WEST BATON ROUGE PARISH PUBLIC UTILITY

PORT ALLEN, LOUISIANA

FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED

DECEMBER 31, 2025 AND 2024

ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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ERICKSEN KRENTEL LLP
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INDEPENDENT AUDITORS' REPORT

West Baton Rouge Parish Public Utility
City of Port Allen, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the West Baton Rouge Parish Public Utility, a component unit of the West Baton Rouge Parish Council, as of and for the year ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise of the West Baton Rouge Parish Public Utility'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 respective financial position of the business-type activities of the West Baton Rouge Parish Public Utility, as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows thereof 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 West Baton Rouge Parish Public Utility 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 West Baton Rouge Parish Public Utility'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 West Baton Rouge Parish Public Utility'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.

West Baton Rouge Parish Public Utility
City of Port Allen, Louisiana
June 3, 2026

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 7, the schedule of changes in net OPEB liability and related ratios (Schedule 1), schedule of employer's proportionate share of the net pension liability (asset) (Schedule 2) and the schedule of employer's pension contributions (Schedule 3), 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 an opinion on the financial statements that collectively comprise West Baton Rouge Parish Public Utility's basic financial statements. The schedules of changes in sewer revenue bond restricted funds (schedule 4) and per diem paid to board members (Schedule 5) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of compensation, benefits and other payments to chief executive (Schedule 6) is presented to comply with the requirements issued by the State of Louisiana and is not a required part of the basic financial statements. Schedules 4, 5 and 6 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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 accompanying financial information listed as "other supplementary information" in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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Other Information

Management is responsible for the other information accompanying the basic financial statements, which comprises the schedule of operating statistics (schedule 7). Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated June 3, 2026, on our consideration of West Baton Rouge Parish Public Utility's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 West Baton Rouge Parish Public Utility'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 West Baton Rouge Parish Public Utility's internal control over financial reporting and compliance.

June 3, 2026
Baton Rouge, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

The Management's Discussion and Analysis of the West Baton Rouge Parish Public Utility's (the Utility) financial performance presents a narrative overview and analysis of the Utility's financial activities for the year ended December 31, 2025. This document focuses on the current activities, resulting changes, and currently known facts in comparison with prior year's information. Please read this document in conjunction with the additional information contained in the Utility's financial statements, which begins on page 8.

FINANCIAL HIGHLIGHTS

The Utility's total net position increased by $111,342 or 0.3%.
The operating revenues of the Utility increased by $1,582,622 or 20.3%.
The operating expenses of the Utility increased by $990,878 or 11.54%.

OVERVIEW OF THE FINANCIAL REPORT

This financial report consists of four parts: Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, Other Supplementary Information, and Other Information. Other than the MD&A, the Utility's required supplementary information includes the Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of Net Pension Liability (Asset), Schedule of Employer's Pension Contributions, and Notes to Required Supplementary Information. These reports fulfill the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by the Governmental Accounting Standards Board in GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis-for State and Local Governments*.

BASIC FINANCIAL STATEMENTS

The basic financial statements present information about the Utility's activities and financial position, in a manner similar to private-sector businesses. The statements in this section include the Statements of Net Position; the Statements of Revenues, Expenses and Changes in Net Position; and the Statements of Cash Flows and related notes to the financial statements.

The Statements of Net Position (Statement A) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net position and may provide a useful indicator of whether the financial position of the West Baton Rouge Parish Public Utility is improving or deteriorating.

The Statements of Revenues, Expenses, and Changes in Net Position (Statement B) presents information on how the Utility's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash until future fiscal periods

The Statements of Cash Flows (Statement C) presents information on how the Utility's cash changed as a result of current operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

The following presents condensed financial information on the operations of the Utility.

	2025	2024	2023
Current assets	$ 9,610,890	$ 9,534,257	$ 9,228,891
Restricted assets	1,325,005	1,284,788	1,256,067
Net pension asset	299,018	-	-
Capital assets	38,245,480	38,046,921	36,610,141
Total assets	49,480,393	48,865,966	47,095,099
Deferred outflows	1,182,858	1,754,193	2,701,528
Current liabilities	3,198,248	2,936,575	2,279,082
Noncurrent liabilities	4,838,409	5,140,594	6,373,006
Total liabilities	8,036,657	8,077,169	8,652,088
Deferred inflows	1,713,833	1,741,570	1,684,611
Net investment in capital assets	37,659,389	37,445,884	35,993,764
Restricted for debt service	12,628	12,116	18,335
Unrestricted	3,240,745	3,343,420	3,447,829
Total net position	$ 40,912,762	$ 40,801,420	$ 39,459,928
Operating revenues	$ 9,396,137	$ 7,813,515	$ 8,276,865
Operating expenses	9,575,932	8,585,056	8,801,957
Operating income (loss)	(179,795)	(771,541)	(525,092)
Non-operating revenues (expenses)	291,137	381,143	323,010
Contributions and transfers	-	1,731,890	-
Change in net position	$ 111,342	$ 1,341,492	$ (202,082)

CAPITAL ASSETS AND DEBTS

Capital Assets

The Utility's investment in capital assets as of December 31, 2025, amounts to $38,245,480 (net of accumulated depreciation). This investment in capital assets includes land, right of ways, buildings and operating facilities, office furniture and equipment, and vehicles. The Utility's investment in capital assets for the current fiscal year increased by 2.54%.

	2025	2024	2023
Land and improvements	$ 240,250	$ 240,250	$ 240,250
Buildings and operating facilities	540,572	527,440	509,373
Natural gas system	6,625,699	6,405,257	6,175,417
Water system	31,769,821	31,520,237	29,607,327
Sewer system	25,243,319	25,219,055	25,162,375
Office, furniture and equipment	2,341,430	1,871,633	1,694,398
Vehicles	1,331,500	1,219,082	1,088,257
Construction in progress	1,283,505	654,729	204,853
	69,376,096	67,657,683	64,682,250
Less accumulated depreciation	31,130,616	29,610,762	28,072,109
	$ 38,245,480	$ 38,046,921	$ 36,610,141

Additional information on the Utility's capital assets can be found in note 4 of the financial statements.

Debts

The Utility has not financed purchases or activities through external borrowing or incurring debt, during the current fiscal year. Obligations include the sewer system revenue bonds, compensated absences earned and accumulated by employees as well as a liability recorded for other postemployment benefits and pension liabilities, which are described in the notes to the financial statements.

CONTACTING THE UTILITY'S MANAGEMENT

This financial report is designed to provide a general overview of the Utility's finances and to demonstrate the Utility's accountability for the money it receives. If you have any questions about this report or need additional information, contact Adrian Genre, Director, West Baton Rouge Parish Public Utility. Mr. Genre can be reached by phone at (225) 490-8520.

Statement "A"

WEST BATON ROUGE PARISH PUBLIC UTILITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS:		
Current Assets		
Cash and cash equivalents	$ 4,279,019	$ 4,686,353
Investments	3,435,461	3,356,869
Accounts receivable	1,877,844	1,472,509
Accrued interest receivable	9,789	9,749
Prepaid expenses	8,777	8,777
Total current assets	9,610,890	9,534,257
Restricted Assets		
Customers' deposits	1,312,377	1,272,672
Revenue bond restricted funds	12,628	12,116
Total restricted assets	1,325,005	1,284,788
Noncurrent Assets		
Property and equipment, net of accumulated depreciation	38,245,480	38,046,921
Net pension asset	299,018	-
Total noncurrent assets	38,544,498	38,046,921
Total assets	49,480,393	48,865,966
DEFERRED OUTFLOWS OF RESOURCES	1,182,858	1,754,193
Total assets and deferred outflows of resources	50,663,251	50,620,159
LIABILITIES:		
Current Liabilities - (Payable from Current Assets)		
Accounts payable	1,053,212	622,402
Accrued and withheld taxes and expenses	159,995	168,866
Compensated absences - Current	124,355	99,932
Payable to other systems and the Parish Council	419,228	643,263
Payable to the State of Louisiana	113,467	113,467
Total current liabilities (Payable from Current Assets)	1,870,257	1,647,930
Current Liabilities - (Payable from Restricted Assets)		
Meter deposits	1,312,377	1,272,672
Current portion of sewer revenue bond and accrued interest	15,613	15,973
Total current liabilities (Payable from Restricted Assets)	1,327,990	1,288,645
Noncurrent Liabilities		
Sewer revenue bond	570,478	586,073
Compensated absences	143,439	103,940
Other postemployment benefits	4,124,492	4,211,573
Net pension liability	-	239,008
Total noncurrent liabilities	4,838,409	5,140,594
Total liabilities	8,036,656	8,077,169
DEFERRED INFLOWS OF RESOURCES	1,713,833	1,741,570
Total liabilities and deferred inflow of resources	9,750,489	9,818,739
NET POSITION:		
Invested in capital assets, net of related debt	37,659,389	37,445,884
Restricted for debt services	12,628	12,116
Unrestricted	3,240,745	3,343,420
Total net position	$ 40,912,762	$ 40,801,420

See accompanying NOTES TO FINANCIAL STATEMENTS

Statement "B"

WEST BATON ROUGE PARISH PUBLIC UTILITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS END DECEMBER 31, 2025 AND 2024

	2025	2024
OPERATING REVENUES:		
Gas sales	$ 4,006,457	$ 3,190,580
Water sales	3,654,186	3,346,361
Penalties	80,568	94,721
Extension and connection charges	145,644	158,634
Sewer income	766,942	778,628
Other income	276,212	244,591
Grant income	49,199	-
Total operating revenues	8,979,208	7,813,515
OPERATING EXPENSES:		
Gas purchases	2,684,522	1,857,950
Salaries and wages	2,433,130	2,254,810
Depreciation	1,519,854	1,538,653
Meter and system repairs and supplies	328,254	318,386
Sewer expenses	21,574	179,652
Bad debts	43,225	64,701
Cathodic protection	15,465	3,419
Equipment rental, repair and service contracts	238,485	312,692
Operator qualifications	25,708	21,415
Employee benefit insurance	584,889	628,420
Retirement expense	241,124	102,110
Insurance and surety bonds	327,860	251,240
Capital outlay and acquisitions	43,100	296,137
Miscellaneous	27,713	20,840
Office supplies and postage	143,944	155,200
Payroll taxes	36,070	34,142
Professional services	203,605	42,442
Telephone and utilities	657,410	502,847
Total operating expenses	9,575,932	8,585,056
Operating income (loss)	(596,724)	(771,541)
NON-OPERATING REVENUES (EXPENSES):		
Interest on investments and savings	316,125	399,880
Gain (loss) on disposal of assets	-	7,875
Interest expense	(24,988)	(26,612)
Total non-operating revenues (expenses)	291,137	381,143
Income (Loss) before contributions and transfers	(305,587)	(390,398)
Capital contributions and transfers	416,929	1,731,890
Change in net position	111,342	1,341,492
Net position - beginning of the year	40,801,420	39,459,928
Net position - end of the year	$ 40,912,762	$ 40,801,420

See accompanying NOTES TO FINANCIAL STATEMENTS

Statement "C"

WEST BATON ROUGE PARISH PUBLIC UTILITY

STATEMENTS OF CASH FLOWS

FOR THE YEARS END DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	$ 8,248,461	$ 7,659,916
Receipts from others	325,411	244,591
Payments to suppliers and providers	(5,466,847)	(4,395,150)
Payment to employees	(2,369,208)	(2,207,546)
Net cash provided by operating activities	737,817	1,301,811
CASH FLOWS FROM CAPITAL AND RELATD FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(1,301,484)	(1,243,542)
Proceeds from sale of assets	-	7,875
Long-term debt repaid	(14,946)	(14,307)
Interest paid	(25,997)	(26,637)
Net cash provided by capital and related financing activities	(1,342,427)	(1,276,611)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends on investments	316,085	408,522
Increase in certificates of deposit	(78,592)	(129,450)
Net cash provided by (used in) investing activities	237,493	279,072
Net increase (decrease) in cash and cash equivalents	(367,117)	304,272
Cash and cash equivalents - beginning of year	5,971,141	5,666,869
Cash and cash equivalents - end of year	$ 5,604,024	$ 5,971,141
Classified as:		
Current	$ 4,279,019	$ 4,686,353
Restricted	1,325,005	1,284,788
Total	$ 5,604,024	$ 5,971,141
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Cash paid in excess of interest expense	$ 1,009	$ 24
Capital assets contributed by West Baton Rouge Parish Council	$ 416,929	$ 1,731,890
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	$ (596,724)	$ (771,541)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,519,854	1,538,653
Increase (decrease) in assets:		
Accounts receivable	(405,336)	90,992
Customers' deposits	-	-
Revenue bond restricted funds	-	-
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	430,810	110,345
Other payables	30,836	77,181
Payable to other systems	(224,035)	369,328
Accumulated unpaid vacation	63,922	47,264
OPEB and pension liability	(81,510)	(160,411)
Net cash provided by operating activities	$ 737,817	$ 1,301,811

See accompanying NOTES TO FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The West Baton Rouge Parish Public Utility (Utility) is operated as a proprietary (enterprise) fund of the West Baton Rouge Council. The Utility operates a water system, natural gas system, and sewer system serving residences and businesses in parts of West Baton Rouge Parish. The Utility extends credit to its customers. Customers are required to make a cash deposit or provide other forms of collateral before service begins.

Basis of Presentation

The Governmental Accounting Standards Utility (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. The principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity and component units that should be included within the reporting entity. The Utility is considered a component unit (enterprise fund) of the West Baton Rouge Parish Council because the Council ability to exercise oversight responsibility. The Utility has no component units. The accompanying financial statements present information only as to the transactions and the activities of the Utility.

Fund Accounting

All activities of the Utility are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statement. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The transactions of the Utility are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Position.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

The Utility uses the following practices in recording revenues and expenses:

Revenues

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expenses

Expenses are generally recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

Non-operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and/or producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Capital Contributions

The Utility recognizes capital contributions, including nonexchange contributions of capital assets from the primary government or other entities, as revenue in the period in which the contribution is made. Such contributions are reported as capital contributions in the Statements of Revenues, Expense, and Changes in Net Position and disclosed as noncash capital and financing activities in the Statements of Cash Flows.

Cash and Cash Equivalents

Cash and cash equivalents include petty cash, demand deposits, and certificates of deposit with original maturities of 90 days or less and are carried at cost which approximates market. U.S. treasuries and certificates of deposit with original maturities extending beyond 90 days are considered investments and are stated at fair market value.

Restricted Assets

Restricted assets include certain cash which are legally restricted as to their use. The restricted cash is held separately and restricted according to the applicable bond indenture agreements or held in trust for customer utility meter deposits.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

State law and the Utility's investment policy allow the Utility to invest in collateralized certificates of deposit, government backed securities, state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments are reported at their fair value.

The Utility categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Utility has the ability to access.

Level 2 – Inputs including
- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable and significant to fair value measurement

Capital Assets

Capital assets consist of utility plant, equipment, vehicles and buildings and are capitalized at historical costs. Donated capital assets are recorded at fair market value when donated. These assets, net of accumulated depreciation, are included on the Statement of Net Position. The threshold for capitalizing assets is $5,000. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

The useful lives are as follows:

Gas system	20-50 years
Water system	30-50 years
Sewer system	50 years
Utility equipment	5-10 years
Office equipment	5-10 years
Vehicles	4-6 years
Buildings	20 years

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

Compensated Absences

Full-time, permanent employees of the Utility earn vacation and sick leave at varying rates based on years of service. Under the Utility's policy, employees may accumulate unused vacation and sick leave up to 40 days. In accordance with GASB Statement No. 101, a liability for compensated absences is recognized when the leave is earned and accumulated by employees. The liability is measured using the pay or salary rates in effect as of the financial reporting date.

Employees are compensated for up to 40 days of unused vacation leave at the time of termination or retirement. The portion of compensated absences liability expected to be paid within one year is reported as a current liability; the remainder is reported as a noncurrent liability in the financial statements.

Estimates

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

Long-term Obligations

Long term obligations at December 31, 2025 and 2024, include the sewer revenue bond, compensated absences, other post-employment benefit obligations and pension liabilities.

Other Post Employment Benefit Obligations

The West Baton Rouge Parish Public Utility follows GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This pronouncement requires the Utility to calculate and recognize other post-employment benefit obligations (OPEB) at December 31, 2025 and December 31, 2024. OPEB is, in general, the cumulative difference between the actuarial required contribution and the actual contributions. The West Baton Rouge Parish Public Utility makes annual contributions based upon council decisions.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

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 (PERS) and additions to/deductions from 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.

Deferred Outflows of Resources and Deferred Inflows of Resources.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expenses/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

New Accounting Pronouncements

The GASB has released Statement No. 102, Certain Risk Disclosures. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024. The adoption of this Statement did not have a material impact to the utility’s financial statements.

Subsequent Events

Subsequent events have been evaluated through June 3, 2026, which is the date the financial statements were issued.

(2) DEPOSITS AND INVESTMENTS

Deposits

At December 31, 2025 the Utility has deposits totaling $5,602,840 (book balances).

These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed 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.

(2) DEPOSITS AND INVESTMENTS(CONTINUED)

Deposits (Continued)

Custodial credit risk is the risk that in the event of a bank failure, the Utility's deposits may not be returned to it. The Utility does not have a deposit policy for custodial credit risk. At December 31, 2025, the Utility's bank balance of $5,763,039 was not exposed to custodial credit risk.

Reconciliation

In order to accurately compare the cash shown on the combined balance sheet with carrying values of deposits and investments disclosed in the schedules above, the following is provided:

	2025	2024
Captions in Note 2		
Petty cash	$ 1,183	$ 1,183
Carrying value of bank deposits	5,602,841	5,969,958
Total	$ 5,604,024	$ 5,971,141
Captions on combined balance sheet:		
Cash and cash equivalents	$ 4,279,019	$ 4,686,353
Restricted cash and cash equivalents	1,325,005	1,284,788
Total	$ 5,604,024	$ 5,971,141

Investments

At December 31, 2025, the Utility had investments in certificates of deposit.

The following table sets forth by level within the fair value hierarchy the Utility's certificate of deposit at estimated fair value as of December 31, 2025:

			Category				
Type of Investment	Bank	Maturity Date	1	2	3	Carrying Amount	Fair Value
CoD	Business First Bank	11/9/2026	$ 3,435,461	$ -	$ -	$ 3,435,461	$ 3,435,461
			$ 3,435,461	$ -	$ -	$ 3,435,461	$ 3,435,461

(2) DEPOSITS AND INVESTMENTS(CONTINUED)

Investments (Continued)

The following table sets forth by level within the fair value hierarchy the Utility's certificate of deposit at estimated fair value as of December 31, 2024:

			Category				
Type of Investment	Bank	Maturity Date	1	2	3	Carrying Amount	Fair Value
CoD	Business First Bank	11/9/2025	$ 3,356,869	$ -	$ -	$ 3,356,869	$ 3,356,869
			$ 3,356,869	$ -	$ -	$ 3,356,869	$ 3,356,869

Concentration of credit risk: The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools). The Parish's investment policy requires the investment portfolio to be diversified to eliminate the risk of loss of both principal and income resulting from the over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

Custodial credit risk: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Utility will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent, but not in the name of the Utility. Investments are limited by state law and the Parish investment policy. At December 31, 2025, the Utility's certificate of deposit balance of $3,435,461 was not exposed to custodial credit risk.

Credit risk: The credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S & P) and Moody's.

As of December 31, 2025, all of the Utility's purchased investments were in Certificates of Deposit with local banks and are not risk rated.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics.

The Utility may invest such monies it has in any general fund or special funds which the management of the Utility and Parish Council, in their discretion, may determine to be available for investment and which are not specifically exempted or prohibited from investment under existing state or federal statutes.

(3) RESTRICTED ASSETS

Restricted assets consist of the checking accounts used to hold customers deposits and the funds required to be maintained under the terms of the Sewer Revenue Bond agreement.

The customers' deposits checking account is used to hold deposits made by customers to secure service from the West Baton Rouge Parish Public Utility. These funds can only be used to repay deposits to customers upon their termination of service.

The revenue bond restricted funds are accounts required to be maintained under the terms of the bond indenture of the outstanding Sewer Revenue Bonds Series 2010. They are as follows:

A. The Revenue Bond Sinking Fund is to be used for paying principal and interest due on the Sewer Revenue Bond. Monthly deposits are required to be made into the account sufficient to pay principal and interest when due. Balances at December 31, 2025 and December 31, 2024 were $3,034 and $2,863, respectively.

B. The Revenue Bond Reserve Fund is to be used solely for the purpose of paying the principal and interest on bonds payable from the Revenue Bond Sinking Fund which would otherwise be in default. Balances at December 31, 2025 and December 31, 2024 were $4,798, and $4,627, respectively. As of December 31, 2025 and December 31, 2024, this fund was adequately funded.

C. The Depreciation and Contingency Fund is to be used to pay for any unforeseen repairs to the system. Balances at December 31, 2025 and December 31, 2024 were $4,796, and $4,626, respectively. As of December 31, 2025 and December 31, 2024, this was adequately funded.

These three accounts are shown on the balance sheet as Revenue Bond Restricted Funds. The three accounts totaled $12,628 and $12,116 at December 31, 2025 and December 31, 2024, respectively.

(4) CAPITAL ASSETS

Utility capital assets consisted of the following:

	Balance 12/31/2024	Additions	Deletions	Transfers	Balance 12/31/2025
Land and improvements	$ 240,250	$ -	$ -	$ -	$ 240,250
Buildings and operating facilities	527,440	13,132	-	-	540,572
Natural gas system	6,405,257	220,442	-	-	6,625,699
Water system	31,520,237	249,584	-	-	31,769,821
Sewer system	25,219,055	24,264	-	-	25,243,319
Office, furniture and equipment	1,871,633	469,797	-	-	2,341,430
Vehicles	1,219,082	112,418	-	-	1,331,500
Construction in progress	654,729	628,776	-	-	1,283,505
	67,657,683	1,718,413	-	-	69,376,096
Less accumulated depreciation	29,610,762	1,519,854	-	-	31,130,616
	$ 38,046,921	$ 198,559	$ -	$ -	$ 38,245,480

	Balance 12/31/2023	Additions	Deletions	Transfers	Balance 12/31/2024
Land and improvements	$ 240,250	$ -	$ -	$ -	$ 240,250
Buildings and operating facilities	509,373	18,067	-	-	527,440
Natural gas system	6,175,417	229,840	-	-	6,405,257
Water system	29,607,327	1,912,910	-	-	31,520,237
Sewer system	25,162,375	56,680	-	-	25,219,055
Office, furniture and equipment	1,694,398	177,235	-	-	1,871,633
Vehicles	1,088,257	130,825	-	-	1,219,082
Construction in progress	204,853	449,876	-	-	654,729
	64,682,250	2,975,433	-	-	67,657,683
Less accumulated depreciation	28,072,109	1,538,653	-	-	29,610,762
	$ 36,610,141	$ 1,436,780	$ -	$ -	$ 38,046,921

Cost includes sewer, gas, and water systems donated to the Parish valued at fair market value, which approximated original cost, on the date donated.

(5) PENSION PLAN

Plan Description

Substantially all employees of the Utility are members of the Parochial Employees Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System was established and provided by R.S. 11:1901 of the Louisiana Revised Statute (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets, and separate benefit provisions. All employees of the Utility are members of Plan A.

Benefits Provided

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

Any member of Plan A who was hired before January 1, 2007 can retire providing the member meets one of the following criteria:

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

Eligibility for Retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 with thirty (30) years of creditable service
2. Age 62 with ten (10) years of creditable service
3. Age 67 with seven (7) years of creditable service

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to three percent of the member's final average final 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 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/or minor children as outlined in the statutes.

Any Plan A member 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.

(5) PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

***Survivor Benefits* (Continued)**

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

DROP Benefits

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

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, 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 the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

(5) PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

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 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Cost of Living Increases

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977 (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937) Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

According to state statute, contribution for all employers are actuarially determined each year. For the year ended December 31, 2025 and 2024, the actuarially determined contribution rate was 7.34% and 7.49%, respectively, of member's compensation for Plan A. However, the actual rate for the fiscal year ended December 31, 2024 and 2023, was 11.50% and 11.50%, respectively for Plan A.

In accordance with state statute, the System receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities recognized as revenue in the government-wide governmental activities statement of activities was $31,049 and $24,824 for the year ended December 31, 2025 and 2024, respectively.

(5) PENSION PLAN (CONTINUED)

Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2025 and 2024, the Utility reported an asset of $(299,018) and liability of $239,008, respectively, for its proportionate share of the Net Pension (Asset) Liability. The Net Pension (Asset) Liability was measured as of December 31, 2024 and 2023, respectively, and the total pension (asset) liability used to calculate the Net Pension (Asset) Liability was determined by an actuarial valuation as of that date. The Utility's proportion of the Net Pension (Asset) Liability was based on a projection of the Utility's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year actuarially determined. At December 31, 2024, the Utility's proportion was .297345%, which was a increase of .046476% from its proportion measured as of December 31, 2023. At December 31, 2023, the Utility's proportion was .250869%, which was a decrease of .032110% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2025 and 2024, the Utility recognized pension expense of $244,485 and $102,734, respectively, which includes the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $(8,732) and $9,319.

	December 31, 2025		December 31, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 182,477	$ (25,993)	$ 113,178	$ (64,155)
Changes of assumptions	-	(32,903)	-	(41,640)
Net difference between projected and actual earnings on pension plan investments	-	(196,903)	385,197	-
Changes in proportion and differences between Utility contributions and proportionate share of contributions	-	(25,115)	6,958	-
Utility contributions subsequent to the measurement date	249,511	-	247,137	-
Total	$ 431,988	$ (280,914)	$ 752,470	$ (105,795)

(5) PENSION PLAN (CONTINUED)

Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The deferred outflows of resources related to pensions resulting from the Utility's contributions subsequent to the measurement date totaling $249,511 will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS
2025	104,967
2026	259,895
2027	(310,353)
2028	(152,946)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2024 and 2023, is as follows:

Valuation Date	December 31, 2024 and 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.40% net of investment expense, including inflation
Salary Increases	4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

(5) PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension (asset) liability at December 31, 2024 and 2023 was 6.40% for Plan A in each year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimate 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and 2.40%, respectively, for the year 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%, respectively, for the year ended December 31, 2024 and 2023.

(5) PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

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

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

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

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

(5) PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

The mortality rate assumption used for fiscal years 2025 and 2024 was set based upon an experience study performed on plan data for the period January 1, 2018 through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

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

The following presents the Utility's proportionate share of the Net Pension (Asset) Liability as of December 31, 2025 using the discount rate of 6.40%, as well as what the Employer's proportionate share of the Net Pension (Asset) Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

	Changes in Discount Rate-Plan A		
	1% Decrease (5.40%)	Current Discount Rate (6.40%)	1% Increase (7.40%)
Utility's proportionate share of the net pension liability/(asset)	$ 1,525,987	$ (299,018)	$ (1,830,898)

The following presents the Utility's proportionate share of the Net Pension (Asset) Liability as of December 31, 2024 using the discount rate of 6.40%, as well as what the Employer's proportionate share of the Net Pension (Asset) Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.40%) or one percentage-point higher (7.40%) than the current rate:

(5) PENSION PLAN (CONTINUED)

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

	Changes in Discount Rate-Plan A		
	1% Decrease (5.40%)	Current Discount Rate (6.40%)	1% Increase (7.40%)
Utility's proportionate share of the net pension liability/(asset)	$ 1,705,369	$ 239,008	$ (991,855)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS 2024 Comprehensive Annual Financial Report at www.persla.org. or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Payables to the Pension Plan

Included in accrued expense liabilities is $38,082 and $37,686 payable to the System, which was remitted subsequent to December 31, 2025 and 2024, respectively.

(6) WEST BATON ROUGE PARISH COUNCIL

Garbage Billing Fees

The Utility bills and collects Garbage Fees for the West Baton Rouge Parish Council. The Utility is paid $ .33 per customer billing for providing this service. The Utility earned $24,656 and $42,928 for the years ended December 31, 2025 and 2024, respectively, for providing this service. The Utility owed the Council $204,425 and $443,954 for garbage fees collected and other amounts collected but not remitted to the Council at December 31, 2025 and 2024, respectively.

(7) ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2025 and 2024 was made up of the following:

	2025	2024
Customer Accounts:		
Billed	$ 1,626,006	$ 1,190,973
Unbilled	333,360	319,833
Total	1,959,366	1,510,806
Less allowance for doubtful accounts	(81,522)	(38,297)
Net	$ 1,877,844	$ 1,472,509

(8) OTHER INCOME

Other income for the years ended December 31, 2025 and 2024 was composed of the following:

	2025	2024
Service charges	$ 21,916	$ 25,645
Garbage billing and service fees	24,656	42,928
Capital area ground water charges	169,491	146,027
Sale of scrap items	16,687	-
Miscellaneous income	33,907	20,636
Bad debts recovery	55	(145)
Council payroll assistance	9,500	9,500
Total	$ 276,212	$ 244,591

(9) COMPENSATED ABSENCES

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

Under the provisions of GASB 101:

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

(9) COMPENSATED ABSENCES (CONTINUED)

The Utility has the following policy relating to vacation:

One week of vacation after six months of service
Two weeks of vacation after one to five years of service.
Three weeks of vacation after five to fifteen years of service.
Four weeks of vacation after fifteen to twenty years of service.
Five weeks of vacation after twenty or more years of service.

Each employee accrues annual leave on January 1 of each year for that year. Employees can accumulate up to 320 hours of unused vacation. Each employee also earns 8 hours of sick leave every month and can accumulate up to 320 hours of sick leave.

This liability is reported in the proprietary fund as a noncurrent liability, except for the amount expected to be paid within one year, which is classified as a current liability. During the year ended December 31, 2025, employees earned approximately $258,835 of compensated absences and used approximately $194,913. As of December 31, 2025 and 2024, employees of the Utility had accumulated and vested $228,747 and $203,872, respectively, of compensated absences.

(10) CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS

The following current liabilities were payable from restricted assets as of December 31, 2025 and 2024:

	2025	2024
Customer deposits	$ 1,312,377	$ 1,272,672
Revenue bond current maturity	15,613	14,964
Revenue bond accrued interest	-	1,009
	$ 1,327,990	$ 1,288,645

(11) PAYABLE TO STATE OF LOUISIANA

During the year ended November 30, 1990, the Public Utility was required by the Louisiana Department of Transportation to relocate some gas and water lines located on highway right-of-ways, to allow for widening of those highways. The Public Utility received $197,900 from the Louisiana Department of Transportation (DOTD) during the year ended November 30, 1992. Of this amount, $113,467 was a loan from DOTD and is shown as a current liability on the Statement of Net Position and $84,433 was a grant from DOTD.

(12) POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Plan Description

The Utility's OPEB Plan is a single-employer defined benefit plan. The OPEB plan does not issue a stand-alone financial report. The Utility provides certain continuing health care and life insurance benefits for its retired and retirement-eligible employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. All retirees aged 65 or older that have Part A and Part B of Medicare must go on the Humana 65 Plan.

Plan Description

Additionally, an HSA is also offered to all participants in the HDHP. The Utility pays 100% of the premiums for all retirees. The Utility also contributes to the participants that utilize the HSA as follows:

Family	$800 Annually
Two-party	$800 Annually
Single	$400 Annually

Additionally, the Utility pays 50% for a life insurance policy for all retired employees who wish to participate. Eligible retirees are provided a basic life insurance benefit with a policy amount of $25,000. The amount decreases to $5,000 at age 65, then to $1,000 at age 70. A fully insured dental benefit is available with the retiree paying 100% of the contribution for elected coverage. All active employees who retire directly from the Utility and meet the eligibility criteria may participate.

Employees Covered by Benefit Terms

At December 31, 2025 and 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	24
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	37
Total	61

Total OPEB Liability

The Utility's total OPEB liability of $4,124,492 and $4,211,573 measured as of December 31, 2025 and 2024, respectively, was determined by an actuarial valuation as of that date. At December 31, 2025 measurement date, the Utility's proportion was 19.76%, which was a decrease of 0.19% from the proportion at the December 31, 2024 measurement date. At December 31, 2024 measurement date, the Utility's proportion was 19.96%, which was a decrease of 0.18% from the proportion at the December 31, 2023 measurement date.

(12) POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Total OPEB Liability (Continued)

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

Inflation	2.5%
Salary increases	3.5%
Discount rate	4.43% (1.93% real rate of return plus 2.5% inflation)
Healthcare cost trend rates	Level 4.5%
Actuarial cost method	Individual Entry Age Normal Cost Method - Level Percentage of projected Salary

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified.

Inflation	2.5%
Salary increases	3.5%
Discount rate	4.28% (1.78% real rate of return plus 2.5% inflation)
Healthcare cost trend rates	Level 4.5%
Actuarial cost method	Individual Entry Age Normal Cost Method - Level Percentage of projected Salary

The discount rate was based on the recently published S&P Municipal Bond 20 Year High Grade Rate Index. Mortality rates were based on the RPH-2014 Total Table with Projection MP-2021.

(12) POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Total OPEB Liability (Continued)

The actuarial assumptions used in the December 31, 2025 and 2024 valuations were based on those used in the Parochial Employees Retirement System of Louisiana valuation and actuarial experience.

	2025	2024
Beginning Balance	$ 4,211,573	$ 4,526,158
Changes for the year		
Service cost	101,426	119,111
Interest	180,117	181,818
Differences between expected and actual experience	(70,170)	(244,832)
Changes in assumptions	(89,127)	(171,048)
Benefit payments and net transfers	(209,327)	(199,634)
Net Changes	(87,081)	(314,585)
Ending Balance	$ 4,124,492	$ 4,211,573

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

The following present the total OPEB liability of the Utility at December 31, 2025, as well as what the Utility's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.43%) or 1-percentage-point higher (5.43%) than the current discount rate.

	1.0% Decrease (3.43%)	Current Discount Rate (4.43%)	1.0% Increase (5.43%)
Total OPEB Liability	$ 4,770,830	$ 4,124,492	$ 3,602,125

The following present the total OPEB liability of the Utility at December 31, 2024, as well as what the Utility's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.28%) or 1-percentage-point higher (5.28%) than the current discount rate.

	1.0% Decrease (3.28%)	Current Discount Rate (4.28%)	1.0% Increase (5.28%)
Total OPEB Liability	$ 4,867,124	$ 4,211,573	$ 3,681,132

(12) POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates (Continued)

The following presents the total OPEB liability of the Utility at December 31, 2025, as well as what the Utility's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare trend rates.

	1.0% Decrease (3.50%)	Current Trend (4.50%)	1.0% Increase (5.50 %)
Total OPEB Liability	$ 3,539,558	$ 4,124,492	$ 4,880,490

The following presents the total OPEB liability of the Utility at December 31, 2024, as well as what the Utility's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare trend rates.

	1.0% Decrease (3.50%)	Current Trend (4.50%)	1.0% Increase (5.50 %)
Total OPEB Liability	$ 3,616,966	$ 4,211,573	$ 4,978,178

OPEB Expense

For the year ended December 31, 2025 and 2024, the Utility recognized OPEB expense of $170,242 and $207,317, respectively. At December 31, 2025 and 2024, Utility reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 325,411	$ (306,017)	$ 415,460	$ (307,098)
Changes in assumptions	280,202	(1,057,275)	451,097	(1,232,371)
Changes in proportion	145,257	(69,626)	135,166	(96,306)
Total	$ 750,870	$ (1,432,918)	$ 1,001,723	$ (1,635,775)

(12) POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

OPEB Expense (Continued)

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

Year Ended December 31:	
2026	$ (73,923)
2027	(200,852)
2028	(130,283)
2029	(189,108)
2030	(16,960)
Thereafter	(70,922)
	$ (682,048)

COBRA Benefits

Under the Consolidated Budget Reconciliation Act (COBRA), the Public Utility provides health insurance benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premiums are to be paid in full by the insured. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the Public Utility under this program. There were no participants in the program as of December 31, 2025 or 2024.

(13) RELATED PARTY TRANSACTIONS

In addition to the transactions discussed in Note 6 to these financial statements the Utility had dealings with and collected sewer user fees for two municipalities in West Baton Rouge Parish and garbage fees for one municipality in Pointe Coupee Parish.

The Public Utility collected sewer user fees for the Town of Addis in 2025 and 2024. At December 31, 2025 and 2024, the Public Utility owed the Town of Addis, $171,308 and $165,845, respectively.

The Public Utility collected sewer user fees for the Town of Brusly in 2025 and 2024. At December 31, 2025 and 2024, the Public Utility owed the Town of Brusly $38,958 and $29,414, respectively.

The Public Utility collected garbage fees for Pointe Coupee Parish in 2025 and 2024. At December 31, 2025 and 2024, the Public Utility owed Pointe Coupee Parish $2,331 and $1,729, respectively.

(14) MAJOR CUSTOMERS AND CREDIT CONCENTRATIONS

The West Baton Rouge Parish Public Utility has a few customers who provide significant amounts of its revenue and compose a significant amount of its accounts receivable balances as follows:

	Water Sales 2025	Water Sales 2024	Accounts Receivable 2025	Accounts Receivable 2024
Customer A	17.4%	17.1%	3.1%	4.1%
	Gas Sales 2025	Gas Sales 2024	Accounts Receivable 2025	Accounts Receivable 2024
Customer B	8.2%	6.0%	9.9%	2.6%
	Water Sales 2025	Water Sales 2024	Accounts Receivable 2025	Accounts Receivable 2024
Customer C	10.0%	4.4%	3.5%	1.8%

Accounts receivable are subject to a concentration of credit risk because of the limited area served by the Utility.

(15) DEFERRED COMPENSATION PLAN

Certain employees of the Utility participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397. The Utility does not contribute to the plan.

(16) SEWER REVENUE BONDS

During 2008, the West Baton Rouge Parish Council issued "Sewer System Revenue Bond, Series 2010". The Bond was purchased by the U.S. Department of Agriculture. The total proceeds of the bond issue of $765,000 were used by the Parish Council to make sewer system improvements. During 2010, the Sewer System was completed, and the Parish Council transferred the completed improvements to the Public Utility.

(16) SEWER REVENUE BOND (CONTINUED)

The Sewer Revenue Bond payable at December 31, 2025 and 2024 consisted of the following:

	2025	2024
$765,000 Sewer Revenue Bond Series 2010 dated June, 2010, interest at 4.375%. Monthly payments of $3,412. Principal and interest to be paid from the income derived from providing sewer service.	$ 586,091	$ 601,037
Less current portion	15,613	14,964
Long term portion	$ 570,478	$ 586,073

The annual requirements to amortize the revenue bond payable as of December 31, 2025, are as follows:

Year ending December 31, 2025	Principal	Interest	Total
2026	15,613	25,330	40,943
2027	16,310	24,633	40,943
2028	16,970	23,973	40,943
2029	17,796	23,147	40,943
2030	18,590	22,353	40,943
2031-2036	130,201	115,455	245,656
2037-2042	169,284	76,372	245,656
2043-2048	201,327	25,801	227,128
Totals	$ 586,091	$ 337,064	$ 923,155

(17) RECLASSIFICATION

Certain items have been reclassified from the prior year for comparative purposes. These classifications affect neither net assets nor the change in net assets of the West Baton Rouge Parish Public Utility.

REQUIRED SUPPLEMENTARY INFORMATION

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB liability:								
Service cost	$ 104,303	$ 108,580	$ 169,785	$ 176,019	$ 172,777	$ 98,030	$ 119,111	$ 101,426
Interest cost	172,950	176,906	150,531	107,400	117,664	177,954	181,818	180,117
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference of expected and actual experience	-	(76,077)	(150,620)	568,706	(26,219)	165,560	(244,832)	(70,170)
Changes in assumptions	-	1,109,625	(353,812)	69,718	(1,510,039)	186,748	(171,048)	(89,127)
Benefit payments	(180,834)	(189,286)	(213,073)	(286,742)	(258,855)	(265,955)	(199,634)	(209,327)
Net change in total OPEB liability	96,419	1,129,748	(397,189)	635,101	(1,504,672)	362,337	(314,585)	(87,081)
Total OPEB liability, beginning	4,204,414	4,300,833	5,430,581	5,033,392	5,668,493	4,163,821	4,526,158	4,211,573
Total OPEB liability, ending	$ 4,300,833	$ 5,430,581	$ 5,033,392	$ 5,668,493	$ 4,163,821	$ 4,526,158	$ 4,211,573	$ 4,124,492
Covered-employee payroll	1,723,055	1,848,560	2,063,788	2,024,460	2,049,462	2,097,884	2,222,788	2,428,371
Net OPEB liability as a percentage of covered-employee payroll	249.61%	293.77%	243.89%	280.00%	203.17%	215.75%	189.47%	169.85%

Notes to Schedule:

Changes of Benefit Terms None

Changes of Assumptions Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018	4.10%
2019	4.10%
2020	2.12%
2021	2.06%
2022	4.31%
2023	4.00%
2024	4.28%
2025	4.43%

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

Schedule 2

WEST BATON ROUGE PARISH PUBLIC UTILITY

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

YEARS END DECEMBER 31, 2025 AND 2024

	Fiscal Year*	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered-Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered-Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability (Asset)
PERS:						
	2025	0.2973%	$ (299,018)	$ 2,149,018	-13.91%	101.97%
	2024	0.2509%	$ 239,008	$ 1,969,178	12.14%	98.03%
	2023	0.2830%	$ 1,089,127	$ 1,919,690	56.73%	91.74%
	2022	0.2857%	$ (1,345,780)	$ 1,915,924	-70.24%	110.46%
	2021	0.2956%	$ (518,299)	$ 1,974,287	-26.25%	88.86%
	2020	0.2719%	$ 12,798	$ 1,723,772	0.74%	99.89%
	2019	0.2628%	$ 1,166,485	$ 1,723,772	67.67%	88.86%
	2018	0.2643%	$ (196,174)	$ 1,615,700	-12.14%	101.98%
	2017	0.0270%	$ 556,559	$ 1,626,791	34.21%	94.15%
	2016	0.0265%	$ 696,464	$ 1,723,594	40.41%	92.23%

* The amounts presented have a measurement date of December 31 of the previous fiscal year-end.

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
YEARS END DECEMBER 31, 2025 AND 2024

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contracually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
PERS					
2025	$ 249,511	$ 249,511	$ -	$ 2,268,282	11.00%
2024	$ 247,137	$ 247,137	$ -	$ 2,149,018	11.50%
2023	$ 226,455	$ 226,455	$ -	$ 1,969,178	11.50%
2022	$ 220,764	$ 220,764	$ -	$ 1,919,690	11.50%
2021	$ 234,701	$ 234,701	$ -	$ 1,915,924	12.25%
2020	$ 241,850	$ 241,850	$ -	$ 1,974,287	12.25%
2019	$ 198,234	$ 198,234	$ -	$ 1,723,772	11.50%
2018	$ 185,806	$ 185,806	$ -	$ 1,615,700	11.50%
2017	$ 203,349	$ 203,349	$ -	$ 1,626,791	12.50%
2016	$ 225,881	$ 225,881	$ -	$ 1,723,594	13.11%

See Independent Auditors' Report

(1) PENSION PLAN SCHEDULES

Changes of Benefit Terms

There were no changes of benefit terms for the year ended December 31, 2025.

Changes of Assumptions

During the year ended December 31, 2023, PERS adjusted its assumption of the mortality rate – annuitant and beneficiary employees to the Pub-2010 Public Ret Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP 2021 scale. PERS also adjusted its assumption of the mortality rate –disabled annuitants to the Pub-2010 Public Ret Mortality Table for General Disables Retirees multiplied by 130% for males and 125% for females using MP 2021 scale.

During the year ended December 31, 2020, PERS adjusted its assumption of the investment rate of return from 6.50% to 6.40%.

During the year ended December 31, 2018, PERS adjusted its assumption of the investment rate of return from 6.75% to 6.50%. PERS also adjusted its assumption of mortality rate – annuitant and beneficiary, employees, and disabled annuitants to the Pub-2010 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP 2018 scale. PERS also adjusted its assumption of mortality rate – annuitant to the Pub-210 Public Ret Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP 2018 scale. They adjusted the ranges of its salary increase assumptions from 5.25% to 4.75% for Plan A and 4.25% for Plan B.

During the year ended December 31, 2017, PERS adjusted its assumption of the investment rate of return from 7.00% to 6.75%.

During the year ended December 31, 2015, PERS adjusted its assumption of the investment rate of return from 7.25% to 7.00%. PERS also adjusted its assumption of mortality rate – annuitant and beneficiary to RP-2000 Healthy Annuitant Sex Distinct Tables projected to 2031 using Scale AA set back 1 year for females. Assumption to mortality rate – employees was also adjusted to the RP-2000 Employee table set back 4 years for males and 3 years for females. Mortality rate – disabled annuitants' assumptions were changed to RP-2000 Disable Lives Mortality Table set back 5 years for males and 3 years for females. They adjusted the ranges of its salary increase assumptions from 5.75% to 5.25%.

There were no changes in assumptions during any other years presented.

SUPPLEMENTARY INFORMATION

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF CHANGES IN SEWER REVENUE
BOND RESTRICTED FUNDS
YEARS END DECEMBER 31, 2025 AND 2024

	2025	2024
Balance, beginning	$ 12,116	$ 18,335
Additions:		
Transfer from revenue account	40,961	34,119
Interest earned	512	605
Total cash available	53,589	53,059
Disbursements:		
Bond principal paid	14,964	14,307
Bond interest paid	25,997	26,636
Total disbursements	40,961	40,943
Balance, ending	$ 12,628	$ 12,116

The restricted cash account was adequately funded as of December 31, 2025 and 2024.

Interest earned on restricted cash is not required to be restricted.

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
YEAR END DECEMBER 31, 2025

Compensation for the year ended December 31, 2025:

			Amount
Roger Alan Crowe	PO Box 304, Port Allen, LA 70767	225-715-9521	$ 14,400
Kirk Allain	3113 River Landing Dr., Addis, LA 70710	225-303-7192	14,400
Kenneth Gordon	PO Box 502, Port Allen, LA 70767	225-324-3904	14,400
Brady Hotard	2655 Emily Dr., Port Allen, LA 70767	225-287-8638	14,400
Carey Denstel, Chairperson	4111 Roseland Dr., Port Allen, LA 70767	225-505-3071	15,600
Gary Joseph	1416 Avenue B, Port Allen, LA 70767	225-223-0919	14,400
Katherine Andre	5740 Andre Ln., Port Allen, LA 70767	225-413-1168	14,400
Daryl Babin	4611 Raymond LaBauve Rd., Brusly, LA 70719	225-445-3504	14,400
Atley Walker, Jr.	PO Box 1135, Brusly, LA 70719	225-324-7139	14,400
			$ 130,800

Council members receive $1,200 per month and the chairperson receives $1,300 per month. The Council is paid by the West Baton Rouge Parish Council. The Council is audited by other auditors.

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF COMPENSATION PAID TO CHIEF EXECUTIVE
YEAR END DECEMBER 31, 2025

Compensation paid to the West Baton Parish Public
Utility Director:

		Adrian Genre
Salary	$	121,017
Benefits-Insurance		29,041
Benefits-Retirement		12,712
Vehicle allowance		4,800
Total compensation	$	167,570

See Independent Auditors' Report

OTHER INFORMATION

Schedule 7

WEST BATON ROUGE PARISH PUBLIC UTILITY

OPERATING STATISTICS

YEARS END DECEMBER 31, 2025 AND 2024

	2025	2024
Sewer:		
Residential customers	1,622	1,621
Commercial customers	237	223
Total	1,859	1,844
Natural Gas:		
Customers	6,130	6,063
Sales	$ 4,006,457	$ 3,190,580
Purchases	2,684,522	1,857,950
Gross profit on sales	$ 1,321,935	$ 1,332,630
MCF's of gas sold	538,398	512,114
MCF's of gas loss	-	-
MCF's of gas purchased	631,243	648,685
MCF's of gain (loss)	(92,845)	(136,571)
Percent of gain (loss)	-14.71%	-21.05%
Total number of customer billings	73,079	72,572
Average number of customers billed per month	6,090	6,048
Average monthly revenue per customer	$ 54.82	$ 43.96
Average revenue per MCF billed	$ 7.44	$ 6.23

WEST BATON ROUGE PARISH PUBLIC UTILITY

OPERATING STATISTICS, CONTINUED

YEARS END DECEMBER 31, 2025 AND 2024

	Placid	Chemical Plants	Others	Total 2025
Water:				
Sales	$ 637,008	$ 498,792	$ 2,518,386	$ 3,654,186
M gallons sold	849,344	664,061	1,100,580	2,613,985
Total number of customer billings	12	36	111,716	111,764
Average number of customers billed per month	1	3	9,310	9,314
Average monthly revenue per customer	$ 53,084	$ 13,855	$ 22.54	$ 32.70
Average revenue per M gallons	$ 0.75	$ 0.75	$ 2.29	$ 1.40

	Placid	Chemical Plants	Others	Total 2024
Sales	$ 573,515	$ 257,830	$ 2,515,016	$ 3,346,361
M gallons sold	764,687	343,397	1,113,635	2,221,719
Total number of customer billings	12	48	111,466	111,526
Average number of customers billed per month	1	4	9,289	9,294
Average monthly revenue per customer	$ 47,793	$ 5,371	$ 22.56	$ 30.01
Average revenue per M gallons	$ 0.75	$ 0.75	$ 2.26	$ 1.51

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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

West Baton Rouge Parish Public Utility
Port Allen, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the business type activities of the West Baton Rouge Parish Public Utility, a component unit of the West Baton Rouge Parish Council, Louisiana, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise West Baton Rouge Parish Public Utility's basic financial statements and have issued our report thereon dated June 3, 2026.

Report on Internal Control over Financial Reporting

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

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

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Baton Rouge Parish Public Utility's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying *schedule of findings and responses* as item *2025-001*.

West Baton Rouge Parish Public Utility of Port Allen's Response to Findings

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

Purpose of This Report

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

June 3, 2026
Baton Rouge, Louisiana

Ericksen Krentel, LLP

Certified Public Accountants

WEST BATON ROUGE PARISH PUBLIC UTILITY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

SECTION I- SUMMARY OF AUDITORS' REPORT

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the West Baton Rouge Parish Public Utility (the Utility).

2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements was reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

3. One instance of noncompliance material to the financial statements was reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

4. A management letter was not issued for the year ended December 31, 2025.

SECTION II – FINDINGS - FINANCIAL STATEMENT AUDIT

Compliance Findings

Finding 2025-001 – Noncompliance with R.S. 9:159

Condition: The Utility has deposits for accounts that have been inactive for one year or greater.

Criteria: State Law R.S. 9:159 requires that the holder of property presumed abandoned shall report to the state treasurer concerning such property.

Effect: The Utility may not be in compliance with state law.

Cause: During the audit we discovered that the Utility had deposits with inactive statuses for greater than one year which had not been refunded to the person who made the original deposit. Presumptions of abandonment for unclaimed property include a deposit or refund owed by a utility one year after the deposit or refund becomes payable.

Recommendation: Management should research all inactive deposits for a period of one year or greater for when the refund becomes due and refund these deposits to the individual who made the original deposit or report to the state treasurer the abandoned property as required by state law R.S. 9:159.

View of Responsible Officials: Management is in the process of assessing all aged deposits that are older than one year so that they can be remitted to the state treasurer as required by R.S. 9:159. Due to the Utility's records going through multiple computer conversions, ensuring the historical data is accurate has been difficult and more time consuming than anticipated. The Utility recognizes its obligation to return deposits, however until procedures have been completed to ensure accuracy we have elected to submit to the state. The Utility maintains a cash reserve sufficient to cover all utility deposits.

WEST BATON ROUGE PARISH PUBLIC UTILITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

I. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

COMPLIANCE FINDINGS

Finding 2024-001 Noncompliance with R.S. 9:159

Condition: The Utility has deposits for accounts that have been inactive for one year or greater.

This finding has not been resolved as of December 31, 2025.

WEST BATON ROUGE PARISH PUBLIC UTILITY
CORRECTIVE ACTION PLAN – FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

June 3, 2026

Louisiana Legislative Auditor

West Baton Rouge Parish Public Utility respectfully submits the following corrective action plan for the year ended December 31, 2025.

Name and address of independent public accounting firm:

Ericksen Krentel, L.L.P.
8550 United Plaza Boulevard, Suite 600
Baton Rouge, Louisiana 70809

Engagement Period: January 1, 2025 – December 31, 2025

The findings from the December 31, 2025, schedule of findings and responses are discussed below. The findings are numbered consistently with the number assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

Compliance Finding

Finding 2025-001 Segregation of Duties

Recommendation: Management should research all inactive deposits for a period of one year or greater for when the refund becomes due and refund these deposits to the individual who made the original deposit or report to the state treasurer the abandoned property as required by state law R.S. 9:159.

Views of Responsible Officials: Management is in the process of assessing all aged deposits that are older than one year so that they can be remitted to the state treasurer as required by R.S. 9:159. Due to the Utility's records going through multiple computer conversions, ensuring the historical data is accurate has been difficult and more time consuming than anticipated. The Utility recognizes its obligation to return deposits, however until procedures have been completed to ensure accuracy we have elected to submit to the state. The Utility maintains a cash reserve sufficient to cover all utility deposits.

If there are any questions regarding this plan, please call Adrian Genre, Director of Utilities, at (225) 490-8519.

Sincerely,

Signature

DIRECTOR OF UTILITIES

Title

WEST BATON ROUGE PARISH PUBLIC UTILITY

PORT ALLEN, LOUISIANA

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED

DECEMBER 31, 2025

ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

8550 United Plaza Boulevard, Suite 600
Baton Rouge, LA 70809
ericksenkrentel.com

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Council and Management of West Baton Rouge Parish Public Utility and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the year ended December 31, 2025. The West Baton Rouge Parish Public Utility's management is responsible for those C/C areas identified in the SAUPs.

West Baton Rouge Parish Public Utility has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the year ended December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may

not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are detailed in Schedule "1".

We were engaged by West Baton Rouge Parish Public Utility 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 West Baton Rouge Parish Public Utility and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

June 3, 2026
Baton Rouge, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2025

1) *WRITTEN POLICIES AND PROCEDURES*

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

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

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

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

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

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

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

g) ***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).

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

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

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

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

1) WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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

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

Results: No exceptions were found as a result of applying the procedures.

2) BOARD OR FINANCE COMMITTEE

A. Procedures: 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:

a) 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.

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

c) 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.

d) 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.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

2) *BOARD OR FINANCE COMMITTEE (CONTINUED)*

Results: The entity does not have a board or finance committee. Therefore, this procedure was not applicable to the entity.

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:

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

b) 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

c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

Results: No exceptions noted as a result of applying the procedures.

4) *COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANFERS)*

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 five deposit sites (or all deposit sites if less than five).

B. Procedures: For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

4) *COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANFERS) (CONTINUED)*

a) Employees that are responsible for cash collections do not share cash drawers/registers.

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

c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

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

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 enforced during the fiscal period.

D. **Procedures**: Randomly select two deposit dates for each of the five bank accounts selected for procedure #3A under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). 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 ten deposits and:

a) Observe that receipts are sequentially pre-numbered.

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

c) Trace the deposit slip total to the actual deposit per the bank statement.

d) 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 ten miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

4) COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANFERS) (CONTINUED)

e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedures.

5) NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, 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 five).

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

a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
b) At least two employees are involved in processing and approving payments to vendors.
c) 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.
d) 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.
e) 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.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

5) NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

C. Procedures: For each location selected under #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 five disbursements for each location, obtain supporting documentation for each transaction and:

a) Observe that the disbursement matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

D. Procedures: 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,

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 exceptions were found as a result of applying the procedures.

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

A. Procedures: 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.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

a) Observe that 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) was 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 the Lawrason Act municipality, should not be reported); and

b) Observe that finance charges and late fees were not assessed on the selected statements.

C. Procedures: Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: No exceptions were found as a result of applying the procedures.

D. Procedures: Using the list of terminated employees obtained in Payroll and Personnel procedure #8C 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 exceptions were found as a result of applying the procedures.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

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

A. Procedures: 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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

a) 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).

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

c) 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 policy (procedure #1h).

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

Results: The entity does not have travel or travel-related expense reimbursements. Therefore, this procedure was not applicable to the entity.

8) *CONTRACTS*

A. Procedures: 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 five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

8) CONTRACTS(CONTINUED)

c) 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 was approval documented).

d) Randomly select one payment from the fiscal period for each of the five 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 exceptions were found as a result of applying the 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 five employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

B. Procedures: Randomly select one pay period during the fiscal period. For the five employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:

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

b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

C. Procedures: 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 of 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 officials' personnel files, and agree the termination payment to entity policy.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

9) PAYROLL AND PERSONNEL(CONTINUED)

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: As per procedure 9(C) one of the two employees had a negative balance on the final paystub. This occurred because the employee used leave time before becoming eligible for the allotted 40 hours of vacation and 48 hours of sick leave, as he had not yet completed the six-month probationary period. The resulting 2-hour deficit was not adjusted during employment and remained on record, leading to a negative balance upon termination. According to the entity’s policy, this balance should have been cleared at termination; however, it was not and therefore has been noted as an exception.

10) ETHICS

A. **Procedures**: Using the five randomly selected employees/officials from procedure #9A under “Payroll and Personnel” above, obtain ethics documentation from management, and:

a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period, as applicable.

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

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

Results: No exceptions were found as a result of applying the 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.

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

11) DEBT SERVICE(CONTINUED)

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: No exceptions were found as a result of applying the procedures.

12) FRAUD NOTICE

A. 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 Organization attorney of the parish in which the entity is domiciled.

B. 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 exceptions were found as a result of applying the procedures.

13) INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

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

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

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

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

13) *INFORMATION TECHNOLOGY DISASTER RECOVERY/ BUSINESS CONTINUITY (CONTINUED)*

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

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

C. Procedures: 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 procedures and discussed the results with management.

14) *SEXUAL HARASSMENT*

A. Procedures: Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, 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.

Results: Exception noted, one of the five employees tested did not complete sexual harassment training.

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).

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 it includes the applicable requirements of R.S. 42:344:

WEST BATON ROUGE PARISH PUBLIC UTILITY
AGREED-UPON PROCEDURES (COUNTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

14) SEXUAL HARASSMENT(CONTINUED)

a) Number and percentage of public servants in the agency who have completed the training requirements;

b) Number of sexual harassment complaints received by the agency;

c) Number of complaints which resulted in a finding that sexual harassment occurred;

d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and amount of time it took to resolve each complaint.

Results: No exceptions were found as a result of applying the procedures.

WEST BATON ROUGE PARISH PUBLIC UTILITY

CORRECTIVE ACTION PLAN –

STATEWIDE AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2024

June 3, 2026

Louisiana Legislative Auditor

West Baton Rouge Museum respectfully submits the following corrective action plan for items identified pursuant to the Statewide Agreed-Upon Procedures prescribed by you.

Name and address of independent public accounting firm:

Ericksen Krentel, L.L.P.
8550 United Plaza Boulevard, Suite 600
Baton Rouge, Louisiana 70809

Engagement Period: January 1, 2025 – December 31, 2025

The exceptions from the statewide agreed-upon procedures report are discussed below:

PAYROLL AND PERSONNEL

> **Exceptions:** Exception noted. One employee hours did not agree to the employee or officials' cumulative leave records, and did not agree to the termination payment to entity policy.

Management's Response to Exceptions: Based on the termination policy, all accrued vacation hours are to be paid out on the employees final paycheck upon termination. The entity will closely monitor the accrued hours and will follow entity's termination policy.

If there are any questions regarding this plan, please call Adrian Genre, Director of Utilities at 225-336-2406.

Sincerely,

AGenre

Signature

Director of Utilities

Title