

CITY OF LEESVILLE, LOUISIANA

Financial Report

Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

The Honorable Rick Allen, Mayor
and Members of the City Council
City of Leesville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesville, Louisiana (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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 opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgement 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 City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 55 - 63 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information on pages 65 through 84 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and comparative statements and the justice system funding schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 statement 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 combining and comparative statements, and justice system funding schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the combining and comparative statements has been derived from the City of Leesville, Louisiana's 2023 financial statements, which were 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, in our opinion, were fairly presented in all material respects in relation to the basic financial statements from which they were derived.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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 issued our report dated November 18, 2024, on our consideration of the City'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 and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 18, 2024

BASIC FINANCIAL STATEMENTS

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

CITY OF LEESVILLE, LOUISIANA

Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 7,755,034	\$ 9,306,220	\$ 17,061,254
Receivables, net	762,259	481,540	1,243,799
Due from other governmental agencies	103,741	661,239	764,980
Inventories	80,628	-	80,628
Other assets	146,584	31,516	178,100
Total current assets	<u>8,848,246</u>	<u>10,480,515</u>	<u>19,328,761</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	143,881	737,126	881,007
Capital assets:			
Land and construction in progress	842,394	752,625	1,595,019
Capital assets, net	<u>16,454,660</u>	<u>15,968,862</u>	<u>32,423,522</u>
Total noncurrent assets	<u>17,440,935</u>	<u>17,458,613</u>	<u>34,899,548</u>
Total assets	<u>26,289,181</u>	<u>27,939,128</u>	<u>54,228,309</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plans	2,138,513	175,741	2,314,254
OPEB obligation	<u>19,749</u>	<u>3,385</u>	<u>23,134</u>
Total deferred inflows of resources	<u>2,158,262</u>	<u>179,126</u>	<u>2,337,388</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	344,395	203,198	547,593
Interest payable	11,846	-	11,846
Advance fuel sales	19,132	-	19,132
Internal balances	232,810	(232,810)	-
Customer deposits payable	-	248,267	248,267
Bonds, notes, and leases due within one year	<u>632,935</u>	<u>198,664</u>	<u>831,599</u>
Total current liabilities	<u>1,241,118</u>	<u>417,319</u>	<u>1,658,437</u>
Noncurrent liabilities:			
Compensated absences payable	367,979	49,421	417,400
Bonds, notes, and leases due after one year	1,360,196	2,406,449	3,766,645
OPEB obligation payable	710,078	121,728	831,806
Net pension liability	<u>5,411,340</u>	<u>572,022</u>	<u>5,983,362</u>
Total noncurrent liabilities	<u>7,849,593</u>	<u>3,149,620</u>	<u>10,999,213</u>
Total liabilities	<u>9,090,711</u>	<u>3,566,939</u>	<u>12,657,650</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Plans	203,051	18,973	222,024
OPEB obligation	<u>412,976</u>	<u>70,796</u>	<u>483,772</u>
Total deferred inflows of resources	<u>616,027</u>	<u>89,769</u>	<u>705,796</u>
NET POSITION			
Net investment in capital assets	15,303,923	14,626,684	29,930,607
Restricted for capital projects	993,036	-	993,036
Restricted for sales tax dedications	2,203,394	-	2,203,394
Unrestricted	<u>240,352</u>	<u>9,834,862</u>	<u>10,075,214</u>
Total net position	<u>\$ 18,740,705</u>	<u>\$ 24,461,546</u>	<u>\$ 43,202,251</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,018,685	\$ 558,702	\$ -	\$ 2,215	\$ (457,768)	\$ -	\$ (457,768)
Public safety	4,270,346	110,712	207,666	-	(3,951,968)	-	(3,951,968)
Public works	1,899,381	-	16,910	-	(1,882,471)	-	(1,882,471)
Economic development	723,598	275,215	14,060	210,443	(223,880)	-	(223,880)
Culture and recreation	629,629	126,435	8,342	12,741	(482,111)	-	(482,111)
Interest on long-term debt	68,821	-	-	-	(68,821)	-	(68,821)
Total governmental activities	<u>8,610,460</u>	<u>1,071,064</u>	<u>246,978</u>	<u>225,399</u>	<u>(7,067,019)</u>	<u>-</u>	<u>(7,067,019)</u>
Business-type activities:							
Sewer	1,051,170	1,206,593	-	163,948	-	319,371	319,371
Water	1,472,747	2,080,277	-	-	-	607,530	607,530
Fort Polk Vegetation Control	2,370,063	3,340,831	-	-	-	970,768	970,768
Total business-type activities	<u>4,893,980</u>	<u>6,627,701</u>	<u>-</u>	<u>163,948</u>	<u>-</u>	<u>1,897,669</u>	<u>1,897,669</u>
Total	\$ 13,504,440	\$ 7,698,765	\$ 246,978	\$ 389,347	(7,067,019)	1,897,669	(5,169,350)
General revenues:							
Taxes -							
Ad valorem taxes, levied for general maintenance					540,053	-	540,053
Ad valorem taxes, levied for street improvements					250,178	-	250,178
Ad valorem taxes, levied for sewer system					-	233,976	233,976
Sales and use taxes, levied for public works and recreation					4,022,950	-	4,022,950
Sales and use taxes, levied for public safety					1,981,453	-	1,981,453
Franchise taxes					453,197	-	453,197
Grants and contributions not restricted to specific programs -							
State sources					298,320	-	298,320
Interest and investment earnings					292,239	3,841	296,080
Nonemployer pension contribution					163,365	21,745	185,110
Miscellaneous					283,657	3,666	287,323
Transfers					770,000	(770,000)	-
Total general revenues and transfers					<u>9,055,412</u>	<u>(506,772)</u>	<u>8,548,640</u>
Change in net position					1,988,393	1,390,897	3,379,290
Net position - beginning					<u>16,752,312</u>	<u>23,070,649</u>	<u>39,822,961</u>
Net position - ending					<u>\$ 18,740,705</u>	<u>\$ 24,461,546</u>	<u>\$ 43,202,251</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1% sales and use tax. These taxes are dedicated and used for the purpose of constructing, improving, extending, and maintaining streets, sidewalks, bridges, drains, subsurface drainage, sewers and sewerage disposal works; fire department stations and facilities; and public parks and recreational facilities, and purchased and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities.

Public Safety Fund

To account for the receipt and use of proceeds of the City's 1/2% sales and use tax. These taxes are dedicated and used for the purpose of improving, operating, and maintaining the public safety services within the City of Leesville, specifically, to provide funds to acquire necessary police and fire protection equipment and other facilities so as to increase the level of services and protection in the City.

Enterprise Funds

Sewer Fund

To account for the provision of sewerage services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Water Fund

To account for the provision of water services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Fort Polk Vegetation Control Fund

To account for the provision of installation support services in connection with the Intergovernmental Support Agreement (IGSA) between the United States Army Garrison - Johnson (USAG-Johnson) and the City of Leesville, Louisiana. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF LEESVILLE, LOUISIANA

Balance Sheet - Governmental Funds

June 30, 2024

	General	Sales Tax	Public Safety	Other Governmental	Total
ASSETS					
Cash and interest-bearing deposits	\$ 2,846,603	\$ 4,577,306	\$ -	\$ 331,125	\$ 7,755,034
Receivables -					
Due from other funds	151,463	-	1,647,052	576,817	2,375,332
Due from other governmental agencies	5,400	-	10,577	87,764	103,741
Other	153,713	407,726	200,820	-	762,259
Prepaid items	50,345	31,254	64,985	-	146,584
Inventories	80,628	-	-	-	80,628
Restricted cash and interest-bearing deposits	-	-	-	143,881	143,881
Total assets	<u>\$ 3,288,152</u>	<u>\$ 5,016,286</u>	<u>\$ 1,923,434</u>	<u>\$ 1,139,587</u>	<u>\$ 11,367,459</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 5,398	\$ 7,477	\$ 13,012	\$ -	\$ 25,887
Accrued liabilities	207,115	14,783	69,286	-	291,184
Contracts and retainage payable	-	-	-	27,324	27,324
Due to other funds	956,000	1,647,053	-	5,089	2,608,142
Advance fuel sales	19,132	-	-	-	19,132
Total liabilities	<u>1,187,645</u>	<u>1,669,313</u>	<u>82,298</u>	<u>32,413</u>	<u>2,971,669</u>
Fund balances -					
Nonspendable	130,973	31,254	64,985	-	227,212
Restricted for debt service	-	-	-	107	107
Restricted for capital projects	-	-	-	993,036	993,036
Restricted for sales tax dedications	-	2,203,394	-	-	2,203,394
Committed	-	1,112,325	1,776,151	-	2,888,476
Unassigned	1,969,534	-	-	114,031	2,083,565
Total fund balances	<u>2,100,507</u>	<u>3,346,973</u>	<u>1,841,136</u>	<u>1,107,174</u>	<u>8,395,790</u>
Total liabilities and fund balances	<u>\$ 3,288,152</u>	<u>\$ 5,016,286</u>	<u>\$ 1,923,434</u>	<u>\$ 1,139,587</u>	<u>\$ 11,367,459</u>

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

CITY OF LEESVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2024

Total fund balances for governmental funds at June 30, 2024 \$ 8,395,790

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land	\$ 289,026	
Construction in progress	553,368	
Buildings and improvements, net of \$7,632,128 accumulated depreciation	4,622,402	
Infrastructure, net of \$20,684,003 accumulated depreciation	10,535,867	
Equipment and vehicles, net of \$6,250,254 accumulated depreciation	<u>1,296,391</u>	17,297,054

Deferred outflows of resources are not available resources, and therefore, are not reported in the funds:

Pension plans	2,138,513	
Other post employment benefits	<u>19,749</u>	2,158,262

Some liabilities are not due and payable from current financial resources and are, therefore not reported in the funds. These liabilities consist of the following:

Compensated absences	(367,979)	
Bonds payable	(736,000)	
Certificates of indebtedness	(247,000)	
Capital leases	(1,010,131)	
Accrued interest payable	(11,846)	
Other post employment benefits	(710,078)	
Net pension liability	<u>(5,411,340)</u>	(8,494,374)

Deferred inflows of resources are not payable from current expendable resources, and therefore, are not reported in the funds:

Pension plans	(203,051)	
Other post employment benefits	<u>(412,976)</u>	<u>(616,027)</u>

Total net position of governmental activities at June 30, 2024 \$ 18,740,705

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

CITY OF LEESVILLE, LOUISIANA

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	General	Sales Tax	Public Safety	Other Governmental	Total
Revenues:					
Taxes -					
Ad valorem	\$ 540,053	\$ -	\$ -	\$ 250,178	\$ 790,231
Sales	-	4,022,950	1,981,453	-	6,004,403
Franchise	453,197	-	-	-	453,197
Licenses and permits	558,702	-	-	-	558,702
Intergovernmental	53,722	8,342	207,666	500,967	770,697
Fines and forfeits	-	-	68,893	-	68,893
Charges for services	275,215	126,435	41,819	-	443,469
Miscellaneous	394,018	137,073	29,189	15,616	575,896
Total revenues	<u>2,274,907</u>	<u>4,294,800</u>	<u>2,329,020</u>	<u>766,761</u>	<u>9,665,488</u>
Expenditures:					
Current:					
General government	1,095,727	187,978	5,015	-	1,288,720
Public safety	-	-	3,902,721	-	3,902,721
Public works	999,694	-	-	157,676	1,157,370
Economic development	329,102	-	-	-	329,102
Culture and recreation	-	553,759	-	-	553,759
Debt service	138,982	-	149,081	296,778	584,841
Capital outlay	123,818	666,927	455,265	628,508	1,874,518
Total expenditures	<u>2,687,323</u>	<u>1,408,664</u>	<u>4,512,082</u>	<u>1,082,962</u>	<u>9,691,031</u>
Excess (deficiency) of revenues over expenditures	<u>(412,416)</u>	<u>2,886,136</u>	<u>(2,183,062)</u>	<u>(316,201)</u>	<u>(25,543)</u>
Other financing sources (uses):					
Proceeds from issuance of debt	-	-	-	400,000	400,000
Proceeds from notes payable	-	538,765	220,065	-	758,830
Transfers in	950,000	-	2,630,000	310,000	3,890,000
Transfers out	<u>(35,000)</u>	<u>(3,085,000)</u>	<u>-</u>	<u>-</u>	<u>(3,120,000)</u>
Total other financing sources (uses)	<u>915,000</u>	<u>(2,546,235)</u>	<u>2,850,065</u>	<u>710,000</u>	<u>1,928,830</u>
Net changes in fund balances	502,584	339,901	667,003	393,799	1,903,287
Fund balances, beginning	<u>1,597,923</u>	<u>3,007,072</u>	<u>1,174,133</u>	<u>713,375</u>	<u>6,492,503</u>
Fund balances, ending	<u>\$2,100,507</u>	<u>\$ 3,346,973</u>	<u>\$1,841,136</u>	<u>\$1,107,174</u>	<u>\$ 8,395,790</u>

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

CITY OF LEESVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2024

Total net changes in fund balances for the year ended June 30, 2024 per the
statement of revenues, expenditures and changes in fund balances \$ 1,903,287

The change in net position reported for governmental activities in the
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balances	\$ 1,849,800	
Depreciation expense for the year ended June 30, 2024	<u>(981,657)</u>	868,143

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal of long-term
debt consumes the current financial resources of governmental funds.
Neither transaction, however, has any effect on net position. Also,
governmental funds report the effect of premiums, discounts, and
similar items when debt is first issued, whereas these amounts are
amortized in the statement of activities over multiple periods.

Repayment of long-term debt	(638,272)
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Some long-term liabilities are not recognized at the fund level because
they do not represent a claim on current financial resources. Expenses
at the government-wide level are recognized when these liabilities are
incurred, while expenditures are recognized at the fund level when
cash payments are made. The amounts below represent the
difference between the expenses incurred at the government-wide
level and the current financial resources expended at the fund level.

Compensated absences	(107,218)	
Accrued interest	(4,538)	
OPEB obligation	85,607	
Net pension liability	<u>(118,616)</u>	<u>(144,765)</u>

Total changes in net position for the year ended June 30, 2024 per the
statement of activities \$ 1,988,393

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

CITY OF LEESVILLE, LOUISIANA

Statement of Net Position - Proprietary Funds
June 30, 2024

	Business -Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 4,881,251	\$ 2,968,637	\$ 1,456,332	\$ 9,306,220
Receivables:				
Accounts, net	185,579	295,961	-	481,540
Due from other funds	370,060	-	-	370,060
Due from other governmental agencies	103,523	-	557,716	661,239
Prepaid items	10,161	10,627	10,728	31,516
Total current assets	<u>5,550,574</u>	<u>3,275,225</u>	<u>2,024,776</u>	<u>10,850,575</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	737,126	-	737,126
Land and construction in progress	560,888	191,737	-	752,625
Capital assets, net of accumulated depreciation	7,924,384	7,590,305	454,173	15,968,862
Total noncurrent assets	<u>8,485,272</u>	<u>8,519,168</u>	<u>454,173</u>	<u>17,458,613</u>
Total assets	<u>14,035,846</u>	<u>11,794,393</u>	<u>2,478,949</u>	<u>28,309,188</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension plans	76,787	56,232	42,722	175,741
OPEB obligation	1,693	564	1,128	3,385
Total deferred inflows of resources	<u>78,480</u>	<u>56,796</u>	<u>43,850</u>	<u>179,126</u>
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts and other payables	170,606	24,491	8,101	203,198
Due to other funds	25,346	111,904	-	137,250
Notes payable	-	-	2,664	2,664
Total	<u>195,952</u>	<u>136,395</u>	<u>10,765</u>	<u>343,112</u>
Current liabilities (payable from restricted assets):				
Customer deposits payable	-	248,267	-	248,267
Revenue bonds	-	196,000	-	196,000
Total	<u>-</u>	<u>444,267</u>	<u>-</u>	<u>444,267</u>
Total current liabilities	<u>195,952</u>	<u>580,662</u>	<u>10,765</u>	<u>787,379</u>
Noncurrent liabilities:				
Compensated absences payable	24,964	17,804	6,653	49,421
OPEB obligation payable	60,864	20,288	40,576	121,728
Net pension liability	297,056	253,070	21,896	572,022
Revenue bonds payable	-	2,371,000	-	2,371,000
Notes payable	-	35,449	-	35,449
Total noncurrent liabilities	<u>382,884</u>	<u>2,697,611</u>	<u>69,125</u>	<u>3,149,620</u>
Total liabilities	<u>578,836</u>	<u>3,278,273</u>	<u>79,890</u>	<u>3,936,999</u>
DEFERRED INFLOWS OF RESOURCES				
Pension plans	7,537	6,669	4,767	18,973
OPEB obligation	35,398	11,799	23,599	70,796
Total deferred inflows of resources	<u>42,935</u>	<u>18,468</u>	<u>28,366</u>	<u>89,769</u>
NET POSITION				
Net investment in capital assets	8,506,723	5,668,452	451,509	14,626,684
Unrestricted	4,985,832	2,885,996	1,963,034	9,834,862
Total net position	<u>\$13,492,555</u>	<u>\$ 8,554,448</u>	<u>\$ 2,414,543</u>	<u>\$ 24,461,546</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Year Ended June 30, 2024

	Business -Type Activities - Enterprise Funds			Total
	Sewer	Water	Fort Polk Vegetation Control	
Operating revenues:				
Charges for services	\$ 1,206,593	\$ 2,080,277	\$ 3,340,831	\$ 6,627,701
Miscellaneous	-	-	3,666	3,666
Total operating revenues	<u>1,206,593</u>	<u>2,080,277</u>	<u>3,344,497</u>	<u>6,631,367</u>
Operating expenses:				
Salaries	240,910	260,770	173,962	675,642
Employee benefits	22,358	27,398	16,389	66,145
OPEB expense (benefit)	(16,891)	(5,630)	25,894	3,373
Pension expense	33,699	26,977	26,102	86,778
Operating supplies	36,269	248,120	111,333	395,722
Vehicle expense	15,951	42,826	114,729	173,506
Utilities and communications	107,760	164,622	499	272,881
Insurance	57,010	67,602	31,414	156,026
Legal and other professional	17,930	14,420	18,627	50,977
Repairs and maintenance	90,709	80,232	40,765	211,706
Contracted services	-	-	1,654,532	1,654,532
Bad debt	4,093	44,529	-	48,622
Miscellaneous	59,952	389	-	60,341
Depreciation	381,420	408,670	155,399	945,489
Total operating expenses	<u>1,051,170</u>	<u>1,380,925</u>	<u>2,369,645</u>	<u>4,801,740</u>
Operating income	<u>155,423</u>	<u>699,352</u>	<u>974,852</u>	<u>1,829,627</u>
Nonoperating revenues (expenses):				
Interest income	2,865	976	-	3,841
Ad valorem taxes	233,976	-	-	233,976
Nonemployer pension contribution	8,622	7,656	5,467	21,745
Interest expense	-	(91,822)	(418)	(92,240)
Total nonoperating revenues (expenses)	<u>245,463</u>	<u>(83,190)</u>	<u>5,049</u>	<u>167,322</u>
Income before contributions and transfers	400,886	616,162	979,901	1,996,949
Capital Contributions	163,948	-	-	163,948
Transfers out	-	(150,000)	(620,000)	(770,000)
Change in net position	564,834	466,162	359,901	1,390,897
Net position, beginning	<u>12,927,721</u>	<u>8,088,286</u>	<u>2,054,642</u>	<u>23,070,649</u>
Net position, ending	<u>\$ 13,492,555</u>	<u>\$ 8,554,448</u>	<u>\$ 2,414,543</u>	<u>\$ 24,461,546</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Cash flows from operating activities:				
Receipts from customers	\$ 1,184,140	\$ 2,031,934	\$ 3,061,290	\$ 6,277,364
Payments to suppliers	(239,712)	(667,330)	(2,008,667)	(2,915,709)
Payments to employees	(303,885)	(315,313)	(206,084)	(825,282)
Other receipts	-	-	3,666	3,666
Net cash provided by operating activities	<u>640,543</u>	<u>1,049,291</u>	<u>850,205</u>	<u>2,540,039</u>
Cash flows from noncapital financing activities:				
Net increase in customer meter deposits	-	5,460	-	5,460
Transfers from other funds	<u>3,997,737</u>	<u>1,136,775</u>	<u>734,880</u>	<u>5,869,392</u>
Net cash provided by noncapital financing activities	<u>3,997,737</u>	<u>1,142,235</u>	<u>734,880</u>	<u>5,874,852</u>
Cash flows from capital and related financing activities:				
Principal paid on bonds and notes payable	-	(189,000)	(15,641)	(204,641)
Interest and fiscal charges paid on revenue bonds	-	(91,822)	(418)	(92,240)
Proceeds from ad valorem taxes	233,976	-	-	233,976
Proceeds from grants	60,425	-	-	60,425
Acquisition of property, plant and equipment, net	<u>(282,807)</u>	<u>(216,136)</u>	<u>(112,694)</u>	<u>(611,637)</u>
Net cash provided (used) by capital and related financing activities	<u>11,594</u>	<u>(496,958)</u>	<u>(128,753)</u>	<u>(614,117)</u>
Cash flows from investing activities:				
Interest earned	<u>2,865</u>	<u>976</u>	<u>-</u>	<u>3,841</u>
Net increase in cash and cash equivalents	4,652,739	1,695,544	1,456,332	7,804,615
Cash and cash equivalents, beginning of period	<u>228,512</u>	<u>2,010,219</u>	<u>-</u>	<u>2,238,731</u>
Cash and cash equivalents, end of period	<u>\$ 4,881,251</u>	<u>\$ 3,705,763</u>	<u>\$ 1,456,332</u>	<u>\$ 10,043,346</u>

(continued)

CITY OF LEESVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds (Continued)
 For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 155,423	\$ 699,352	\$ 974,852	\$ 1,829,627
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	381,420	408,670	155,399	945,489
Pension expense	424	(2,571)	5,002	2,855
OPEB expense	(16,891)	(5,630)	25,894	3,373
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	(22,453)	(48,343)	(279,541)	(350,337)
Increase in prepaid items	(6,496)	(6,962)	(9,681)	(23,139)
Increase (decrease) in accounts payable	160,731	3,047	(24,548)	139,230
Increased (decrease) in compensated absences payable	(11,615)	1,728	2,828	(7,059)
Net cash provided by operating activities	<u>\$ 640,543</u>	<u>\$ 1,049,291</u>	<u>\$ 850,205</u>	<u>\$ 2,540,039</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:				
Cash and cash equivalents, beginning of period -				
Cash and interest-bearing deposits - unrestricted	\$ 228,512	\$ 1,147,785	\$ -	\$ 1,376,297
Cash and interest-bearing deposits - restricted	-	862,434	-	862,434
Total cash and cash equivalents, beginning of period	<u>228,512</u>	<u>2,010,219</u>	<u>-</u>	<u>2,238,731</u>
Cash and cash equivalents, end of period -				
Cash and interest-bearing deposits - unrestricted	\$ 4,881,251	\$ 2,968,637	\$ 1,456,332	\$ 9,306,220
Cash and interest-bearing deposits - restricted	-	737,126	-	737,126
Total cash and cash equivalents, end of period	<u>4,881,251</u>	<u>3,705,763</u>	<u>1,456,332</u>	<u>10,043,346</u>
Net increase	<u>\$ 4,652,739</u>	<u>\$ 1,695,544</u>	<u>\$ 1,456,332</u>	<u>\$ 7,804,615</u>

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Leesville, Louisiana (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The City of Leesville, Louisiana was incorporated by proclamation of the Governor on February 15, 1900. The City operates under the council-administrator form of government, governed by the mayor and a six-member board. The City is located in the parish of Vernon and has a population of approximately 5,501.

As the municipal governing authority, for reporting purposes, the City of Leesville, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete, and (d) organizations that are closely related to, or financially integrated with the primary government.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's government authority (Mayor and Council) appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or whether the potential component unit is fiscally dependent on the primary government.
3. Financial benefit/burden relationship between the primary government and the potential component unit.
4. The nature and significance of the relationship between the potential component unit with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The City of Leesville is a primary government and has no component units. The accompanying financial statements present information only on the funds maintained by the City and do not present information on any other governmental unit.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the City as an economic unit. The government-wide financial statements report the City's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and all business-type activities of the primary government. Fiduciary funds are omitted from the government-wide financial statements. The City has no fiduciary funds.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements or a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, and transfers. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the City. The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major funds, each displayed in a separate column.

Major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources or liabilities and deferred inflows of resources are at least ten percent of the corresponding totals for all funds of that category or type (total governmental or enterprise funds) and at least five percent of the corresponding total for all governmental and enterprise funds combined or funds designated as major at the discretion of the City. The General Fund is always a major fund. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The City uses the following funds, grouped by fund type.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Governmental Funds -

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balance of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds.

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the City. The following are the City's major Special Revenue Funds:

The Sales Tax Special Revenue Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

The Public Safety Special Revenue Fund is used to account for the proceeds of a ½ cent sales and use tax that is legally restricted to expenditures for specific purposes.

Capital Projects Funds

Capital Projects Funds are used to report resources that are restricted, committed, or assigned to expenditures for major capital acquisition and construction separately from ongoing operational activities. The City has no major capital projects funds.

Debt Service Funds

Debt Service Funds are used to account for and report resources that are restricted, committed, or assigned to expenditures for principal and interest. The City has no major debt service funds.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and nonmajor funds aggregated. A reconciliation is presented to summarize the differences in fund balances of the governmental fund financial statements and the net position of the governmental activities in the government-wide financial statements.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Proprietary Funds –

Proprietary funds are used to account for the City's ongoing operations and activities which are similar to those often found in the private sector where the intent is that costs of providing goods and services be recovered through user charges. The proprietary funds maintained by the City are enterprise funds.

Enterprise Funds

Enterprise funds are proprietary funds that are used to report activities for which a fee is charged to external users. These funds account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) 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. The City's enterprise funds are the Sewer Fund, the Water Fund, and the Fort Polk Vegetation Control Fund.

Enterprise fund financial statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows. The enterprise fund financial information is presented under the business-type activities column.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental and business-type activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus, or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. The measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income. The measurement focus of the proprietary fund types, the flow of economic resources, is based upon determination of net income, net position and cash flows.

The accrual basis of accounting is used throughout the government-wide statements; conversely, the financial statements of the governmental funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is grant revenue collected on a reimbursement basis.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. The City considers reimbursement amounts received within one year as available. The City accrues intergovernmental revenue, ad valorem and sales tax revenue, franchise fees, charges for services, and investment income based upon this concept. Expenditures generally are recognized when the related fund liabilities are incurred and become payable in the current period. Proceeds of debt are reported as other financing sources, and principal and interest on long-term debt, as well as expenditures related to compensated absences and claims and judgments, are recorded as expenditures when paid.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursement for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the City. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the City and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The financial statements of the enterprise funds have been prepared in accordance with the accrual basis of accounting. Accordingly, revenues are recorded when earned, and expenses and related liabilities are recorded when incurred.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash, interest-bearing deposits, and investments

For purposes of the statement of net position, cash and interest-bearing deposits include all cash on hand, demand accounts, savings accounts, and certificates of deposits of the City. Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the state of Louisiana, the laws of any other state in the union, or the laws of the United States of America. The City may invest in certificates and time deposits of state banks organized under Louisiana laws and national banks having principal offices in Louisiana.

For the purpose of the proprietary funds statement of cash flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

Receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customers' utility service receivables as their major receivables. Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for customers' utility receivables was \$887,411 at June 30, 2024. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans are reported as "advances to and from other funds." Interfund receivables and payables, advances to and from other funds, as well as due to and from other funds are eliminated in the statement of net position.

Inventories

Inventories are valued at cost, which approximates market value, using the first-in/first-out (FIFO) method. All inventories are accounted for in the General Fund as assets when purchased and recorded as expenditures when consumed. Inventory items consumed by other funds are recorded through the interfund receivable/payable accounts.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024 are recorded as prepaid items. The City utilizes the consumption method to account for prepaid items.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary funds that are legally restricted as to their use. The restricted assets in the water and sewer funds are related to the utility meter deposits and revenue bond accounts.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or fund financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at acquisition value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20-40 years
Equipment and vehicles	5-10 years
Utility system and improvements	25-50 years
Infrastructure	20-40 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental funds upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets acquired or constructed with the proceeds of the debt are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the public improvement bonds payable, revenue bonds payable, certificates of indebtedness, capital leases payable, note payable, compensated absences, and utility meter deposits payable.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Sick leave is earned at the rate of one day for each month worked, with a limit of twelve days per year. One-third of accumulated sick leave, up to 80 days, is payable at termination of employment. Vacation leave is earned over a calendar year basis at an amount dependent upon years of service. Accumulated vacation time up to 160 hours is payable at termination of employment. Compensated absence liabilities are computed using the regular pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and medicare taxes and retirement contributions compiled using rates in effect at that date. All compensated absences liabilities are accrued when incurred in the government-wide and proprietary fund financial statements. On the governmental fund statements, compensated absences are only accrued if the obligation has matured, in other words, the obligation becomes due and payable because of employee resignations or retirements.

Postemployment benefits other than pensions (OPEB)

The total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense (see Note 14), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense (See Note 15), have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Member's earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. 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 plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Non-employer contributions are recognized as revenue in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when made.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 section represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category, the deferred outflow of resources attributable to its pension plans and the deferred outflow of resources attributable to its total OPEB liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate section represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, the deferred inflow of resources attributable to its pension plans and the deferred inflow of resources attributable to its total OPEB liability.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, and contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation. At June 30, 2024, the City reported \$3,196,430 of restricted net position, \$2,203,394 of which was restricted by enabling legislation. It is the City's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

In the fund statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- a. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact. The City's nonspendable fund balance includes inventories and prepaid items.
- b. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, donors, or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
- c. Committed includes fund balance amounts that can be used only for specific purposes that are internally imposed by the City through formal legislative action of the Mayor and Council and does not lapse at year end. A committed fund balance constraint can only be established, modified, or rescinded by passage of an Ordinance (Law) by the Mayor and Council.
- d. Assigned includes fund balance amounts that are constrained by the City's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the City Administrator and approval of a Resolution by the Mayor and Council.
- e. Unassigned includes fund balance amounts which have not been classified within the above-mentioned categories.

It is the City's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the City uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

Proprietary fund equity is classified the same as in the government-wide statements.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Revenues

The City considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The City generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The City's major revenues sources that meet this availability criterion are intergovernmental revenues, franchise fees, tax revenue, and charges for services.

There are three classifications of programmatic revenues for the City, program specific grant and contributions revenue (operating and capital) and charges for services. Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. Charges for services are revenues derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from the City's general revenues. The primary sources of program revenues are fees, fines, and charges paid by recipients of goods and services, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and earned income in connection with the operation of the City's utility system.

Interest income is recorded as earned in the fund holding the interest-bearing asset.

Substantially all other revenues are recorded when received.

Operating Revenues and Expenses

In the proprietary funds, operating revenues are those revenues produced as a result of providing services and producing and delivering goods and/or services. Nonoperating revenues are funds primarily provided by investing activities, such as financial institution interest income, gains on disposal of assets, and insurance recoveries on property loss. Operating expenses are those expenses related to the production of revenue. Nonoperating expenses are those expenses not directly related to the production of revenue and include items such as interest expense and losses on disposal of assets.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities. In the fund financial statements, expenditures are classified as follows:

- Governmental Funds - By Character
- Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to the use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Ad valorem taxes	See Note 2
Sales tax	See Note 3
Sewer and water revenue	Utility operations

G. Use of Estimates

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2024, taxes of 17.85 mills were levied on property with assessed valuations totaling \$56,959,480 and were dedicated as follows:

General maintenance	5.15 mills
Street improvements	4.20 mills
Sewer and street maintenance	<u>8.50</u> mills
Total	<u>17.85</u> mills

Total taxes levied were \$1,016,729. Taxes receivable at June 30, 2024 totaled \$23,269.

(3) Sales and Use Tax

A. Proceeds of the 1% sales and use tax levied by the City of Leesville, Louisiana, beginning July 1, 2005 for a period of 25 years expiring on July 1, 2030 (2024 collections \$4,022,950) are dedicated for the following purposes in the following order:

Constructing, improving, extending, and maintaining streets, sidewalks, bridges, drains, subsurface drainage, sewers and sewerage disposal works; fire department stations and facilities; and public parks and recreational facilities, and purchased and acquiring the necessary land, equipment, and furnishings for any of the aforesaid public works, improvements and facilities.

B. Proceeds of the 1/2% sales and use tax levied by the City of Leesville, Louisiana, beginning April 1, 2016 authorized to be collected in perpetuity (2024 collections \$1,981,453) are dedicated to the following purposes:

For improving, operating, and maintaining the public safety services within the City of Leesville, Louisiana, specifically, to provide funds to acquire necessary police and fire protection equipment and other facilities so as to increase the level of services and protection in the City.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Cash, Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2024, the City had cash and interest-bearing deposits (book balances) totaling \$17,942,261 as follows

Demand deposits	\$ 10,561,972
Money market accounts	5,580,321
Time deposits	<u>1,799,968</u>
Total	<u>\$ 17,942,261</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at June 30, 2024, are secured as follows:

Bank balances	<u>\$ 18,333,513</u>
Federal deposit insurance	\$ 525,034
Pledged securities	<u>17,808,479</u>
Total	<u>\$ 18,333,513</u>

Deposits in the amount of \$17,808,479 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

(5) Restricted Assets

Restricted assets consist of the following at June 30, 2024:

Governmental activities:	
Construction	\$ 143,881
Business-type activities:	
Customer deposits	248,267
Revenue bond reserve and sinking funds	<u>488,859</u>
Total restricted assets	<u>\$ 881,007</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Receivables

Receivables consist of the following at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Accounts, net	\$ -	\$ 276,675	\$ 276,675
Unbilled utility	-	204,865	204,865
Ad valorem tax	23,269	-	23,269
Sales tax	608,546	-	608,546
Franchise tax	87,734	-	87,734
Other	42,710	-	42,710
Totals	<u>\$ 762,259</u>	<u>\$ 481,540</u>	<u>\$ 1,243,799</u>

(7) Due from Other Governmental Units

Amounts due from other governmental units consist of the following at June 30, 2024:

Governmental activities:		
State of Louisiana - beer tax revenues receivable		\$ 5,400
Leesville City Court - fees and fines		10,577
State of Louisiana Division of Administration - Facility Planning and Control - Street Rehabilitation grant		1,187
State of Louisiana - Louisiana Department of Transportation and Development - Airport Improvement grants		29,109
Federal Aviation Administration - Airport Improvement Program grant		57,468
Business-type activities:		
State of Louisiana Division of Administration - Facility Planning and Control - Sewer improvements grant		103,523
United States Army Garrison - Johnson		557,716
Total		<u>\$ 764,980</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2024 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 289,026	\$ -	\$ -	\$ 289,026
Construction in progress	1,341,523	321,693	1,109,848	553,368
Other capital assets:				
Buildings and improvements	11,807,021	447,509	-	12,254,530
Equipment and vehicles	6,806,105	740,540	-	7,546,645
Infrastructure	29,769,964	1,449,906	-	31,219,870
Totals	<u>50,013,639</u>	<u>2,959,648</u>	<u>1,109,848</u>	<u>51,863,439</u>
Less accumulated depreciation				
Buildings and improvements	7,337,274	294,854	-	7,632,128
Equipment and vehicles	6,034,456	215,798	-	6,250,254
Infrastructure	20,212,998	471,005	-	20,684,003
Total accumulated depreciation	<u>33,584,728</u>	<u>981,657</u>	<u>-</u>	<u>34,566,385</u>
Governmental activities, capital assets, net	<u>\$16,428,911</u>	<u>\$1,977,991</u>	<u>\$1,109,848</u>	<u>\$17,297,054</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 157,249	\$ -	\$ -	\$ 157,249
Construction in progress	224,715	370,661	-	595,376
Other capital assets:				
Plant and system	33,956,655	9,000	-	33,965,655
Equipment and vehicles	1,302,419	231,976	-	1,534,395
Totals	<u>35,641,038</u>	<u>611,637</u>	<u>-</u>	<u>36,252,675</u>
Less accumulated depreciation				
Plant and system	17,906,694	753,524	-	18,660,218
Equipment and vehicles	679,005	191,965	-	870,970
Total accumulated depreciation	<u>18,585,699</u>	<u>945,489</u>	<u>-</u>	<u>19,531,188</u>
Business-type activities, capital assets, net	<u>\$17,055,339</u>	<u>\$ (333,852)</u>	<u>\$ -</u>	<u>\$16,721,487</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 17,503
Public safety	129,770
Public works	293,848
Economic development	394,496
Culture and recreation	<u>146,040</u>
 Total depreciation expense	 <u>\$ 981,657</u>

Depreciation expense was charged to business-type activities as follows:

Sewer	\$ 381,420
Water	408,670
Fort Polk Vegetation Control	<u>155,399</u>
 Total depreciation expense	 <u>\$ 945,489</u>

(9) Accounts and Other Payables

The accounts and other payables consist of the following at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Accounts payable	\$ 22,162	\$ 7,754	\$ 29,916
Salaries payable	121,684	26,945	148,629
Payroll tax and employee benefits payable	173,225	-	173,225
Contracts and retainage payable	<u>27,324</u>	<u>168,499</u>	<u>195,823</u>
 Totals	 <u>\$ 344,395</u>	 <u>\$ 203,198</u>	 <u>\$ 547,593</u>

(10) Note Payable - Bank

The City obtained a line of credit at a local financial institution in order to fund emergency repairs. Under the terms of the bank line of credit agreement originally dated June 15, 2012, the City may borrow up to \$500,000 with interest at 5.8%. This agreement was renewed on July 3, 2023, with the principal due on July 3, 2024. The City did not utilize this line of credit during the year. There was no balance due at June 30, 2024.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Long-Term Liabilities

The following is a summary of long-term liability transactions of the City for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount due in one year</u>
Long-term debt:					
Direct placements:					
Revenue bonds	\$ 3,192,000	\$ 400,000	\$ 289,000	\$ 3,303,000	\$ 299,000
Certificates of indebtedness	487,000	-	240,000	247,000	247,000
Notes payable	485,613	758,831	196,200	1,048,244	285,599
Other liabilities:					
Compensated absences	<u>317,241</u>	<u>100,159</u>	<u>-</u>	<u>417,400</u>	<u>-</u>
	<u>\$ 4,481,854</u>	<u>\$ 1,258,990</u>	<u>\$ 725,200</u>	<u>\$ 5,015,644</u>	<u>\$ 831,599</u>

Revenue bonds are associated with both the governmental and business-type activities. Compensated absences are generally liquidated by the General, Special Revenue, and Enterprise Funds. The revenue bonds are liquidated by the General Fund and the Water fund.

Long-term liabilities payable at June 30, 2024 are comprised of the following individual issues:

Governmental activities:

Certificates of indebtedness:

\$2,000,000 of Certificates of Indebtedness, Series 2016, due in annual installments of \$102,000 - \$247,000 through March 1, 2025; interest at 2.09 percent, secured by ad valorem tax collections \$ 247,000

Revenue bonds:

\$675,000 Excess Revenue Notes, Series 2018 due in annual installments of \$57,000 - \$80,000 through September 1, 2028; interest at 4.00 percent; secured by excess annual revenues above statutory, necessary, and usual charges in each fiscal year. 370,000

\$400,000 Excess Revenue Bonds, Series 2023, due in annual installments of \$34,000 - \$47,000 through July 1, 2033; interest at 3.505 percent; secured by excess annual revenues above statutory, necessary, and usual charges in each fiscal year. 366,000

continued

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Notes payable:

\$243,347 purchase agreement dated May 17, 2024 due in annual installments of \$70,398, including interest at 6.106 percent, through May 17, 2028, secured by recreation equipment with a book value of \$242,333	243,347
\$295,418 purchase agreement dated March 20, 2024 due in annual installments of \$53,119, including interest at 6.106 percent, through March 20, 2031, secured by recreation equipment with a book value of \$291,725	295,418
\$644,583 purchase agreement dated May 9, 2008 due in annual installments of \$54,979, including interest at 4.98 percent, through April 25, 2028, secured by fire equipment	148,246
\$136,000 purchase agreement dated December 15, 2020 due in monthly installments of \$2,601, including interest at 2.59 percent, through January 15, 2025, secured by public works equipment with a book value of \$87,267	37,214
\$100,935 purchase agreement dated February 2, 2024 due in monthly installments of \$2,393, including interest at 5.50 percent, through February 5, 2028, secured by police vehicles with a book value of \$92,523	91,224
\$119,131 purchase agreement dated September 22, 2023 due in monthly installments of \$2,849, including interest at 7.25 percent, through August 22, 2027, secured by police vehicles with a book value of \$182,520	98,739
\$105,469 purchase agreement dated July 19, 2021 due in monthly installments of \$2,426, including interest at 3.95 percent, through July 20, 2025, secured by police vehicles with a book value of \$43,945	28,502
\$104,954 purchase agreement dated December 1, 2022 due in monthly installments of \$2,489, including interest at 5.50 percent, through December 5, 2026, secured by police vehicles with a book value of \$96,837	<u>67,441</u>
Total bonds and notes payable applicable to governmental activities	<u>\$ 1,993,131</u>

continued

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Business-type activities

Revenue bonds:

\$4,800,000 Taxable Public Improvement Bonds, Series 2013, due in annual installments of \$131,000 - \$249,000 through August 1, 2034; interest at 2.95%, for the purpose of constructing and acquiring improvements, extensions and replacements to the waterworks system of the City. The bonds were sold to the Louisiana Department of Health and Hospitals, Drinking Water Revolving Loan Fund. Thirty percent (30%) of the City's obligation to repay the principal of the bonds will be forgiven simultaneously with the payment by the Department of each installment of the purchase price of the bonds. At the time of the debt forgiveness, these amounts are recognized as grant revenue. \$ 2,567,000

Notes payable:

Louisiana Department of Transportation and Development utility relocation assistance funding agreement note payable. See Note 12 for details. 35,449

\$73,133 purchase agreement dated September 16, 2019 due in monthly installments of \$1,338, including interest at 3.74 percent, through September 16, 2024, secured by equipment with a book value of \$49,974 2,664

Total bonds and notes payable applicable to business-type activities \$ 2,605,113

Annual debt service requirements to maturity of bonds outstanding are as follows:

Year ending June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Principal payments</u>	<u>Interest payments</u>	<u>Principal payments</u>	<u>Interest payments</u>	<u>Principal payments</u>	<u>Interest payments</u>
2025	\$ 350,000	\$ 12,800	\$ 196,000	\$ 88,562	\$ 546,000	\$ 101,362
2026	108,000	22,240	203,000	86,995	311,000	109,235
2027	112,000	18,060	210,000	74,812	322,000	92,872
2028	116,000	13,720	217,000	62,215	333,000	75,935
2029	120,000	9,220	225,000	49,177	345,000	58,397
2030 - 2034	177,000	15,860	1,267,000	141,894	1,444,000	157,754
2035	<u>-</u>	<u>-</u>	<u>249,000</u>	<u>14,690</u>	<u>249,000</u>	<u>14,690</u>
Total	<u>\$ 983,000</u>	<u>\$ 91,900</u>	<u>\$ 2,567,000</u>	<u>\$ 518,345</u>	<u>\$ 3,550,000</u>	<u>\$ 610,245</u>

continued

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Annual debt service requirements to maturity of notes outstanding are as follows:

Year ending June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Interest payments
2025	\$ 282,935	\$ 55,157	\$ 2,664	\$ 13	\$ 285,599	\$ 55,170
2026	230,097	41,177	35,449	-	265,546	41,177
2027	224,559	27,760	-	-	224,559	27,760
2028	130,830	15,595	-	-	130,830	15,595
2029	44,466	8,653	-	-	44,466	8,653
2030 - 2031	<u>97,244</u>	<u>8,995</u>	<u>-</u>	<u>-</u>	<u>97,244</u>	<u>8,995</u>
Total	<u>\$ 1,010,131</u>	<u>\$ 157,337</u>	<u>\$ 38,113</u>	<u>\$ 13</u>	<u>\$ 1,048,244</u>	<u>\$ 157,350</u>

Compensated absences payable is not amortizable because the timing of the payouts is based on factors outside the City's control.

(12) Louisiana DOTD Note Payable

On July 23, 2003, the City entered into an agreement with the Louisiana Department of Transportation and Development for utility relocation assistance funding. Issuance of future permits to the City by the Louisiana Department of Transportation and Development for location of additional longitudinal facilities within any state owned right of way is contingent upon repayment of this funding. The City must show a good faith effort to repay the debt by making annual payments to the Department of Transportation and Development of 5% of its gross income or 10% of its outstanding utility relocation assistance funding debt. The first payment must be made within one year of the date of invoicing to the City by the Department of Transportation and Development, and issuance of permits will remain suspended until the first payment is made. The City's payments are due by January 15th of each year. As of June 30, 2024, the City incurred \$535,778 in funding from this agreement. The relocation project was completed and had final inspection on July 13, 2010. The amount to be paid each year is determined by and invoiced to the City by the Louisiana Department of Transportation and Development. At June 30, 2024, the balance remaining on this note totaled \$35,449.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Flow of Funds; Restrictions on Use

Business-type activities:

Water Fund –

Public Improvement Bonds, Series 2013

Under the terms of the \$4,800,000 Taxable Public Improvement Bonds, Series 2013, the City is required to maintain a sinking fund in an amount to pay promptly and fully the principal of and interest on the bonds by transferring monthly payments on or before the 20th day of each month commencing in August 2013 a sum equal to 1/6th of the next interest payment due and 1/12th of the next principal due.

Under the terms of the \$4,800,000 Taxable Public Improvement Bonds, Series 2013, the City is required to maintain a reserve fund to be retained solely for the purpose of paying the principal of and interest on the bonds by transferring on or before the 20th day of each month a sum at least equal to 25% of the amount to be paid into the sinking fund until such time as there has been accumulated a sum equal to \$128,173.

Under the terms of the \$4,800,000 Taxable Public Improvement Bonds, Series 2013, the City is required to maintain a depreciation and contingency fund. The City is required to set aside into this fund monthly in advance on or before the 20th of each month a sum at least equal to 5% of the amount to be paid into the sinking fund until such time as there has been accumulated a sum equal to \$125,000.

During the year ended June 30, 2024, the monthly sinking, reserve, and depreciation and contingency fund transfers were made as required by the agreement.

Governmental Activities:

Certificates of Indebtedness, Series 2016

Under the terms of the \$2,000,000 Certificates of Indebtedness, Series 2016 issued on January 28, 2016, the City will maintain a sinking fund and deposit from the first revenues of the tax received in any calendar year, a sum equal to the principal and/or interest falling due on the Certificates in that calendar year, together with such additional proportionate sum as may be required to pay principal and interest as the same become due and any amount required to pay the charges of the paying agent.

During the year ended June 30, 2024, the monthly sinking fund transfers were made as required by the agreement.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(14) Post Employment Health Care Benefits

Plan Description: The City provides certain continuing health care benefits for its retired employees. Employees hired on or before August 15, 2017, who retire from the City with twenty (20) years of service are eligible to continue health insurance coverage upon retirement up to the age of 65. The plan is a single employer defined benefit health care plan administered by Blue Cross Blue Shield of Louisiana. The City has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pension – Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria – Defined Benefit*.

Funding Policy: The City pays a flat subsidy for medical coverage of \$347.66 for single coverage and \$719.83 including spouse coverage and 50% of dental and vision contribution for retirees and dependents. The City recognizes the cost of providing these benefits (the City’s portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Employees Covered by Benefit Terms: At July 1, 2023 the following employees were covered by the benefit terms:

Active employees	20
Inactive employees entitled to but not yet receiving benefit payments	-
Inactive employees currently receiving benefit payments	<u>4</u>
	<u>24</u>

Total OPEB Liability

The City’s total OPEB liability of \$831,806 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and other inputs – The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to period included in the measurement, unless otherwise specified:

In the June 30, 2024, actuarial valuation individual entry age normal cost method – level percentage of projected salary was used. The discount rate used was 4.21% and was based on the S&P Municipal Bond 20 Year High Grade Rate Index. Mortality rates were based on RPH-2014 Total Table with Projection MP-2021.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Changes in the Total OPEB Liability

The following presents changes in the total OPEB liability.

Balance as of June 30, 2023	\$ 1,288,787
Changes for the year:	
Service cost	46,488
Interest cost	46,076
Difference between expected and actual experience	(448,036)
Changes in assumptions	(34,148)
Benefit payments	<u>(67,361)</u>
Net change in total OPEB liability	<u>(456,981)</u>
Balance as of June 30, 2024	<u>\$ 831,806</u>

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

	1% Decrease	Current Discount Rate	1% Increase
	3.21%	4.21%	5.21%
Total OPEB Liability	<u>\$ 882,796</u>	<u>\$ 831,806</u>	<u>\$ 781,582</u>

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

	1% Decrease	Current Trend Rate	1% Increase
	3.50%	4.50%	5.50%
Total OPEB Liability	<u>\$ 752,089</u>	<u>\$ 831,806</u>	<u>\$ 923,560</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

For the year ended June 30, 2024, the City recognized a net OPEB benefit of \$82,234. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 20,995	\$ 399,611
Changes of assumptions	<u>2,139</u>	<u>84,161</u>
Total	<u>\$ 23,134</u>	<u>\$ 483,772</u>

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

<u>Year Ended June 30</u>	<u>Net Amount Recognized in OPEB Expense</u>
2025	\$ (107,437)
2026	(107,326)
2027	(99,711)
2028	(84,005)
2029	<u>(62,159)</u>
	<u>\$ (460,638)</u>

(15) Pension Plans

The City participates in three cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all City employees participate in one of the following retirement systems:

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Plan Descriptions

Municipal Employees’ Retirement System (MERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1731 and 11:1781. The City participates in Plan B.

State of Louisiana – Municipal Police Employees’ Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in the LRS 11:2211 and 11:2220.

State of Louisiana – Firefighters’ Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in the LRS 11:2251-2254 and 11:2256.

The system’s financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector.

A brief summary of eligibility and benefits of the plans are provided in the following table:

	MERS	MPERS	FRS
Final average salary	Highest 60 months	Highest 36 months or 60 months ²	Highest 36 months
Years of service required and/or age eligible for benefits	25 years any age 10 years age 60 20 years any age ¹	25 years any age 20 years age 55 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³	25 years any age 20 years age 50 12 years age 55
Benefit percent per years of service	3.00%	2.5% - 3.33% ⁴	3.33%

¹ With actuarial reduced benefits

² Membership commencing January 1, 2013

³ Under non hazardous duty sub plan commencing January 1, 2013

⁴ Membership commencing January 1, 2013 non hazardous duty plan 2.5%, hazardous duty plan 3.0%, membership prior to January 1, 2013 3.33%

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions

Article X, Section 29 (E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. In addition, MERS receives a percentage of ad valorem taxes collected by parishes. Also, MPERS and FRS receive a percentage of insurance premium tax monies as additional employer contributions. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities. Contributions of employers, and nonemployer contributing entities effective for the year ended June 30, 2024 for the defined benefit pension plans in which the City is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
MERS	5.00%	15.50%	\$ 61,203	\$ 236,209
MPERS	10.00%	33.925%	71,470	334,935
FRS	10.00%	33.25%	52,437	168,414

Net Pension Liability

The City’s net pension liability at June 30, 2024 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City’s net pension liability for each plan was measured as of the plans’ measurement date (June 30, 2023 for all plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportionate share of the net pension liability for each of the plans in which it participates was based on the City’s required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the City’s proportion for each plan and the change in proportion from the prior measurement date were as follows:

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	\$ 1,540,669	1.921367%	-0.109023%
MPERS	3,273,957	0.309888%	-0.009589%
FRS	<u>1,168,736</u>	0.179067%	0.019237%
Total	<u>\$ 5,983,362</u>		

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Since the measurement date of the net pension liability was June 30, 2023, the net pension liability is based upon fiduciary net position for each of the plans as of that date. Detailed information about each pension plan’s assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City’s net pension liability is available in the separately issued plan financial reports for that fiscal year. The financial report for each plan may be accessed on their website as follows:

- MERS - <http://www.mersla.com/>
- MPERS - <http://www.lampers.org/>
- FRS - <http://www.ffret.com.com/>

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for each of the defined benefit plans in which the City is a participating employer:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019	7/1/2009 - 6/30/2014
Expected remaining service lives	3	4	7
Inflation rate	2.500%	2.500%	2.500%
Investment rate of return	6.85%	6.75%	6.90%
Projected salary increases	4.9%-7.4%	4.70%-12.30%	5.20%-14.10%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5)	(5), (6)

- (1) PubG-2010(b) Healthy Retiree Table set equal to 120% for males and females using respective male and female MP2018 scales.
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females using respective male and female MP2018 scales.
- (3) PubNS-2010(B) Disabled Retiree Tables set equal to 120% for males and females with full generational MP2018 scale.
- (4) Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
- (5) Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using MP2019 scales.
- (6) Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Cost of Living Adjustments

The pension plans in which the City participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS, MPERS, and FRS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Discount Rate

The discount rates used to measure the City’s total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Discount rate	6.85%	6.75%	6.90%
Change in discount rate from prior valuation	0.00%	0.00%	0.00%
Plan cash flow assumptions	(1)	(1)	(1)
Rates incorporated in the Discount Rate:			
Long-term Rate of Return	6.85%	6.75%	6.90%
Periods applied	All	All	All
Municipal Bond Rate	N/A	N/A	N/A

*Plan Cash Flow Assumptions:

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the City’s total pension liability for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For MERS, MPERS, and FRS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

Asset Class	MERS*		MPERS*		FRS*	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Fixed Income	29%	1.26%	34.0%	1.12%	26%	2.63%
Equities	56%	2.44%	52.0%	3.29%	56%	6.89%
Alternative Investments	15%	0.65%	14%	0.95%	18%	6.53%
Total	<u>100%</u>		<u>100%</u>		<u>100%</u>	

*Arithmetic real rates of return

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2024, the City Jury recognized \$998,292 in pension expense (benefit) related to all defined benefit plans in which it participates. MERS, MPERS, and FRS recognized revenues in the amount of \$185,110 in ad valorem taxes and insurance premium tax monies collected from nonemployer contributing entities

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 289,246	\$ 41,951
Changes of assumptions	125,352	-
Net difference between projected and actual earnings on pension plan investments	711,706	-
Change in proportion and differences between employer contributions and proportionate share of contributions	448,392	180,073
Employer contributions subsequent to the measurement date	<u>739,558</u>	<u>-</u>
Total	<u>\$ 2,314,254</u>	<u>\$ 222,024</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$739,558 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended June 30	Net Amount Recognized in Pension Expense
2025	\$ 407,098
2026	246,193
2027	654,583
2028	(1,503)
2029	27,096
Thereafter	<u>19,205</u>
	<u>\$ 1,352,672</u>

Sensitivity of the City’s Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate

The following presents the City’s proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the City’s proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 2,176,980	\$ 1,540,669	\$ 1,002,455
MPERS	6.75%	4,606,716	3,273,957	2,160,613
FRS	6.90%	<u>1,803,008</u>	<u>1,168,736</u>	<u>639,724</u>
Total		<u>\$ 8,586,704</u>	<u>\$ 5,983,362</u>	<u>\$ 3,802,792</u>

Payables to Pension Plans

At June 30, 2024, the City did not have any amounts payable to the pension plans for the outstanding amount of contributions due to the Systems for the year.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) Employee Retirement – Deferred Compensation Plan

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

Contributions to Section 457 plans are determined by the U.S. Department of the Treasury's Internal Revenue Service. In 2024, participants in the plan may contribute up to 100% of earnable compensation or \$23,000, whichever is less. Participants in the plan have two different options to catch-up and contribute more when nearing retirement. In the three calendar years prior to normal retirement age, the special catch-up allows participants to contribute up to \$46,000. Also, participants who were age 50 or older by the end of the calendar year are eligible to make additional catch-up contributions of up to \$7,500.

The City has opted to match participating employees' elective deferrals up to 3%. For the year ended June 30, 2024, the City contributed \$13,190 to the plan. No amounts were payable to the plan at June 30, 2024.

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

The plan has issued a standalone audit of their financial statements. Access to the report can be located on the website of the Louisiana Legislative Auditor, www.la.gov, or the Louisiana Public Employees Deferred Compensation Plan, Louisiana DCP.com.

(17) Litigation and Claims

At June 30, 2024, the City of Leesville was a defendant in several lawsuits. The City's legal counsel has reviewed the claims and lawsuits, in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, no additional claims payable was required to be recorded as a liability to the City, which are not considered covered by insurance.

(18) Risk Management

The City is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(19) On-Behalf Payment of Salaries

The State of Louisiana paid the City’s policemen and firemen \$167,557 of supplemental pay during the year ended June 30, 2024. Such payments are recorded as intergovernmental revenues and public safety expenditures in the government-wide and Public Safety Special Revenue Fund financial statements.

(20) Compensation, Benefits, and Other Payments to Mayor

A detail of compensation, benefits, and other payments paid to Mayor Rick Allen for the year ended June 30, 2024 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 13,000
Reimbursements	5,578
Conference travel	9,387
Public relations	3,478
	<u>\$ 31,443</u>

(21) Compensation of City Officials

A detail of compensation paid to the Mayor and Council Members for the year ended June 30, 2024 follows:

Rick Allen, Mayor	\$ 13,000
Council Members:	
Willie Mae Kennedy	8,160
Nicole Ybarra	8,160
Christopher Robertson	8,160
Delain Prewitt	8,160
Phillip Hunt	8,160
Alice F. Guess	8,160
Total	<u>\$ 61,960</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(22) Interfund Receivables/Payables

A. A summary of interfund receivables and payables at June 30, 2024:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental funds:		
General Fund	\$ 151,463	\$ 956,000
Sales Tax Fund	-	1,647,053
Public Safety Fund	1,647,052	-
Non major governmental funds:		
Main Street Program	97,458	-
2002 Certificates of Indebtedness	-	5,089
Airport Construction	50,616	-
Improvements Capital Projects	<u>428,743</u>	<u>-</u>
Total governmental funds	<u>2,375,332</u>	<u>2,608,142</u>
Proprietary funds:		
Sewer Fund	370,060	25,346
Water Fund	<u>-</u>	<u>111,904</u>
Total proprietary funds	<u>370,060</u>	<u>137,250</u>
Total	<u>\$ 2,745,392</u>	<u>\$ 2,745,392</u>

The amounts due to various other funds are for short-term loans.

B. Transfers consisted of the following at June 30, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 950,000	\$ 35,000
Sales Tax Fund	-	3,085,000
Public Safety Fund	2,630,000	-
Non major governmental funds:		
Mainstreet Program Fund	35,000	-
Airport Construction	190,000	-
Improvements Capital Projects	<u>85,000</u>	<u>-</u>
Total governmental funds	3,890,000	3,120,000
Proprietary funds:		
Water Fund	-	150,000
Fort Polk Vegetation Control	<u>-</u>	<u>620,000</u>
Total proprietary funds	<u>-</u>	<u>770,000</u>
Total	<u>\$ 3,890,000</u>	<u>\$ 3,890,000</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(23) New Accounting Pronouncements

The following accounting standard adopted by the Governmental Accounting Standards Board, scheduled to be implemented in the future, may affect the City's financial statements:

GASB Statement 101, *Compensated Absences*. This standard updates the recognition and measurement guidance for compensated absences by aligning the guidance under a unified model and by amending certain disclosures. This standard is effective for reporting period beginning after December 15, 2023. The City will include the requirements of this standard, as applicable, in its June 30, 2025, financial statements. The effect of this standard or its applicability to the City are unknown at this time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$1,124,158	\$ 998,253	\$ 993,250	\$ (5,003)
Licenses and permits	528,278	487,352	558,702	71,350
Intergovernmental	66,404	53,402	53,722	320
Charges for services	214,743	251,892	275,215	23,323
Miscellaneous	<u>106,783</u>	<u>314,121</u>	<u>394,018</u>	<u>79,897</u>
Total revenues	<u>2,040,366</u>	<u>2,105,020</u>	<u>2,274,907</u>	<u>169,887</u>
Expenditures:				
Current:				
General government:				
General and administrative	1,016,367	1,082,414	957,447	124,967
Executive	93,557	99,622	98,784	838
Legal	42,612	40,530	39,496	1,034
Public works	1,115,496	1,127,566	999,694	127,872
Economic development	244,760	376,189	329,102	47,087
Debt service	175,000	105,411	138,982	(33,571)
Capital outlay	<u>104,000</u>	<u>170,000</u>	<u>123,818</u>	<u>46,182</u>
Total expenditures	<u>2,791,792</u>	<u>3,001,732</u>	<u>2,687,323</u>	<u>314,409</u>
Deficiency of revenues over expenditures	<u>(751,426)</u>	<u>(896,712)</u>	<u>(412,416)</u>	<u>484,296</u>
Other financing sources (uses):				
Transfers in	500,000	950,000	950,000	-
Transfers out	<u>(5,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>495,000</u>	<u>915,000</u>	<u>915,000</u>	<u>-</u>
Net change in fund balance	(256,426)	18,288	502,584	484,296
Fund balance, beginning	<u>1,597,923</u>	<u>1,597,923</u>	<u>1,597,923</u>	<u>-</u>
Fund balance, ending	<u>\$1,341,497</u>	<u>\$1,616,211</u>	<u>\$2,100,507</u>	<u>\$ 484,296</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 3,998,400	\$ 3,900,000	\$ 4,022,950	\$ 122,950
Intergovernmental	-	8,342	8,342	-
Charges for services	10,359	81,123	126,435	45,312
Miscellaneous	<u>76,931</u>	<u>88,357</u>	<u>137,073</u>	<u>48,716</u>
Total revenues	<u>4,085,690</u>	<u>4,077,822</u>	<u>4,294,800</u>	<u>216,978</u>
Expenditures:				
Current:				
General government	166,489	191,867	187,978	3,889
Culture and recreation	486,713	661,113	553,759	107,354
Debt service	8,000	-	-	-
Capital outlay	<u>82,500</u>	<u>663,039</u>	<u>666,927</u>	<u>(3,888)</u>
Total expenditures	<u>743,702</u>	<u>1,516,019</u>	<u>1,408,664</u>	<u>107,355</u>
Excess of revenues over expenditures	<u>3,341,988</u>	<u>2,561,803</u>	<u>2,886,136</u>	<u>324,333</u>
Other financing uses:				
Proceeds from capital lease	-	538,765	538,765	-
Transfers out	<u>(2,500,000)</u>	<u>(3,085,000)</u>	<u>(3,085,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,500,000)</u>	<u>(2,546,235)</u>	<u>(2,546,235)</u>	<u>-</u>
Net change in fund balance	841,988	15,568	339,901	324,333
Fund balance, beginning	<u>3,007,072</u>	<u>3,007,072</u>	<u>3,007,072</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,849,060</u>	<u>\$ 3,022,640</u>	<u>\$ 3,346,973</u>	<u>\$ 324,333</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA
Public Safety Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 1,998,000	\$ 1,943,472	\$ 1,981,453	\$ 37,981
Intergovernmental	194,500	162,988	207,666	44,678
Charges for services	66,134	30,500	41,819	11,319
Fines and forfeitures	82,920	40,900	68,893	27,993
Miscellaneous	8,000	30,203	29,189	(1,014)
Total revenues	<u>2,349,554</u>	<u>2,208,063</u>	<u>2,329,020</u>	<u>120,957</u>
Expenditures:				
Current:				
General government	8,000	8,000	5,015	2,985
Public Safety:				
Police	3,006,995	3,006,323	2,673,501	332,822
Fire	1,263,282	1,267,233	1,106,381	160,852
City Court	130,309	124,851	122,839	2,012
Debt service	87,000	54,980	149,081	(94,101)
Capital outlay	359,250	560,065	455,265	104,800
Total expenditures	<u>4,854,836</u>	<u>5,021,452</u>	<u>4,512,082</u>	<u>509,370</u>
Deficiency of revenues over expenditures	<u>(2,505,282)</u>	<u>(2,813,389)</u>	<u>(2,183,062)</u>	<u>630,327</u>
Other financing sources:				
Proceeds from notes payable	-	220,065	220,065	-
Transfers in	2,400,000	2,630,000	2,630,000	-
Total other financing sources	<u>2,400,000</u>	<u>2,850,065</u>	<u>2,850,065</u>	<u>-</u>
Net change in fund balance	(105,282)	36,676	667,003	630,327
Fund balance, beginning	<u>1,174,133</u>	<u>1,174,133</u>	<u>1,174,133</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,068,851</u>	<u>\$ 1,210,809</u>	<u>\$ 1,841,136</u>	<u>\$ 630,327</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 46,488	\$ 46,488	\$ 56,087	\$ 56,087	\$ 64,490	\$ 64,490	\$ 62,081
Interest cost	46,076	45,922	30,267	32,775	56,931	53,351	54,390
Experience (gain)/loss	(448,036)	-	43,732	(75,570)	-	-	-
Assumption changes	(34,148)	-	(115,761)	5,471	(1,646)	-	-
Benefit payments	<u>(67,361)</u>	<u>(108,755)</u>	<u>(108,755)</u>	<u>(92,292)</u>	<u>(98,962)</u>	<u>(81,165)</u>	<u>(81,165)</u>
Net change in total OPEB liability	(456,981)	(16,345)	(94,430)	(73,529)	20,813	36,676	35,306
Total OPEB liability - beginning	<u>1,288,787</u>	<u>1,305,132</u>	<u>1,399,562</u>	<u>1,473,091</u>	<u>1,452,278</u>	<u>1,415,602</u>	<u>1,380,296</u>
Total OPEB liability - ending	<u>\$ 831,806</u>	<u>\$1,288,787</u>	<u>\$1,305,132</u>	<u>\$1,399,562</u>	<u>\$1,473,091</u>	<u>\$1,452,278</u>	<u>\$1,415,602</u>
Net OPEB liability	\$ 831,806	\$1,288,787	\$1,305,132	\$1,399,562	\$1,473,091	\$1,452,278	\$1,415,602
Covered-employee payroll	\$1,111,179	\$1,349,252	\$1,349,252	\$1,622,579	\$1,622,579	\$1,744,817	\$1,744,817
Total OPEB liability as a percentage of covered-employee payroll	74.86%	95.52%	96.73%	86.26%	90.79%	83.23%	81.13%

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

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2024 *

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System of Louisiana - Plan B:					
2024	1.921367%	\$ 1,540,669	\$ 1,643,449	93.7%	72.46%
2023	2.030390%	1,782,649	1,697,752	105.0%	67.87%
2022	1.883135%	1,090,916	1,446,235	75.4%	77.82%
2021	1.987695%	1,801,301	1,500,808	120.0%	64.52%
2020	2.112869%	1,848,366	1,558,013	118.6%	64.68%
2019	1.991868%	1,684,785	1,476,518	114.1%	63.94%
2018	2.098982%	1,816,108	1,557,989	116.6%	62.49%
2017	1.936110%	1,604,858	1,371,725	117.0%	62.11%
2016	1.795844%	1,220,540	1,250,574	97.6%	66.18%
2015	1.775620%	833,647	1,253,098	66.5%	73.99%
Municipal Police Employees' Retirement System of Louisiana:					
2024	0.309888%	\$ 3,273,957	\$ 1,049,788	311.9%	71.30%
2023	0.319477%	3,265,622	988,399	330.4%	70.80%
2022	0.265125%	1,413,261	794,687	177.8%	84.09%
2021	0.278825%	2,576,993	848,847	303.6%	70.94%
2020	0.295025%	2,679,321	997,540	268.6%	71.01%
2019	0.345777%	2,923,220	942,814	310.1%	71.89%
2018	0.290841%	2,539,165	866,705	293.0%	70.08%
2017	0.243255%	2,279,985	687,910	331.4%	66.04%
2016	0.222398%	1,742,256	596,959	291.9%	70.73%
2015	0.245436%	1,535,468	707,707	217.0%	75.10%
Firefighters' Retirement System of Louisiana:					
2024	0.179067%	\$ 1,168,736	\$ 480,694	243.1%	77.69%
2023	0.159830%	1,127,008	402,525	280.0%	74.68%
2022	0.143967%	510,198	361,111	141.3%	86.78%
2021	0.139606%	967,686	347,563	278.4%	72.61%
2020	0.121214%	759,031	292,957	259.1%	73.96%
2019	0.130652%	751,520	311,062	241.6%	74.76%
2018	0.156744%	898,433	363,158	247.4%	73.55%
2017	0.147331%	963,678	347,797	277.1%	68.16%
2016	0.186639%	1,007,312	396,812	253.9%	72.45%
2015	0.228325%	1,016,026	456,415	222.6%	76.02%

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

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Employer Contributions
For the Year Ended June 30, 2024

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
Municipal Employees' Retirement System of Louisiana - Plan B:					
2024	\$ 236,209	\$ 236,209	\$ -	\$ 1,523,930	15.50%
2023	254,735	254,735	-	1,643,449	15.50%
2022	263,152	263,152	-	1,697,752	15.50%
2021	224,166	224,166	-	1,446,235	15.50%
2020	210,113	210,113	-	1,500,808	14.00%
2019	218,122	218,122	-	1,558,013	14.00%
2018	195,639	195,639	-	1,476,518	13.25%
2017	171,379	168,805	2,574	1,557,989	10.83%
2016	130,314	130,295	19	1,371,725	9.50%
2015	118,786	118,786	-	1,250,384	9.50%
Municipal Police Employees' Retirement System of Louisiana:					
2024	\$ 334,935	\$ 334,935	\$ -	\$ 987,281	33.925%
2023	328,059	328,059	-	1,049,788	31.25%
2022	294,049	294,049	-	988,399	29.75%
2021	268,207	267,426	781	794,687	33.65%
2020	275,875	278,579	(2,704)	848,847	32.82%
2019	321,707	321,707	-	997,540	32.25%
2018	289,915	289,922	(7)	942,814	30.75%
2017	275,179	275,180	(1)	866,705	31.75%
2016	202,933	203,882	(949)	687,910	29.64%
2015	188,042	188,042	-	596,959	31.50%
Firefighters' Retirement System of Louisiana:					
2024	\$ 168,414	\$ 168,414	\$ -	\$ 506,507	33.25%
2023	159,831	159,831	-	480,694	33.25%
2022	135,852	135,853	(1)	402,525	33.75%
2021	116,458	116,458	-	361,111	32.25%
2020	96,449	96,449	-	347,563	27.75%
2019	77,634	77,634	-	292,957	26.50%
2018	82,431	82,431	-	311,062	26.50%
2017	91,697	91,698	(1)	363,158	25.25%
2016	94,775	94,929	(154)	347,797	27.29%
2015	116,018	116,018	-	396,643	29.25%

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(1) Budget and Budgetary Accounting

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

1. The City Administrator prepares a proposed operating budget for the fiscal year and submits it to the Mayor and Council not later than May 15th of each fiscal year.
2. A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted but no later than June 15th of each fiscal year.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Council. Such amendments were not material in relation to the original appropriations.

(2) Pension Plans

Changes in benefit terms – There were no changes in benefit terms.

Changes of assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan. Amounts reported in fiscal year ended June 30, 2024 for the various pension plans reflect the following changes used to measure the total pension liability:

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Amounts reported in fiscal year ended June 30, 2024 for the various pension plans reflect the following changes used to measure the total pension liability:

*		Investment		Expected	Projected
Year ended	Discount	Rate	Inflation	Remaining	Salary
June 30,	Rate	of Return	Rate	Service Lives	Increase
Municipal Employees' Retirement System of Louisiana - Plan B:					
2024	6.85%	6.85%	2.50%	3	4.9-7.4%
2023	6.85%	6.85%	2.50%	3	4.9-7.4%
2022	6.85%	6.85%	2.50%	3	4.9-7.4%
2021	6.95%	6.95%	2.50%	3	4.9-7.4%
2020	7.00%	7.00%	2.50%	3	4.5-6.4%
2019	7.275%	7.275%	2.60%	3	5.00%
2018	7.40%	7.40%	2.775%	4	5.00%
2017	7.50%	7.50%	2.875%	4	5.00%
2016	7.50%	7.50%	2.875%	4	5.00%
2015	7.75%	7.75%	3.00%	4	5.75%
Municipal Police Employees' Retirement System of Louisiana:					
2024	6.75%	6.75%	2.50%	4	4.70-12.30%
2023	6.75%	6.75%	2.50%	4	4.70-12.30%
2022	6.75%	6.75%	2.50%	4	4.70-12.30%
2021	6.95%	6.95%	2.50%	4	4.70-12.30%
2020	7.125%	7.125%	2.50%	4	4.25-9.75%
2019	7.20%	7.20%	2.60%	4	4.25-9.75%
2018	7.325%	7.325%	2.70%	4	4.25-9.75%
2017	7.50%	7.50%	2.875%	4	4.25-9.75%
2016	7.50%	7.50%	2.875%	4	4.25-9.75%
2015	7.50%	7.50%	3.00%	4	4.0-10.0%
Firefighters' Retirement System of Louisiana:					
2024	6.90%	6.90%	2.50%	7	5.2-14.10%
2023	6.90%	6.90%	2.50%	7	5.2-14.10%
2022	6.90%	6.90%	2.50%	7	5.2-14.10%
2021	7.00%	7.00%	2.50%	7	4.5-14.75%
2020	7.15%	7.15%	2.50%	7	4.5-14.75%
2019	7.30%	7.30%	2.70%	7	4.75-15.0%
2018	7.40%	7.40%	2.775%	7	4.75-15.0%
2017	7.50%	7.50%	2.875%	7	4.75-15.0%
2016	7.50%	7.50%	2.875%	7	4.75-15.0%
2015	7.50%	7.50%	3.00%	7	5.5-14.0%

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) OPEB Plan

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

Changes of Assumptions – Amounts reported in fiscal year ended June 30, 2024 for the OPEB plan reflect the following changes used to measure total OPEB liability.

<u>Year ended</u> <u>June 30,</u>	<u>Discount</u> <u>Rate</u>
2024	4.21%
2023	3.54%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.88%
2018	3.88%

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

SUPPLEMENTARY INFORMATION

CITY OF LEESVILLE, LOUISIANA

Statement of Net Position
 June 30, 2024
 With Comparative Totals for June 30, 2023

	2024			2023 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 7,755,034	\$ 9,306,220	\$ 17,061,254	\$ 13,897,100
Receivables	762,259	481,540	1,243,799	1,156,848
Due from other governmental agencies	103,741	661,239	764,980	485,861
Inventories	80,628	-	80,628	56,394
Other assets	146,584	31,516	178,100	150,602
Total current assets	<u>8,848,246</u>	<u>10,480,515</u>	<u>19,328,761</u>	<u>15,746,805</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	143,881	737,126	881,007	1,030,709
Capital assets:				
Land and construction in progress	842,394	752,625	1,595,019	2,012,513
Capital assets, net	<u>16,454,660</u>	<u>15,968,862</u>	<u>32,423,522</u>	<u>31,471,737</u>
Total noncurrent assets	<u>17,440,935</u>	<u>17,458,613</u>	<u>34,899,548</u>	<u>34,514,959</u>
Total assets	<u>26,289,181</u>	<u>27,939,128</u>	<u>54,228,309</u>	<u>50,261,764</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension plans	2,138,513	175,741	2,314,254	2,698,902
OPEB obligation	<u>19,749</u>	<u>3,385</u>	<u>23,134</u>	<u>31,546</u>
Total deferred inflows of resources	<u>2,158,262</u>	<u>179,126</u>	<u>2,337,388</u>	<u>2,730,448</u>
LIABILITIES				
Current liabilities:				
Accounts and other payables	344,395	203,198	547,593	509,939
Interest payable	11,846	-	11,846	7,308
Advance fuel sales	19,132	-	19,132	30,811
Internal balances	232,810	(232,810)	-	-
Customer deposits payable	-	248,267	248,267	242,807
Bonds, notes, and leases due within one year	<u>632,935</u>	<u>198,664</u>	<u>831,599</u>	<u>663,477</u>
Total current liabilities	<u>1,241,118</u>	<u>417,319</u>	<u>1,658,437</u>	<u>1,454,342</u>
Noncurrent liabilities:				
Compensated absences payable	367,979	49,421	417,400	317,241
Bonds, notes, and leases due after one year	1,360,196	2,406,449	3,766,645	3,501,136
OPEB obligation payable	710,078	121,728	831,806	1,288,787
Net pension liability	<u>5,411,340</u>	<u>572,022</u>	<u>5,983,362</u>	<u>6,175,279</u>
Total noncurrent liabilities	<u>7,849,593</u>	<u>3,149,620</u>	<u>10,999,213</u>	<u>11,282,443</u>
Total liabilities	<u>9,090,711</u>	<u>3,566,939</u>	<u>12,657,650</u>	<u>12,736,785</u>
DEFERRED INFLOWS OF RESOURCES				
Pension plans	203,051	18,973	222,024	315,029
OPEB obligation	<u>412,976</u>	<u>70,796</u>	<u>483,772</u>	<u>117,437</u>
Total deferred inflows of resources	<u>616,027</u>	<u>89,769</u>	<u>705,796</u>	<u>432,466</u>
NET POSITION				
Net investment in capital assets	15,303,923	14,626,684	29,930,607	31,087,049
Restricted for capital projects	993,036	-	993,036	553,179
Restricted for sales tax dedications	2,203,394	-	2,203,394	2,138,489
Unrestricted	<u>240,352</u>	<u>9,834,862</u>	<u>10,075,214</u>	<u>6,044,244</u>
Total net position	<u>\$ 18,740,705</u>	<u>\$ 24,461,546</u>	<u>\$ 43,202,251</u>	<u>\$ 39,822,961</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Balance Sheet - Major Governmental Funds
June 30, 2024

	General		Sales Tax		Public Safety	
	2024	2023	2024	2023	2024	2023
ASSETS						
Cash and interest-bearing deposits	\$ 2,846,603	\$ 1,648,417	\$ 4,577,306	\$ 10,867,205	\$ -	\$ -
Receivables -						
Due from other funds	151,463	765,456	-	-	1,647,052	995,351
Due from other governmental agencies	5,400	5,400	-	9,209	10,577	-
Other	153,713	155,507	407,726	395,700	200,820	194,897
Prepaid items	50,345	83,054	31,254	16,045	64,985	43,126
Inventories	80,628	56,394	-	-	-	-
Total assets	<u>\$ 3,288,152</u>	<u>\$ 2,714,228</u>	<u>\$ 5,016,286</u>	<u>\$ 11,288,159</u>	<u>\$ 1,923,434</u>	<u>\$ 1,233,374</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 5,398	\$ 24,022	\$ 7,477	\$ 10,544	\$ 13,012	\$ 6,668
Accrued liabilities	207,115	105,472	14,783	21,806	69,286	52,573
Due to other funds	956,000	956,000	1,647,053	8,248,737	-	-
Advance fuel sales	19,132	30,811	-	-	-	-
Total liabilities	<u>1,187,645</u>	<u>1,116,305</u>	<u>1,669,313</u>	<u>8,281,087</u>	<u>82,298</u>	<u>59,241</u>
Fund balances -						
Nonspendable	130,973	139,448	31,254	16,045	64,985	43,126
Restricted	-	-	2,203,394	2,138,489	-	-
Committed	-	-	1,112,325	852,538	1,776,151	1,131,007
Unassigned	1,969,534	1,458,475	-	-	-	-
Total fund balances	<u>2,100,507</u>	<u>1,597,923</u>	<u>3,346,973</u>	<u>3,007,072</u>	<u>1,841,136</u>	<u>1,174,133</u>
Total liabilities and fund balances	<u>\$ 3,288,152</u>	<u>\$ 2,714,228</u>	<u>\$ 5,016,286</u>	<u>\$ 11,288,159</u>	<u>\$ 1,923,434</u>	<u>\$ 1,233,374</u>

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Actual	Variance with Final Budget Positive (Negative)	2023 Actual
	Budget				
	Original	Final			
Revenues:					
Taxes	\$1,124,158	\$ 998,253	\$ 993,250	\$ (5,003)	\$1,024,756
Licenses and permits	528,278	487,352	558,702	71,350	557,391
Intergovernmental	66,404	53,402	53,722	320	73,987
Charges for services	214,743	251,892	275,215	23,323	250,435
Miscellaneous	106,783	314,121	394,018	79,897	132,754
Total revenues	<u>2,040,366</u>	<u>2,105,020</u>	<u>2,274,907</u>	<u>169,887</u>	<u>2,039,323</u>
Expenditures:					
Current:					
General government:					
General and administrative	1,016,367	1,082,414	957,447	124,967	928,499
Executive	93,557	99,622	98,784	838	96,634
Legal	42,612	40,530	39,496	1,034	39,624
Public works	1,115,496	1,127,566	999,694	127,872	1,092,533
Economic development	244,760	376,189	329,102	47,087	259,967
Debt service	175,000	105,411	138,982	(33,571)	161,689
Capital outlay	104,000	170,000	123,818	46,182	195,599
Total expenditures	<u>2,791,792</u>	<u>3,001,732</u>	<u>2,687,323</u>	<u>314,409</u>	<u>2,774,545</u>
Deficiency of revenues over expenditures	<u>(751,426)</u>	<u>(896,712)</u>	<u>(412,416)</u>	<u>484,296</u>	<u>(735,222)</u>
Other financing sources (uses):					
Transfers in	500,000	950,000	950,000	-	1,183,945
Transfers out	(5,000)	(35,000)	(35,000)	-	(65,000)
Total other financing sources (uses)	<u>495,000</u>	<u>915,000</u>	<u>915,000</u>	<u>-</u>	<u>1,118,945</u>
Net change in fund balance	(256,426)	18,288	502,584	484,296	383,723
Fund balance, beginning	<u>1,597,923</u>	<u>1,597,923</u>	<u>1,597,923</u>	<u>-</u>	<u>1,214,200</u>
Fund balance, ending	<u>\$1,341,497</u>	<u>\$1,616,211</u>	<u>\$2,100,507</u>	<u>\$ 484,296</u>	<u>\$1,597,923</u>

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem	\$ 579,624	\$ 538,253	\$ 540,053	\$ 1,800	\$ 491,567
Franchise	544,534	460,000	453,197	(6,803)	533,189
Total taxes	<u>1,124,158</u>	<u>998,253</u>	<u>993,250</u>	<u>(5,003)</u>	<u>1,024,756</u>
Licenses and permits:					
Occupational licenses	509,320	470,405	539,503	69,098	540,089
Permits	18,958	16,947	19,199	2,252	17,302
Total licenses and permits	<u>528,278</u>	<u>487,352</u>	<u>558,702</u>	<u>71,350</u>	<u>557,391</u>
Intergovernmental:					
Beer taxes	-	18,000	18,320	320	18,953
Federal and state grants	66,404	35,402	35,402	-	55,034
Total intergovernmental	<u>66,404</u>	<u>53,402</u>	<u>53,722</u>	<u>320</u>	<u>73,987</u>
Charges for services:					
Inspection fees	3,371	4,500	5,561	1,061	3,020
Airport hanger rent	29,680	30,400	35,053	4,653	32,586
Airport fuel sales	96,692	96,692	93,401	(3,291)	132,829
Industrial park	85,000	120,000	140,800	20,800	81,600
Miscellaneous	-	300	400	100	400
Total charges for services	<u>214,743</u>	<u>251,892</u>	<u>275,215</u>	<u>23,323</u>	<u>250,435</u>
Miscellaneous:					
Interest	7,821	220,000	288,912	68,912	27,267
Video bingo	58,990	42,000	55,372	13,372	64,761
Other sources	39,972	52,121	49,734	(2,387)	40,726
Total miscellaneous	<u>106,783</u>	<u>314,121</u>	<u>394,018</u>	<u>79,897</u>	<u>132,754</u>
Total revenues	<u>\$2,040,366</u>	<u>\$2,105,020</u>	<u>\$2,274,907</u>	<u>\$ 169,887</u>	<u>\$2,039,323</u>

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Current:					
General government:					
General and administrative -					
Salaries and wages	\$ 416,208	\$ 444,558	\$ 436,597	\$ 7,961	\$ 410,020
Payroll taxes	35,021	38,086	31,399	6,687	30,844
Retirement contribution	58,765	69,000	62,457	6,543	57,493
Deferred compensation	5,000	6,100	4,798	1,302	4,096
Hospitalization	31,200	50,300	49,162	1,138	33,670
Insurance	116,565	155,400	105,254	50,146	133,679
Materials and supplies	58,000	51,000	52,124	(1,124)	39,498
Advertisements and recordings	6,700	7,000	6,429	571	7,075
Accounting and auditing	25,000	30,000	17,410	12,590	26,105
Professional fees	8,000	-	-	-	8,000
Miscellaneous	80,708	66,950	42,385	24,565	67,255
Utilities and telephone	57,700	51,500	45,026	6,474	49,556
Repairs and maintenance	75,000	75,000	71,366	3,634	32,337
Dues	3,500	4,500	4,260	240	1,180
Travel	2,500	2,520	2,486	34	1,054
Uniforms	33,000	27,000	24,338	2,662	26,416
Legal fees	1,000	1,000	956	44	221
Fort Polk Progress	2,500	2,500	1,000	1,500	-
Total general and administrative	<u>1,016,367</u>	<u>1,082,414</u>	<u>957,447</u>	<u>124,967</u>	<u>928,499</u>
Executive -					
Salaries	66,960	66,040	62,686	3,354	64,000
Payroll taxes	5,123	6,000	4,740	1,260	4,896
Insurance	474	480	274	206	217
Office supplies	1,000	1,000	567	433	267
Travel	15,000	17,842	22,490	(4,648)	21,305
Public relations	5,000	8,260	8,027	233	5,949
Total executive	<u>93,557</u>	<u>99,622</u>	<u>98,784</u>	<u>838</u>	<u>96,634</u>

(continued)

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Legal -					
Salaries	37,082	36,000	36,396	(396)	36,000
Payroll taxes	3,390	3,390	2,911	479	3,209
Insurance	140	140	84	56	68
Legal fees	2,000	1,000	105	895	347
Total legal	<u>42,612</u>	<u>40,530</u>	<u>39,496</u>	<u>1,034</u>	<u>39,624</u>
Public works:					
Salaries	435,030	390,000	340,748	49,252	410,221
Payroll taxes	32,588	30,600	26,056	4,544	30,973
Retirement contribution	62,766	48,500	44,720	3,780	60,545
Deferred compensation	2,700	2,100	2,060	40	2,536
Hospitalization	27,058	26,500	25,912	588	31,337
Maintenance and supplies	239,000	376,246	353,562	22,684	306,840
Dumpster service	9,500	10,000	10,047	(47)	7,528
Utilities and telephone	171,000	151,000	128,123	22,877	167,357
Insurance	103,354	87,820	66,054	21,766	70,927
Miscellaneous	32,500	4,800	2,412	2,388	4,269
Total public works	<u>1,115,496</u>	<u>1,127,566</u>	<u>999,694</u>	<u>127,872</u>	<u>1,092,533</u>
Economic development -					
Salaries	45,000	56,335	51,028	5,307	42,712
Payroll taxes	3,870	5,000	3,952	1,048	3,711
Maintenance and supplies	25,500	67,620	59,720	7,900	25,168
Fuel	77,000	110,000	77,412	32,588	99,093
Utilities and telephone	17,500	23,574	19,170	4,404	16,519
Insurance	73,390	110,460	114,572	(4,112)	70,399
Miscellaneous	2,500	3,200	3,248	(48)	2,365
Total economic development	<u>244,760</u>	<u>376,189</u>	<u>329,102</u>	<u>47,087</u>	<u>259,967</u>

(continued)

CITY OF LEESVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Debt service:					
Retirement of principal	145,000	88,518	120,507	(31,989)	138,574
Interest and fiscal charges	30,000	16,893	18,475	(1,582)	23,115
Total debt service	175,000	105,411	138,982	(33,571)	161,689
Capital outlay:					
Public works	104,000	170,000	123,818	46,182	188,949
Economic development	-	-	-	-	6,650
Total capital outlay	104,000	170,000	123,818	46,182	195,599
Total expenditures	\$2,791,792	\$3,001,732	\$2,687,323	\$ 314,409	\$2,774,545

CITY OF LEESVILLE, LOUISIANA
Special Revenue Fund
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024				
	Budget		Actual	Variance with Final Budget	2023 Actual
	Original	Final		Positive (Negative)	
Revenues:					
Taxes	\$ 3,998,400	\$ 3,900,000	\$ 4,022,950	\$ 122,950	\$ 4,027,881
Intergovernmental	-	8,342	8,342	-	-
Charges for services	10,359	81,123	126,435	45,312	58,194
Miscellaneous	76,931	88,357	137,073	48,716	81,930
Total revenues	<u>4,085,690</u>	<u>4,077,822</u>	<u>4,294,800</u>	<u>216,978</u>	<u>4,168,005</u>
Expenditures:					
Current -					
General government:					
Salaries and wages	66,854	87,200	87,823	(623)	63,734
Payroll taxes	5,572	7,725	7,733	(8)	5,312
Retirement contribution	9,298	11,984	11,984	-	8,854
Deferred compensation	522	550	520	30	704
Hospitalization	-	4,796	4,796	-	-
Collection fees	66,500	63,000	61,086	1,914	65,168
Miscellaneous	17,743	16,612	14,036	2,576	12,081
Total general government	<u>166,489</u>	<u>191,867</u>	<u>187,978</u>	<u>3,889</u>	<u>155,853</u>
Culture and recreation:					
Recreation department	267,828	336,872	305,285	31,587	225,140
Recreation complex	104,612	162,228	143,501	18,727	96,596
Neighborhood center	30,000	69,313	63,462	5,851	188,597
Leisure pool	84,273	92,700	41,511	51,189	61,763
Total culture and recreation	<u>486,713</u>	<u>661,113</u>	<u>553,759</u>	<u>107,354</u>	<u>572,096</u>
Debt service -					
Retirement of principal	7,500	-	-	-	-
Interest and fiscal charges	500	-	-	-	-
Total debt service	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay -					
Culture and recreation:					
Recreation department	75,000	325,571	323,150	2,421	365,465
Recreation complex	-	329,819	343,777	(13,958)	-
Neighborhood center	-	149	-	149	10,361
Leisure pool	7,500	7,500	-	7,500	-
Total capital outlay	<u>82,500</u>	<u>663,039</u>	<u>666,927</u>	<u>(3,888)</u>	<u>375,826</u>
Total expenditures	<u>743,702</u>	<u>1,516,019</u>	<u>1,408,664</u>	<u>107,355</u>	<u>1,103,775</u>
Excess of revenues over expenditures	<u>3,341,988</u>	<u>2,561,803</u>	<u>2,886,136</u>	<u>324,333</u>	<u>3,064,230</u>
Other financing uses:					
Proceeds from capital lease	-	538,765	538,765	-	-
Transfers out	(2,500,000)	(3,085,000)	(3,085,000)	-	(2,703,760)
Total other financing sources (uses)	<u>(2,500,000)</u>	<u>(2,546,235)</u>	<u>(2,546,235)</u>	<u>-</u>	<u>(2,703,760)</u>
Net change in fund balance	841,988	15,568	339,901	324,333	360,470
Fund balance, beginning	3,007,072	3,007,072	3,007,072	-	2,646,602
Fund balance, ending	<u>\$ 3,849,060</u>	<u>\$ 3,022,640</u>	<u>\$ 3,346,973</u>	<u>\$ 324,333</u>	<u>\$ 3,007,072</u>

CITY OF LEESVILLE, LOUISIANA
Special Revenue Fund
Public Safety Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 1,998,000	\$ 1,943,472	\$ 1,981,453	\$ 37,981	\$ 1,997,987
Intergovernmental	194,500	162,988	207,666	44,678	257,104
Fines and forfeitures	82,920	40,900	68,893	27,993	102,421
Charges for services	66,134	30,500	41,819	11,319	88,995
Miscellaneous	8,000	30,203	29,189	(1,014)	10,122
Total revenues	<u>2,349,554</u>	<u>2,208,063</u>	<u>2,329,020</u>	<u>120,957</u>	<u>2,456,629</u>
Expenditures:					
Current -					
General Government:					
Accounting and auditing	8,000	8,000	5,015	2,985	5,250
Public safety:					
Police -					
Salaries and wages	1,646,879	1,630,684	1,426,934	203,750	1,483,937
Payroll taxes	120,098	120,000	99,475	20,525	104,361
Retirement contribution	385,752	385,752	342,842	42,910	333,686
Hospitalization	92,331	130,000	125,915	4,085	94,433
Insurance	212,235	211,800	157,452	54,348	143,754
Telephone and utilities	90,000	75,000	80,557	(5,557)	86,329
Maintenance and supplies	292,000	302,196	304,175	(1,979)	224,977
Collection fee	35,000	35,000	30,133	4,867	32,091
Equipment lease	5,000	5,000	3,351	1,649	3,850
Prisoner expense	49,400	54,700	54,518	182	47,480
Miscellaneous	78,300	56,191	48,149	8,042	46,430
Total police	<u>3,006,995</u>	<u>3,006,323</u>	<u>2,673,501</u>	<u>332,822</u>	<u>2,601,328</u>
Fire -					
Salaries and wages	689,972	699,972	642,656	57,316	641,711
Payroll taxes	49,272	50,000	47,132	2,868	46,438
Retirement contribution	175,191	175,191	168,414	6,777	159,959
Hospitalization	54,747	55,000	55,066	(66)	56,833
Insurance	108,100	111,500	70,408	41,092	68,568
Telephone and utilities	37,000	31,000	20,312	10,688	29,910
Maintenance and supplies	97,000	102,070	72,399	29,671	69,241
Miscellaneous	52,000	42,500	29,994	12,506	27,500
Total fire	<u>1,263,282</u>	<u>1,267,233</u>	<u>1,106,381</u>	<u>160,852</u>	<u>1,100,160</u>

(continued)

CITY OF LEESVILLE, LOUISIANA
Special Revenue Fund
Public Safety Special Revenue Fund

Budgetary Comparison Schedule (Continued)
For the Year Ended June 30, 2024
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Expenditures (continued):					
City Court -					
Salaries and wages	79,759	75,501	76,330	(829)	75,500
Payroll taxes	7,200	7,200	5,842	1,358	6,230
Insurance	350	350	197	153	160
Miscellaneous	31,000	30,600	30,350	250	19,785
Utilities	11,000	10,000	8,953	1,047	11,133
Maintenance	1,000	1,200	1,167	33	890
Total city court	<u>130,309</u>	<u>124,851</u>	<u>122,839</u>	<u>2,012</u>	<u>113,698</u>
Debt service -					
Retirement of principal	67,000	45,241	126,051	(80,810)	84,362
Interest and fiscal charges	20,000	9,739	23,030	(13,291)	17,155
Total debt service	<u>87,000</u>	<u>54,980</u>	<u>149,081</u>	<u>(94,101)</u>	<u>101,517</u>
Capital outlay -					
Public safety:					
Police	209,250	410,065	289,751	120,314	141,714
Fire	150,000	150,000	165,514	(15,514)	349,164
Total capital outlay	<u>359,250</u>	<u>560,065</u>	<u>455,265</u>	<u>104,800</u>	<u>490,878</u>
Total expenditures	<u>4,854,836</u>	<u>5,021,452</u>	<u>4,512,082</u>	<u>509,370</u>	<u>4,412,831</u>
Deficiency of revenues over expenditures	<u>(2,505,282)</u>	<u>(2,813,389)</u>	<u>(2,183,062)</u>	<u>630,327</u>	<u>(1,956,202)</u>
Other financing sources:					
Proceeds from notes payable	-	220,065	220,065	-	104,954
Transfers in	2,400,000	2,630,000	2,630,000	-	2,453,760
Total other financing sources	<u>2,400,000</u>	<u>2,850,065</u>	<u>2,850,065</u>	<u>-</u>	<u>2,558,714</u>
Net change in fund balance	(105,282)	36,676	667,003	630,327	602,512
Fund balance, beginning	<u>1,174,133</u>	<u>1,174,133</u>	<u>1,174,133</u>	<u>-</u>	<u>571,621</u>
Fund balance, ending	<u>\$ 1,068,851</u>	<u>\$ 1,210,809</u>	<u>\$ 1,841,136</u>	<u>\$ 630,327</u>	<u>\$ 1,174,133</u>

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Fund

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Mainstreet Program Fund -

To account for the activity to foster economic development and stimulate cultural tourism throughout the City's downtown area.

Debt Service Fund

Debt service funds are used to accumulate resources to be used to make debt service principal and interest payments on general obligation long-term debt.

2016 Certificates of Indebtedness Fund

To accumulate monies for payment of the \$2,000,000 Certificates of Indebtedness, Series 2016. Debt service is financed by the collection of ad valorem taxes.

Capital Projects Funds

Capital projects funds are used to accumulate resources to be used for the acquisition or construction of capital facilities.

Airport Construction Fund -

To account for improvements and rehabilitation costs associated with the City's airport which is funded by state and federal monies.

Improvements Capital Projects Fund -

To account for improvements throughout the City financed with the proceeds from the Certificates of Indebtedness, Series 2016, and state grants.

CITY OF LEESVILLE, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2024

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and interest-bearing deposits	\$ 16,573	\$ 5,196	\$ 309,356	\$ 331,125
Receivables -				
Due from other funds	97,458	-	479,359	576,817
Due from other governmental agencies	-	-	87,764	87,764
Restricted cash and interest-bearing deposits	-	-	143,881	143,881
Total assets	<u>\$ 114,031</u>	<u>\$ 5,196</u>	<u>\$ 1,020,360</u>	<u>\$ 1,139,587</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and retainage payable	\$ -	\$ -	\$ 27,324	\$ 27,324
Due to other funds	-	5,089	-	5,089
Total liabilities	-	5,089	27,324	32,413
Fund balances:				
Restricted for debt service	-	107	-	107
Restricted for capital projects	-	-	993,036	993,036
Unassigned	114,031	-	-	114,031
Total fund balances	114,031	107	993,036	1,107,174
Total liabilities and fund balances	<u>\$ 114,031</u>	<u>\$ 5,196</u>	<u>\$ 1,020,360</u>	<u>\$ 1,139,587</u>

CITY OF LEESVILLE, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2024

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Taxes	\$ -	\$ 250,178	\$ -	\$ 250,178
Intergovernmental	-	-	500,967	500,967
Miscellaneous	<u>5,279</u>	<u>15</u>	<u>10,322</u>	<u>15,616</u>
Total revenues	<u>5,279</u>	<u>250,193</u>	<u>511,289</u>	<u>766,761</u>
Expenditures:				
Current -				
Public works	23,706	-	133,970	157,676
Debt service	-	250,178	46,600	296,778
Capital outlay	<u>-</u>	<u>-</u>	<u>628,508</u>	<u>628,508</u>
Total expenditures	<u>23,706</u>	<u>250,178</u>	<u>809,078</u>	<u>1,082,962</u>
Excess (deficiency) of revenues over expenditures	<u>(18,427)</u>	<u>15</u>	<u>(297,789)</u>	<u>(316,201)</u>
Other financing sources (uses):				
Proceeds from issuance of debt	-	-	400,000	400,000
Transfers in	<u>35,000</u>	<u>-</u>	<u>275,000</u>	<u>310,000</u>
Total financing sources (uses)	<u>35,000</u>	<u>-</u>	<u>675,000</u>	<u>710,000</u>
Net change in fund balance	16,573	15	377,211	393,799
Fund balances, beginning	<u>97,458</u>	<u>92</u>	<u>615,825</u>	<u>713,375</u>
Fund balances, ending	<u>\$ 114,031</u>	<u>\$ 107</u>	<u>\$ 993,036</u>	<u>\$ 1,107,174</u>

NONMAJOR CAPITAL PROJECTS FUNDS

CITY OF LEESVILLE, LOUISIANA
Nonmajor Capital Projects Funds

Combining Balance Sheet
June 30, 2024

	<u>Airport Construction</u>	<u>Improvements</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 130,746	\$ 178,610	\$ 309,356
Due from other funds	50,616	428,743	479,359
Due from other governmental agencies	86,577	1,187	87,764
Restricted cash and interest-bearing deposits	<u>-</u>	<u>143,881</u>	<u>143,881</u>
Total assets	<u>\$ 267,939</u>	<u>\$ 752,421</u>	<u>\$ 1,020,360</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Contracts and retainage payable	\$ 27,324	\$ -	\$ 27,324
Fund balances:			
Restricted for capital projects	<u>240,615</u>	<u>752,421</u>	<u>993,036</u>
Total liabilities and fund balances	<u>\$ 267,939</u>	<u>\$ 752,421</u>	<u>\$ 1,020,360</u>

CITY OF LEESVILLE, LOUISIANA
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2024

	<u>Airport Construction</u>	<u>Improvements</u>	<u>Total</u>
Revenues:			
Taxes -			
Intergovernmental	\$ 208,226	\$ 292,741	\$ 500,967
Miscellaneous	<u>-</u>	<u>10,322</u>	<u>10,322</u>
Total revenues	<u>208,226</u>	<u>303,063</u>	<u>511,289</u>
Expenditures:			
Public works	-	133,970	133,970
Debt service	-	46,600	46,600
Capital outlay	<u>172,171</u>	<u>456,337</u>	<u>628,508</u>
Total expenditures	<u>172,171</u>	<u>636,907</u>	<u>809,078</u>
Excess (deficiency) of revenues over expenditures	36,055	(333,844)	(297,789)
Other financing sources (uses):			
Transfers in	190,000	85,000	275,000
Proceeds from issuance of debt	<u>-</u>	<u>400,000</u>	<u>400,000</u>
Total other financing sources	<u>190,000</u>	<u>485,000</u>	<u>675,000</u>
Net change in fund balance	226,055	151,156	377,211
Fund balances, beginning	<u>14,560</u>	<u>601,265</u>	<u>615,825</u>
Fund balances, ending	<u>\$ 240,615</u>	<u>\$ 752,421</u>	<u>\$ 993,036</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Net Position - Proprietary Funds
June 30, 2024

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
ASSETS								
Current assets:								
Cash and interest-bearing deposits	\$ 4,881,251	\$ 228,512	\$ 2,968,637	\$ 1,147,785	\$ 1,456,332	\$ -	\$ 9,306,220	\$ 1,376,297
Receivables:								
Accounts, net	185,579	163,126	295,961	247,618	-	-	481,540	410,744
Due from other funds	370,060	4,367,797	-	1,286,775	-	1,354,880	370,060	7,009,452
Due from other governmental agencies	103,523	-	-	-	557,716	278,175	661,239	278,175
Prepaid items	10,161	3,665	10,627	3,665	10,728	1,047	31,516	8,377
Total current assets	<u>5,550,574</u>	<u>4,763,100</u>	<u>3,275,225</u>	<u>2,685,843</u>	<u>2,024,776</u>	<u>1,634,102</u>	<u>10,850,575</u>	<u>9,083,045</u>
Noncurrent assets:								
Restricted assets -								
Cash and interest-bearing deposits	-	-	737,126	862,434	-	-	737,126	862,434
Land and construction in progress	560,888	287,082	191,737	94,882	-	-	752,625	381,964
Capital assets, net of accumulated depreciation	7,924,384	8,296,803	7,590,305	7,879,694	454,173	496,878	15,968,862	16,673,375
Total noncurrent assets	<u>8,485,272</u>	<u>8,583,885</u>	<u>8,519,168</u>	<u>8,837,010</u>	<u>454,173</u>	<u>496,878</u>	<u>17,458,613</u>	<u>17,917,773</u>
Total assets	<u>14,035,846</u>	<u>13,346,985</u>	<u>11,794,393</u>	<u>11,522,853</u>	<u>2,478,949</u>	<u>2,130,980</u>	<u>28,309,188</u>	<u>27,000,818</u>
DEFERRED OUTFLOWS OF RESOURCES								
Pension plans	76,787	110,917	56,232	65,997	42,722	63,974	175,741	240,888
OPEB obligation	1,693	2,558	564	853	1,128	853	3,385	4,264
Total deferred inflows of resources	<u>78,480</u>	<u>113,475</u>	<u>56,796</u>	<u>66,850</u>	<u>43,850</u>	<u>64,827</u>	<u>179,126</u>	<u>245,152</u>
LIABILITIES								
Current liabilities (payable from current assets):								
Accounts and other payables	170,606	9,875	24,491	21,444	8,101	32,649	203,198	63,968
Due to other funds	25,346	25,346	111,904	111,904	-	-	137,250	137,250
Notes payable	-	-	-	-	2,664	15,641	2,664	15,641
Total	<u>195,952</u>	<u>35,221</u>	<u>136,395</u>	<u>133,348</u>	<u>10,765</u>	<u>48,290</u>	<u>343,112</u>	<u>216,859</u>
Current liabilities (payable from restricted assets):								
Customer deposits payable	-	-	248,267	242,807	-	-	248,267	242,807
Revenue bonds	-	-	196,000	189,000	-	-	196,000	189,000
Total	<u>-</u>	<u>-</u>	<u>444,267</u>	<u>431,807</u>	<u>-</u>	<u>-</u>	<u>444,267</u>	<u>431,807</u>
Total current liabilities	<u>195,952</u>	<u>35,221</u>	<u>580,662</u>	<u>565,155</u>	<u>10,765</u>	<u>48,290</u>	<u>787,379</u>	<u>648,666</u>
Noncurrent liabilities:								
Compensated absences payable	24,964	36,579	17,804	16,076	6,653	3,825	49,421	56,480
OPEB obligation payable	60,864	104,496	20,288	34,832	40,576	34,832	121,728	174,160
Net pension liability	297,056	338,374	253,070	274,395	21,896	44,141	572,022	656,910
Revenue bonds payable	-	-	2,371,000	2,567,000	-	-	2,371,000	2,567,000
Notes payable	-	-	35,449	35,449	-	2,664	35,449	38,113
Total noncurrent liabilities	<u>382,884</u>	<u>479,449</u>	<u>2,697,611</u>	<u>2,927,752</u>	<u>69,125</u>	<u>85,462</u>	<u>3,149,620</u>	<u>3,492,663</u>
Total liabilities	<u>578,836</u>	<u>514,670</u>	<u>3,278,273</u>	<u>3,492,907</u>	<u>79,890</u>	<u>133,752</u>	<u>3,936,999</u>	<u>4,141,329</u>
DEFERRED INFLOWS OF RESOURCES								
Pension plans	7,537	8,547	6,669	5,336	4,767	4,239	18,973	18,122
OPEB obligation	35,398	9,522	11,799	3,174	23,599	3,174	70,796	15,870
Total deferred inflows of resources	<u>42,935</u>	<u>18,069</u>	<u>18,468</u>	<u>8,510</u>	<u>28,366</u>	<u>7,413</u>	<u>89,769</u>	<u>33,992</u>
NET POSITION								
Net investment in capital assets	8,506,723	8,583,885	5,668,452	6,950,539	451,509	478,573	14,626,684	16,012,997
Unrestricted	4,985,832	4,343,836	2,885,996	1,137,747	1,963,034	1,576,069	9,834,862	7,057,652
Total net position	<u>\$ 13,492,555</u>	<u>\$ 12,927,721</u>	<u>\$ 8,554,448</u>	<u>\$ 8,088,286</u>	<u>\$ 2,414,543</u>	<u>\$ 2,054,642</u>	<u>\$ 24,461,546</u>	<u>\$ 23,070,649</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Year Ended June 30, 2024

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Operating revenues:								
Charges for services	\$ 1,206,593	\$ 1,138,293	\$ 2,080,277	\$ 1,851,857	\$ 3,340,831	\$ 3,223,559	\$ 6,627,701	\$ 6,213,709
Miscellaneous	-	-	-	-	3,666	2,972	3,666	2,972
Total operating revenues	<u>1,206,593</u>	<u>1,138,293</u>	<u>2,080,277</u>	<u>1,851,857</u>	<u>3,344,497</u>	<u>3,226,531</u>	<u>6,631,367</u>	<u>6,216,681</u>
Operating expenses:								
Salaries	240,910	281,098	260,770	249,612	173,962	178,243	675,642	708,953
Employee benefits	22,358	19,751	27,398	29,350	16,389	15,869	66,145	64,970
OPEB expense (benefit)	(16,891)	(3,226)	(5,630)	(1,076)	25,894	(1,076)	3,373	(5,378)
Pension expense	33,699	42,780	26,977	25,370	26,102	24,609	86,778	92,759
Operating supplies	36,269	85,290	248,120	251,212	111,333	422,598	395,722	759,100
Vehicle expense	15,951	13,200	42,826	52,901	114,729	108,960	173,506	175,061
Utilities and communications	107,760	137,778	164,622	214,587	499	1,491	272,881	353,856
Insurance	57,010	67,572	67,602	68,548	31,414	30,876	156,026	166,996
Legal and other professional	17,930	15,700	14,420	16,670	18,627	13,799	50,977	46,169
Repairs and maintenance	90,709	32,078	80,232	79,968	40,765	57,205	211,706	169,251
Contracted services	-	-	-	-	1,654,532	1,307,459	1,654,532	1,307,459
Bad debt	4,093	14,744	44,529	9,582	-	-	48,622	24,326
Miscellaneous	59,952	49,354	389	1,103	-	-	60,341	50,457
Depreciation	381,420	382,324	408,670	404,388	155,399	166,898	945,489	953,610
Total operating expenses	<u>1,051,170</u>	<u>1,138,443</u>	<u>1,380,925</u>	<u>1,402,215</u>	<u>2,369,645</u>	<u>2,326,931</u>	<u>4,801,740</u>	<u>4,867,589</u>
Operating income (loss)	<u>155,423</u>	<u>(150)</u>	<u>699,352</u>	<u>449,642</u>	<u>974,852</u>	<u>899,600</u>	<u>1,829,627</u>	<u>1,349,092</u>
Nonoperating revenues (expenses):								
Interest income	2,865	2,506	976	891	-	-	3,841	3,397
Ad valorem taxes	233,976	191,741	-	-	-	-	233,976	191,741
Gain (loss) on disposal of assets	-	-	-	8,201	-	(178,337)	-	(170,136)
Nonemployer pension contribution	8,622	9,797	7,656	5,882	5,467	5,487	21,745	21,166
Interest expense	-	-	(91,822)	(97,698)	(418)	(4,378)	(92,240)	(102,076)
Total nonoperating revenues (expenses)	<u>245,463</u>	<u>204,044</u>	<u>(83,190)</u>	<u>(82,724)</u>	<u>5,049</u>	<u>(177,228)</u>	<u>167,322</u>	<u>(55,908)</u>
Income before contributions and transfers	400,886	203,894	616,162	366,918	979,901	722,372	1,996,949	1,293,184
Capital Contributions	163,948	1,154,294	-	95,294	-	-	163,948	1,249,588
Transfers out	-	-	(150,000)	(400,000)	(620,000)	(550,000)	(770,000)	(950,000)
Change in net position	564,834	1,358,188	466,162	62,212	359,901	172,372	1,390,897	1,592,772
Net position, beginning	<u>12,927,721</u>	<u>11,569,533</u>	<u>8,088,286</u>	<u>8,026,074</u>	<u>2,054,642</u>	<u>1,882,270</u>	<u>23,070,649</u>	<u>21,477,877</u>
Net position, ending	<u>\$ 13,492,555</u>	<u>\$12,927,721</u>	<u>\$8,554,448</u>	<u>\$8,088,286</u>	<u>\$2,414,543</u>	<u>\$ 2,054,642</u>	<u>\$24,461,546</u>	<u>\$23,070,649</u>

CITY OF LEESVILLE, LOUISIANA

Justice System Funding Schedule - Receiving Entity
 As Required by Act 87 of the 2020 Regular Legislative Session
 Cash Basis Presentation
 For the Year Ended June 30, 2024

	First Six Month Period Ended <u>December 31, 2023</u>	First Six Month Period Ended <u>June 30, 2024</u>
Receipts From:		
Leesville City Court, Criminal Fines	\$ 26,478	\$ 30,838
Leesville City Court, Court Assessed Costs/Fees	5,689	5,997
City of Leesville Prosecutors Office, Pre-Trial Intervention Fees	1,500	1,000
Leesville City Court, Other, Witness Fees	11,395	13,707
Vernon Parish Sheriff, Other, Bond Handling Fees	505	786
Vernon Parish Police Jury, Other, Witness Fees	<u>600</u>	<u>650</u>
 Total	 <u>46,167</u>	 <u>52,978</u>
 Ending balance of amounts assessed but not received	 <u>\$ -</u>	 <u>\$ -</u>

**INTERNAL CONTROL, COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Rick Allen, Mayor
and Members of the City Council
City of Leesville, 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesville, Louisiana (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 18, 2024

CITY OF LEESVILLE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2024

Part I. Current Year Findings and Management's Corrective Action Plan

A. Internal Control Findings -

No findings reported under this section.

B. Compliance Findings -

No findings reported under this section.

Part II. Prior Year Findings

A. Internal Control Findings -

No findings reported under this section.

B. Compliance Finding -

No findings reported under this section.

CITY OF LEESVILLE, LOUISIANA

Statewide Agreed-Upon Procedures Report

Year Ended June 30, 2024

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To Honorable Rick Allen, Mayor
and members of the City Council of the
City of Leesville, Louisiana
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 fiscal period July 1, 2023 through June 30, 2024. The City of Leesville, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The City of Leesville, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories, if applicable, to public funds and the entity's operations:
 - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

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

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained a listing of entity bank accounts for the fiscal period and management's representation that the listing is complete.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 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:
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity; and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

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

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

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

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

8) Contracts

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

9) Payroll and Personnel

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

authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

10) Ethics

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

11) Debt Service

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

12) Fraud Notice

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

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures:
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. 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. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedures #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. 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.

14) Prevention of Sexual Harassment

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

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

Exceptions:

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

We were engaged by the City of Leesville, Louisiana 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 City of Leesville, Louisiana 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 18, 2024