

- A. **Procedure**: Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
 - x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: No findings noted as a result of applying the above agreed-upon procedures.

2) Board or Finance Committee

- A. **Procedure:** Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: No findings noted as a result of applying the above agreed-upon procedures.

3) *Bank Reconciliations*

- A. **Procedure:** 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.

Results: As a result of performing the above procedures we noted the bank reconciliation does not include evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed the bank reconciliation within 1 month of the date the reconciliation was prepared.

Management's Response: The bank reconciliations are reviewed monthly by the Assistant Secretary-Manager. Following her review, she initials and dates the reconciliation as evidence of her approval. The review is consistently completed within 3 to 5 days. For the July reconciliation, the Assistant Secretary-Manager reviewed her calendar and confirmed she completed her review on August 13, 2025. While the reconciliation did not reflect her initials and date at the time the testing for the procedure was performed, the review was completed as part of our normal monthly process. Going forward, I will ensure the bank reconciliations returned from the Assistant Secretary-Manager are clearly documented with the Assistant Secretary-Manager's initials and dated.

4) *Collections (excluding electronic funds transfers)*

- A. **Procedure:** 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).

Results: No findings noted as a result of applying the above agreed-upon procedures.

- B. **Procedure:** 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

- C. **Procedure:** 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

- D. **Procedure:** 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

- B. **Procedure:** For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
- ii. At least two employees are involved in processing and approving payments to vendors;
- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Results: As a result of performing the above procedures it was noted that the System does not have a policy in place addressing the employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Management's Response: The Policies and Procedures have been updated to clarify that any purchases other than routine office supplies require prior approval from the Board Chair. The updated

procedure requires submission of a purchase request identifying the vendor, a description of the goods or services, the estimated cost, and the business purpose for the purchase.

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Results: No findings noted as a result of applying the above agreed-upon procedures.

- C. **Procedure:** Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

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

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: No findings noted as a result of applying the above agreed-upon procedures.

8) *Contracts*

- A. **Procedure:** Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No findings noted as a result of applying the above agreed-upon procedures.

9) *Payroll and Personnel*

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

- B. **Procedure**: Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Results: No findings noted as a result of applying the above agreed-upon procedures.

- C. **Procedure**: Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

10) *Ethics*

- A. **Procedure:** 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

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

Results: No findings noted as a result of applying the above agreed-upon procedures.

11) *Debt Service*

- A. **Procedure:** 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.

Results: The procedures are not applicable to Employees Retirement System of Jefferson Parish as the System did not issue any bonds/notes or other debt instruments during the fiscal year.

- B. **Procedure:** 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).

Results: The procedures are not applicable to Employees Retirement System of Jefferson Parish as the System did not have any bonds/notes outstanding at the end of the fiscal year.

12) Fraud Notice

- C. **Procedure**: 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

- D. **Procedure**: 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

13) Information Technology Disaster Recovery/Business Continuity

- A. **Procedure**: 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.

Results: We performed the procedure and discussed the results with management.

- B. **Procedure**: 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.

Results: We performed the procedure and discussed the results with management.

- C. **Procedure**: 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.

Results: We performed the procedure and discussed the results with management.

- D. **Procedure**: 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.

Results: We performed the procedure and discussed the results with management.

E. **Procedure:** 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

Results: We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

A. **Procedure:** 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

B. **Procedure:** 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).

Results: No findings noted as a result of applying the above agreed-upon procedures.

C. **Procedure:** 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.

Results: No findings noted as a result of applying the above agreed-upon procedures.

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

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

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

Duplantis, Sharpner, Hogan and Baker, LLP

Metairie, Louisiana