

WASHINGTON PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT

Year Ended December 31, 2020

WASHINGTON PARISH GOVERNMENT

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INDEPENDENT AUDITORS' REPORT

Washington Parish Government
Franklinton, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington Parish Government (the Parish), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Parish's primary government as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Parish's legally separate

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

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Parish as of December 31, 2020, or the changes in financial position thereof for the year then ended.

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Parish as of December 31, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Parish as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other required supplementary information on pages 4 through 14 and 59 through 67, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements is required by the *Government Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the 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.

Other Information

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

The schedule of expenditures of federal awards, the combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, and justice system funding schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the schedule of expenditures of federal awards, the combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, and justice system funding schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated June 10, 2021, on our consideration of the Parish's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Parish's internal control over financial reporting and compliance.

Kushner LaGraize, L.L.C.

Metairie, Louisiana

June 10, 2021

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

As management of the Washington Parish Government, we offer readers of Washington Parish Government's financial statements this narrative overview and analysis of the financial activities of the Washington Parish Government for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information contained in this report.

FINANCIAL HIGHLIGHTS

- The assets of the Washington Parish Government exceeded its liabilities at the close of the most recent fiscal year by \$58,971,319 (net position). Of this amount, \$718,947 represents unrestricted net position.
- During 2020, the Washington Parish Government's total net position increased \$3,692,116 related to a combination of factors. This increase is due to several factors: 1. The COVID-19 pandemic restrictions on social interaction, travel and work from home conditions, encouraged Washington Parish residents to shop in the Parish and online resulting in increased sales and use tax collections for the Parish. Results varied by jurisdiction with increases ranging from 10-18%. 2. The COVID-19 economic stimulus funds and federal supplements to unemployment benefits for individuals provided increased spending power to Parish residents increasing tax revenue from retail sales. 3. The State of Louisiana's Remote Sales Tax Commission collecting and remitting sales tax collections from online remote dealers to proper jurisdictions was implemented July 1, 2020, causing significant increases in sales tax collections from remote dealers. 4. A large utility construction project was completed in the Parish resulting in sales and use tax collections of over \$1 million. 5. Calpine refabricated and sold its energy plant in Washington Parish during 2020. In concession for years of an Industrial Tax Exemption without the benefit of an operating power plant, Calpine paid the Parish taxing bodies in that jurisdiction \$1,250,000 in lieu of taxes. The Washington Parish Government's prorated portion was received in 2020 in the amount of \$411,000. In addition to the increase in revenue for the year, expenditures in many categories were 5-10% less than the prior year due to the COVID-19 pandemic's "shutdown". These factors contributed to an increase in current assets of \$3.4 million.
- The Parish completed and recorded several capital projects, as further described. The Department of Public Works road crews blacktopped 10.08 miles of Parish roads at a cost of \$428,630 during 2020. The Parish contracted 12.73 miles of asphalt overlay roads for resurfacing at a cost of \$1,095,000. The Road Maintenance department added \$219,000 of new and used equipment to its fleet. The Parish completed a complete renovation and modernization of the Fleet Maintenance Shop for a total cost of \$68,075, which was funded from a Governor's Office of Community Development (LGAP) grant. A sidewalk project around the Courthouse square connecting areas of downtown Franklinton, along highway 16 and 25 was completed at a cost of \$513,932. The project was funded partially by a federal highway grant administered by the Louisiana Department of Transportation and Development.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

FINANCIAL HIGHLIGHTS - Continued

- At the close of the current fiscal year, the Washington Parish Government's funds reported combined fund balances of \$15,309,716, an increase of \$3,067,645 in comparison with the prior year. The majority of this amount is restricted for specific purposes. See pg. 22 for additional detail on fund balances.
- At the end of the current fiscal year, unrestricted fund balance (total *unassigned* components of *fund balance*) for the general fund was \$1,333,814, or 43% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

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

The government-wide financial statements can be found on pages 15-17 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Washington Parish Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Washington Parish Government can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Washington Parish Government maintains six major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for all major funds. Data from the other twelve governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Nonmajor Governmental Funds section, under OTHER SUPPLEMENTARY INFORMATION of this report.

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

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

The basic governmental fund financial statements can be found on pages 18-23 of this report.

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

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

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-56 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplemental information* concerning the Washington Parish Government's budgetary comparison information. Required supplemental information can be found on pages 57-66 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information. Combining fund statements and schedules can be found on pages 70-75 of this report.

WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED
For the Year Ended December 31, 2020

WASHINGTON PARISH GOVERNMENT'S NET POSITION

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

TABLE A-I

	Governmental Activities		Business-Type Activities		Totals	
	2019	2020	2019	2020	2019	2020
Current assets	\$ 12,930,351	\$ 16,379,225	\$ 2,624,797	\$ 2,415,396	\$ 15,555,148	\$ 18,794,621
Capital Assets	<u>40,698,058</u>	<u>40,648,101</u>	<u>3,317,608</u>	<u>3,189,321</u>	<u>44,015,666</u>	<u>43,837,422</u>
TOTAL ASSETS	<u>53,628,409</u>	<u>57,027,326</u>	<u>5,942,405</u>	<u>5,604,717</u>	<u>59,570,814</u>	<u>62,632,043</u>
DEFERRED OUTFLOWS OF RESOURCES:						
	<u>2,533,939</u>	<u>1,017,911</u>	<u>-</u>	<u>-</u>	<u>2,533,939</u>	<u>1,017,911</u>
Current Liabilities	735,667	996,226	1,044,201	117,388	1,779,868	1,113,614
Non-current liabilities	<u>3,627,887</u>	<u>1,082,588</u>	<u>1,263,999</u>	<u>1,229,295</u>	<u>4,891,886</u>	<u>2,311,883</u>
TOTAL LIABILITIES	<u>4,363,554</u>	<u>2,078,814</u>	<u>2,308,200</u>	<u>1,346,683</u>	<u>6,671,754</u>	<u>3,425,497</u>
DEFERRED INFLOWS OF RESOURCES:						
	<u>153,796</u>	<u>1,253,138</u>	<u>-</u>	<u>-</u>	<u>153,796</u>	<u>1,253,138</u>
Net invested in capital assets	40,698,058	40,648,101	3,317,608	3,189,321	44,015,666	43,837,422
Restricted:						
Capital Projects	2,400,705	2,508,383	-	-	2,400,705	2,508,383
Health & Welfare	876,652	910,894	-	-	876,652	910,894
Solid waste disposal	722,243	881,679	-	-	722,243	881,679
Closure and post-closure	-	-	737,734	675,555	737,734	675,555
Highways & bridges	4,896,376	6,512,375	-	-	4,896,376	6,512,375
Other purposes	1,879,939	2,712,571	213,341	213,493	2,093,280	2,926,064
Unrestricted net position	<u>171,025</u>	<u>539,282</u>	<u>(634,478)</u>	<u>179,665</u>	<u>(463,453)</u>	<u>718,947</u>
TOTAL NET POSITION	<u>\$ 51,644,998</u>	<u>\$ 54,713,285</u>	<u>\$ 3,634,205</u>	<u>\$ 4,258,034</u>	<u>\$ 55,279,203</u>	<u>\$ 58,971,319</u>

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Washington Parish Government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$58,971,319, at the close of the most recent fiscal year.

By far, the largest portion of the Washington Parish Government's net position (74%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, roads, bridges and other infrastructure), less any related outstanding debt that was used to acquire those assets. The Washington Parish Government uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Washington Parish Government's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS - Continued

An additional portion of the Washington Parish Government's net position (24%) represents resources that are subject to external restrictions on how they may be used. The remaining amount of \$718,947 represents unrestricted net position. At the end of the current fiscal year, the Washington Parish Government can report positive balances in all reported categories of ending net position. The Washington Parish Government's overall net position increased by \$3,692,116 during 2020, as discussed on pg. 4.

CHANGES IN NET POSITION

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

TABLE A-2

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
REVENUES						
Program revenues						
Charges for services	\$ 733,742	\$ 774,255	\$ 514,955	\$ 898,922	\$ 1,248,697	\$ 1,673,177
Operating Grants & Contributions	1,584,656	1,964,975	-	-	1,584,656	1,964,975
Capital Grants & Contributions	1,002,218	2,822,185	796,302	-	1,798,520	2,822,185
General revenues:						
Property taxes	4,968,594	5,451,269	-	-	4,968,594	5,451,269
Sales taxes	6,709,393	8,494,804	-	-	6,709,393	8,494,804
Other taxes	9,044	542,810	-	-	9,044	542,810
Other	1,368,735	1,671,366	543,113	24,410	1,911,848	1,695,776
TOTAL REVENUES	16,376,382	21,721,664	1,854,370	923,332	18,230,752	22,644,996
EXPENSES						
General Government	4,789,943	6,866,929	-	-	4,789,943	6,866,929
Public Safety	1,797,012	1,300,610	-	-	1,797,012	1,300,610
Highway & streets	3,553,346	6,891,788	-	-	3,553,346	6,891,788
Health & welfare	800,660	907,561	-	-	800,660	907,561
Culture & recreation	1,095,793	1,159,991	-	-	1,095,793	1,159,991
Loan program	-	-	-	742	-	742
Landfill	-	-	2,109,674	1,825,259	2,109,674	1,825,259
TOTAL EXPENSES	12,036,754	17,126,879	2,109,674	1,826,001	14,146,428	18,952,880
INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS AND SPECIAL ITEMS	4,339,628	4,594,785	(255,304)	(902,669)	4,084,324	3,692,116
TRANSFERS	(2,059,039)	(1,526,498)	2,059,039	1,526,498	-	-
SPECIAL ITEM	(2,614,319)	-	(2,541,650)	-	(5,155,969)	-
INCREASE (DECREASE) IN NET POSITION	(333,730)	3,068,287	(737,915)	623,829	(1,071,645)	3,692,116
NET POSITION – BEGINNING	51,978,728	51,644,998	4,372,120	3,634,205	56,350,848	55,279,203
NET POSITION – ENDING	\$ 51,644,998	\$ 54,713,285	\$ 3,634,205	\$ 4,258,034	\$ 55,279,203	\$ 58,971,319

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

CHANGES IN NET POSITION - Continued

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

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

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

The General Fund generated a surplus of revenues and other financing sources over expenditures and other financing uses of \$663,109, resulting in an ending fund balance of \$1,783,814.

At December 31, 2020, the Washington Parish Government's governmental funds reported combined fund balances of \$15,309,716, an increase of \$3,067,645 in comparison with the prior year. The unassigned portion of the fund balance is \$1,333,814 of the total balance. \$13,525,902 is restricted for particular purposes, \$450,000 is committed for emergency and disaster response costs or capital projects. See Note 13 to the financial statements.

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

For the Year Ended December 31, 2020

TABLE A-3
WASHINGTON PARISH GOVERNMENT FUND BALANCES

FUND NAME	FUND BALANCE		% OF TOTAL	
	2019	2020	2019	2020
General Fund	\$ 1,120,705	\$ 1,783,814	.0915	.1165
Parish Transportation Fund	4,896,376	6,512,375	.4000	.4254
Sales Tax Split .67% Fund	203,896	789,076	.0167	.0515
Criminal Justice Sales Tax Fund	122,956	363,922	.0100	.0238
Road Improvement Fund	2,400,421	2,508,373	.1961	.1638
Courthouse Maintenance Fund	14,030	115,090	.0011	.0075
Health Unit Maintenance Fund	876,652	910,894	.0716	.0595
Criminal Court Fund	44,488	49,301	.0036	.0032
Library Fund	1,754,860	1,855,589	.1433	.1212
Special Witness Fund	37,844	29,029	.0031	.0019
Sales Tax Split 1% Fund	518,347	92,603	.0423	.0060
Disaster Relief Fund	6,754	6,775	.0006	.0004
Criminal Jury Fund	52,206	88,866	.0043	.0058
Office of Homeland Security & Emergency Preparedness Fund	28,717	51,130	.0023	.0033
LCDBG Water Improvements Fund	10	10	.0001	.0001
LCDBG Fund	274	-	.0001	.0000
Recreation District # 1 Fund	163,535	152,869	.0133	.0101
TOTAL	\$ 12,242,071	\$ 15,309,716	1.0000	1.0000

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget.

The 2020 Budget was prepared based on 2019 actual totals with slight projected increases. Sales tax revenues were estimated based on 2019 actual amounts; however, current year actual collections indicated a 27% increase over the prior year, thus revenues in the amended budget were increased. Ad valorem tax revenues were budgeted based on the 2019 millage report, adjusted for a 1% increase. The actual millage report from the Parish Assessor indicated a 9.7% increase in assessments, triggering a need to increase budgeted amounts. Several funds beginning fund balances required adjustment for compliance.

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

- Ad Valorem taxes were 5-6% more than expected.
- Sales tax revenues were 10-19% greater than budgeted.

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

For the Year Ended December 31, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS - CONTINUED

- Overall, expenditures were less than expected. The General Fund's expenditures were 1.5% less than expected and other funds expenditures were under amounts budgeted, with variances ranging from 5.4-15.5%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Washington Parish Government's investment in capital assets for its governmental activities as of December 31, 2020, amounts to \$40,648,101. This investment in capital assets includes land, buildings, equipment, vehicles, roads, bridges and culverts. The total increase in capital assets for the current fiscal year was approximately 3%.

TABLE A-4
WASHINGTON PARISH GOVERNMENT'S CAPITAL ASSETS

	2019	2020	Total Change 2019-2020
Capital Assets Not Being Depreciated:			
Land	\$ 2,481,833	\$ 2,486,029	\$ 4,196
Construction-in-progress	55,640	123,317	67,677
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	2,537,473	2,609,346	71,873
Other Capital Assets:			
Buildings	10,083,067	10,687,044	603,977
Equipment	8,237,132	8,406,941	169,809
Books	1,391,013	1,391,013	-
Asphalt roads	24,629,386	25,725,031	1,095,645
3-shot roads	10,011,408	10,344,920	333,512
Bridges and culverts	28,583,599	28,583,599	-
TOTAL OTHER CAPITAL ASSETS	82,935,605	85,138,548	2,202,943
TOTAL CAPITAL ASSETS	\$ 85,473,078	\$ 87,747,894	\$ 2,274,816

There was a net increase in capital assets in the amount of \$2,274,816 for the year ended December 31, 2020. Major capital asset events during the current fiscal year included the following:

- Blacktop (3 shot) surfacing of 10.08 miles of zipped up blacktop (3.2) and gravel (6.88) roads, at a cost of \$428,630.
- Asphalt overlay contracted with Barriere Construction for 12.73 miles at a cost of \$1,095,000.

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

For the Year Ended December 31, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION - CONTINUED

- Louisiana Department of Transportation and Development sidewalk project at a cost of \$513,932.
- Building modernization for Fleet Maintenance Shop at a cost of \$68,075.
- New and used road maintenance and construction equipment purchased at a cost of \$219,396.

Additional information on the Washington Parish Government's capital assets can be found in Note 8 on pages 43-44 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

All funds of the Washington Parish Government were budgeted based on the revenues and expenditures of 2020.

- Sales tax revenues were budgeted based on 2020 projected actual amounts, which included an increase of 5-13%.
- Ad valorem taxes were budgeted based on the 2020 assessor's millage report, with a 3% increase projected.
- Hospitalization insurance premiums were renewed with a 9% rate increase. Parish administration will diligently search for alternative and cost saving mechanisms for employee medical insurance coverage.

The Parish has budgeted conservatively for 2021, continuing to monitor expenditures. Considering the increase in sales and ad valorem tax revenues and growth in our fund balances, we feel confident in a gradual rise in our financial stability.

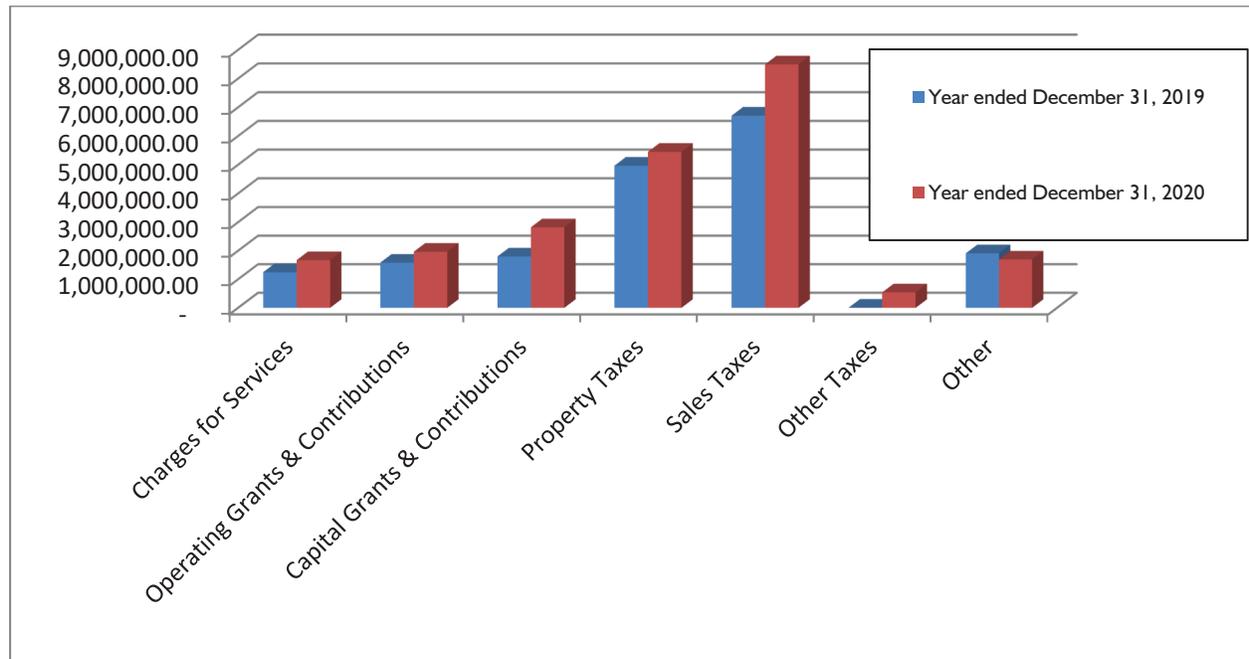
WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2020

REVENUES BY SOURCE

The following chart reflects the Parish's revenues for the years ended December 31, 2019 and 2020, by source:

<u>Revenues</u>	<u>2019</u>	<u>2020</u>	<u>Difference</u>
Charges for services	\$ 1,248,697	\$ 1,673,177	\$ 424,480
Operating grants and contributions	1,584,656	1,964,975	380,319
Capital grants and contributions	1,798,520	2,822,185	1,023,665
Property taxes	4,968,594	5,451,269	482,675
Sales taxes	6,709,393	8,494,804	1,785,411
Other taxes	9,044	542,810	533,766
Other	<u>1,911,848</u>	<u>1,695,776</u>	<u>(216,072)</u>
 Total Revenues	 <u>\$ 18,230,752</u>	 <u>\$ 22,644,996</u>	 <u>\$ 4,414,244</u>



REQUESTS FOR INFORMATION

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

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

WASHINGTON PARISH GOVERNMENT
STATEMENT OF NET POSITION
December 31, 2020

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
ASSETS			
Cash	\$ 8,384,591	\$ 826,938	\$ 9,211,529
Investments	692,567	-	692,567
Receivables	7,367,208	397,301	7,764,509
Prepays	-	17,452	17,452
Notes receivable - net	-	5,467	5,467
Internal balances	(300,000)	300,000	-
Due from other governments	234,859	336,744	571,603
Restricted investments	-	531,494	531,494
Capital assets:			
Land	2,486,029	15,000	2,501,029
Construction-in-progress	123,317	-	123,317
Other capital assets, net of depreciation	38,038,755	3,174,321	41,213,076
	<u>57,027,326</u>	<u>5,604,717</u>	<u>62,632,043</u>
DEFERRED OUTFLOWS OF RESOURCES			
Changes in proportion and differences between contributions and proportionate share of contributions	24,891	-	24,891
Changes in assumptions related to pension	376,631	-	376,631
Changes in assumptions related to OPEB	208,367	-	208,367
Contributions subsequent to the measurement date	408,022	-	408,022
	<u>1,017,911</u>	<u>-</u>	<u>1,017,911</u>
LIABILITIES			
Accounts payable	996,226	117,388	1,113,614
Landfill closure and post-closure care costs	-	1,207,049	1,207,049
OPEB liability	926,797	-	926,797
Net Pension Liability	26,967	-	26,967
Noncurrent liabilities			
Due within one year - compensated absences	128,824	22,246	151,070
	<u>2,078,814</u>	<u>1,346,683</u>	<u>3,425,497</u>
DEFERRED INFLOWS OF RESOURCES			
Changes in proportion and differences between contributions and proportionate share of contributions	849	-	849
Differences between expected and actual experience	241,415	-	241,415
Net difference between projected and actual earnings on pension plan investments	1,010,874	-	1,010,874
	<u>1,253,138</u>	<u>-</u>	<u>1,253,138</u>
NET POSITION			
Net investment in capital assets	40,648,101	3,189,321	43,837,422
Restricted for:			
Capital projects	2,508,383	-	2,508,383
Health and welfare	910,894	-	910,894
Solid waste disposal	881,679	-	881,679
Closure and post-closure	-	675,555	675,555
Highways and bridges	6,512,375	-	6,512,375
Other purposes	2,712,571	213,493	2,926,064
Unrestricted	539,282	179,665	718,947
	<u>\$ 54,713,285</u>	<u>\$ 4,258,034</u>	<u>\$ 58,971,319</u>

The accompanying notes are an integral part of this statement.

