

**CITY OF LEESVILLE, LOUISIANA**

Financial Report

Year Ended June 30, 2025

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-4
 BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	7
Statement of activities	8
 FUND FINANCIAL STATEMENTS (FFS)	
Major fund descriptions	10
Balance sheet - governmental funds	11
Reconciliation of the governmental funds balance sheet to the statement of net position	12
Statement of revenues, expenditures, and changes in fund balances - governmental funds	13
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	14
Statement of net position - proprietary funds	15
Statement of revenues, expenses, and changes in fund net position - proprietary funds	16
Statement of cash flows - proprietary funds	17-18
Notes to basic financial statements	19-53
 REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General Fund	55
Sales Tax Special Revenue Fund	56
Public Safety Special Revenue Fund	57
Schedule of changes in total OPEB liability and related ratios	58
Schedule of employer's share of net pension liability	59
Schedule of employer contributions	60
Notes to required supplementary information	61-63
 SUPPLEMENTARY INFORMATION	
Statement of net position - compared to prior year totals	65
Comparative balance sheet - major governmental funds	66
 Major Governmental Funds -	
General Fund - budgetary comparison schedule	67
General Fund - budgetary comparison schedule - revenues	68
General Fund - budgetary comparison schedule- expenditures	69-71

(continued)

TABLE OF CONTENTS (Continued)

	Page
Sales Tax Special Revenue Fund - budgetary comparison schedule	72
Public Safety Special Revenue Fund - budgetary comparison schedule	73-74
Nonmajor Governmental Funds -	
Nonmajor fund descriptions	76
Combining balance sheet	77
Combining statement of revenues, expenditures, and changes in fund balances	78
Nonmajor capital projects funds -	
Combining balance sheet	80
Combining statement of revenues, expenditures, and changes in fund balances	81
Comparative statement of net position - proprietary funds	82
Comparative statement of revenues, expenses, and changes in fund net position - proprietary funds	83
Judicial System Funding Schedule - Receiving Entity	84
 <b>INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS</b>	
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 <i>Government Auditing Standards</i>	86-87
Schedule of current and prior year audit findings and management's corrective action plan	88

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## INDEPENDENT AUDITOR'S REPORT

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, 2025, 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, 2025, 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial 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 2024 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 19, 2025, 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 19, 2025

## **BASIC FINANCIAL STATEMENTS**

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

CITY OF LEESVILLE, LOUISIANA

Statement of Net Position  
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 9,423,188	\$ 9,781,159	\$ 19,204,347
Receivables, net	776,495	462,601	1,239,096
Due from other governmental agencies	72,697	980,705	1,053,402
Inventories	80,914	-	80,914
Other assets	143,917	34,099	178,016
Total current assets	<u>10,497,211</u>	<u>11,258,564</u>	<u>21,755,775</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	216,378	744,822	961,200
Capital assets:			
Land and construction in progress	1,867,161	1,896,745	3,763,906
Capital assets, net	<u>15,995,578</u>	<u>15,399,983</u>	<u>31,395,561</u>
Total noncurrent assets	<u>18,079,117</u>	<u>18,041,550</u>	<u>36,120,667</u>
Total assets	<u>28,576,328</u>	<u>29,300,114</u>	<u>57,876,442</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plans	1,330,779	97,803	1,428,582
OPEB obligation	<u>12,568</u>	<u>2,154</u>	<u>14,722</u>
Total deferred inflows of resources	<u>1,343,347</u>	<u>99,957</u>	<u>1,443,304</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and other payables	391,186	154,769	545,955
Interest payable	9,725	-	9,725
Advance fuel sales	22,634	-	22,634
Internal balances	232,810	(232,810)	-
Customer deposits payable	-	256,064	256,064
Bonds, notes, and leases due within one year	<u>364,273</u>	<u>203,000</u>	<u>567,273</u>
Total current liabilities	<u>1,020,628</u>	<u>381,023</u>	<u>1,401,651</u>
Noncurrent liabilities:			
Compensated absences payable	382,421	57,397	439,818
Bonds, notes, and leases due after one year	1,098,482	2,168,000	3,266,482
OPEB obligation payable	708,538	121,464	830,002
Net pension liability	<u>4,156,629</u>	<u>384,989</u>	<u>4,541,618</u>
Total noncurrent liabilities	<u>6,346,070</u>	<u>2,731,850</u>	<u>9,077,920</u>
Total liabilities	<u>7,366,698</u>	<u>3,112,873</u>	<u>10,479,571</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Plans	474,727	66,960	541,687
OPEB obligation	<u>314,081</u>	<u>53,842</u>	<u>367,923</u>
Total deferred inflows of resources	<u>788,808</u>	<u>120,802</u>	<u>909,610</u>
<b>NET POSITION</b>			
Net investment in capital assets	16,399,984	15,414,486	31,814,470
Restricted for capital projects	1,303,734	-	1,303,734
Restricted for sales tax dedications	2,729,220	-	2,729,220
Unrestricted	<u>1,331,231</u>	<u>10,751,910</u>	<u>12,083,141</u>
Total net position	<u>\$21,764,169</u>	<u>\$26,166,396</u>	<u>\$47,930,565</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, 2025

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
<b>Governmental activities:</b>							
General government	\$ 1,312,008	\$ 554,113	\$ -	\$ -	\$ (757,895)	\$ -	\$ (757,895)
Public safety	4,206,416	187,143	249,890	-	(3,769,383)	-	(3,769,383)
Public works	2,168,923	-	21,138	-	(2,147,785)	-	(2,147,785)
Economic development	763,384	286,673	-	777,379	300,668	-	300,668
Culture and recreation	764,034	118,566	-	301,473	(343,995)	-	(343,995)
Interest on long-term debt	88,736	-	-	-	(88,736)	-	(88,736)
Total governmental activities	<u>9,303,501</u>	<u>1,146,495</u>	<u>271,028</u>	<u>1,078,852</u>	<u>(6,807,126)</u>	<u>-</u>	<u>(6,807,126)</u>
<b>Business-type activities:</b>							
Sewer	1,089,310	1,170,702	-	984,214	-	1,065,606	1,065,606
Water	1,306,640	2,027,787	-	26,964	-	748,111	748,111
Fort Polk Vegetation Control	<u>2,157,980</u>	<u>3,377,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,219,958</u>	<u>1,219,958</u>
Total business-type activities	<u>4,553,930</u>	<u>6,576,427</u>	<u>-</u>	<u>1,011,178</u>	<u>-</u>	<u>3,033,675</u>	<u>3,033,675</u>
Total	<u>\$ 13,857,431</u>	<u>\$ 7,722,922</u>	<u>\$ 271,028</u>	<u>\$ 2,090,030</u>	<u>(6,807,126)</u>	<u>3,033,675</u>	<u>(3,773,451)</u>
<b>General revenues:</b>							
Taxes -							
Ad valorem taxes, levied for general maintenance					799,011	-	799,011
Ad valorem taxes, levied for street improvements					252,162	-	252,162
Sales and use taxes, levied for public works and recreation					3,925,650	-	3,925,650
Sales and use taxes, levied for public safety					1,933,529	-	1,933,529
Franchise taxes					484,321	-	484,321
Grants and contributions not restricted to specific programs -							
State sources					17,545	-	17,545
Interest and investment earnings					579,473	9,968	589,441
Nonemployer pension contribution					165,598	21,213	186,811
Miscellaneous					311,242	2,053	313,295
Transfers					<u>1,362,059</u>	<u>(1,362,059)</u>	<u>-</u>
Total general revenues and transfers					<u>9,830,590</u>	<u>(1,328,825)</u>	<u>8,501,765</u>
Change in net position					3,023,464	1,704,850	4,728,314
Net position - beginning					<u>18,740,705</u>	<u>24,461,546</u>	<u>43,202,251</u>
Net position - ending					<u>\$ 21,764,169</u>	<u>\$ 26,166,396</u>	<u>\$ 47,930,565</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, 2025

	General	Sales Tax	Public Safety	Other Governmental	Total
<b>ASSETS</b>					
Cash and interest-bearing deposits	\$ 3,588,253	\$ 3,764,226	\$ 1,401,009	\$ 669,700	\$ 9,423,188
Receivables -					
Due from other funds	151,462	-	-	576,817	728,279
Due from other governmental agencies	5,400	-	4,667	62,630	72,697
Other	229,032	366,800	180,663	-	776,495
Prepaid items	48,906	31,149	63,862	-	143,917
Inventories	80,914	-	-	-	80,914
Restricted cash and interest-bearing deposits	-	-	-	216,378	216,378
<b>Total assets</b>	<b><u>\$ 4,103,967</u></b>	<b><u>\$ 4,162,175</u></b>	<b><u>\$ 1,650,201</u></b>	<b><u>\$ 1,525,525</u></b>	<b><u>\$ 11,441,868</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ -	\$ 12,388	\$ 4,978	\$ 50	\$ 17,416
Accrued liabilities	182,824	12,013	82,591	-	277,428
Contracts and retainage payable	-	-	-	96,342	96,342
Due to other funds	956,000	-	-	5,089	961,089
Advance fuel sales	22,634	-	-	-	22,634
<b>Total liabilities</b>	<b><u>1,161,458</u></b>	<b><u>24,401</u></b>	<b><u>87,569</u></b>	<b><u>101,481</u></b>	<b><u>1,374,909</u></b>
Fund balances -					
Nonspendable	129,820	31,149	63,862	-	224,831
Restricted for debt service	-	-	-	120	120
Restricted for capital projects	-	-	-	1,303,734	1,303,734
Restricted for sales tax dedications	-	2,729,220	-	-	2,729,220
Committed	-	1,377,405	1,498,770	-	2,876,175
Unassigned	2,812,689	-	-	120,190	2,932,879
<b>Total fund balances</b>	<b><u>2,942,509</u></b>	<b><u>4,137,774</u></b>	<b><u>1,562,632</u></b>	<b><u>1,424,044</u></b>	<b><u>10,066,959</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 4,103,967</u></b>	<b><u>\$ 4,162,175</u></b>	<b><u>\$ 1,650,201</u></b>	<b><u>\$ 1,525,525</u></b>	<b><u>\$ 11,441,868</u></b>

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, 2025

Total fund balances for governmental funds at June 30, 2025 \$ 10,066,959

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	\$ 389,926	
Construction in progress	1,477,235	
Buildings and improvements, net of \$7,930,118 accumulated depreciation	4,324,412	
Infrastructure, net of \$21,222,314 accumulated depreciation	10,318,055	
Equipment and vehicles, net of \$6,439,995 accumulated depreciation	<u>1,353,111</u>	17,862,739

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

Pension plans	1,330,779	
Other post employment benefits	<u>12,568</u>	1,343,347

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	(382,421)	
Bonds payable	(633,000)	
Capital leases	(829,755)	
Accrued interest payable	(9,725)	
Other post employment benefits	(708,538)	
Net pension liability	<u>(4,156,629)</u>	(6,720,068)

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

Pension plans	(474,727)	
Other post employment benefits	<u>(314,081)</u>	<u>(788,808)</u>

Total net position of governmental activities at June 30, 2025 \$ 21,764,169

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, 2025

	General	Sales Tax	Public Safety	Other Governmental	Total
Revenues:					
Taxes -					
Ad valorem	\$ 799,011	\$ -	\$ -	\$ 252,162	\$ 1,051,173
Sales	-	3,925,650	1,933,529	-	5,859,179
Franchise	484,321	-	-	-	484,321
Licenses and permits	554,113	-	-	-	554,113
Intergovernmental	46,333	-	249,890	1,066,875	1,363,098
Fines and forfeits	-	-	103,133	-	103,133
Charges for services	286,673	118,566	84,010	-	489,249
Miscellaneous	698,567	146,409	31,197	18,869	895,042
Total revenues	<u>2,869,018</u>	<u>4,190,625</u>	<u>2,401,759</u>	<u>1,337,906</u>	<u>10,799,308</u>
Expenditures:					
Current:					
General government	1,108,784	234,018	5,655	-	1,348,457
Public safety	-	-	4,060,498	-	4,060,498
Public works	1,134,763	-	-	81,763	1,216,526
Economic development	320,691	-	-	-	320,691
Culture and recreation	-	577,682	-	-	577,682
Debt service	142,384	123,518	176,869	299,962	742,733
Capital outlay	222,953	603,606	93,241	1,425,311	2,345,111
Total expenditures	<u>2,929,575</u>	<u>1,538,824</u>	<u>4,336,263</u>	<u>1,807,036</u>	<u>10,611,698</u>
Excess (deficiency) of revenues over expenditures	<u>(60,557)</u>	<u>2,651,801</u>	<u>(1,934,504)</u>	<u>(469,130)</u>	<u>187,610</u>
Other financing sources (uses):					
Proceeds from notes payable	121,500	-	-	-	121,500
Transfers in	1,802,908	-	2,256,000	786,000	4,844,908
Transfers out	(1,021,849)	(2,461,000)	-	-	(3,482,849)
Total other financing sources (uses)	<u>902,559</u>	<u>(2,461,000)</u>	<u>2,256,000</u>	<u>786,000</u>	<u>1,483,559</u>
Net changes in fund balances	842,002	190,801	321,496	316,870	1,671,169
Fund balances, beginning, as restated	<u>2,100,507</u>	<u>3,946,973</u>	<u>1,241,136</u>	<u>1,107,174</u>	<u>8,395,790</u>
Fund balances, ending	<u>\$2,942,509</u>	<u>\$ 4,137,774</u>	<u>\$ 1,562,632</u>	<u>\$ 1,424,044</u>	<u>\$10,066,959</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, 2025

Total net changes in fund balances for the year ended June 30, 2025 per the statement of revenues, expenditures and changes in fund balances	\$ 1,671,169
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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	\$ 1,713,489	
Depreciation expense for the year ended June 30, 2025	<u>(1,147,804)</u>	565,685

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.

Proceeds from issuance of debt received	(121,500)	
Repayment of long-term debt	<u>651,876</u>	
Repayment of long-term debt		530,376

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	(14,442)	
Accrued interest	2,121	
OPEB obligation	93,254	
Net pension liability	<u>175,301</u>	<u>256,234</u>

Total changes in net position for the year ended June 30, 2025 per the statement of activities	<u>\$ 3,023,464</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF LEESVILLE, LOUISIANA

Statement of Net Position - Proprietary Funds  
June 30, 2025

	Business -Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 4,448,142	\$ 3,331,059	\$ 2,001,958	\$ 9,781,159
Receivables:				
Accounts, net	178,464	284,137	-	462,601
Due from other funds	370,060	-	-	370,060
Due from other governmental agencies	417,412	-	563,293	980,705
Prepaid items	10,841	10,841	12,417	34,099
Total current assets	<u>5,424,919</u>	<u>3,626,037</u>	<u>2,577,668</u>	<u>11,628,624</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	744,822	-	744,822
Land and construction in progress	1,782,245	114,500	-	1,896,745
Capital assets, net of accumulated depreciation	7,564,528	7,342,783	492,672	15,399,983
Total noncurrent assets	<u>9,346,773</u>	<u>8,202,105</u>	<u>492,672</u>	<u>18,041,550</u>
Total assets	<u>14,771,692</u>	<u>11,828,142</u>	<u>3,070,340</u>	<u>29,670,174</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension plans	40,157	31,493	26,153	97,803
OPEB obligation	1,077	359	718	2,154
Total deferred inflows of resources	<u>41,234</u>	<u>31,852</u>	<u>26,871</u>	<u>99,957</u>
<b>LIABILITIES</b>				
Current liabilities (payable from current assets):				
Accounts and other payables	85,625	63,728	5,416	154,769
Due to other funds	25,346	111,904	-	137,250
Total	<u>110,971</u>	<u>175,632</u>	<u>5,416</u>	<u>292,019</u>
Current liabilities (payable from restricted assets):				
Customer deposits payable	-	256,064	-	256,064
Revenue bonds	-	203,000	-	203,000
Total	<u>-</u>	<u>459,064</u>	<u>-</u>	<u>459,064</u>
Total current liabilities	<u>110,971</u>	<u>634,696</u>	<u>5,416</u>	<u>751,083</u>
Noncurrent liabilities:				
Compensated absences payable	27,124	18,717	11,556	57,397
OPEB obligation payable	60,732	20,244	40,488	121,464
Net pension liability (asset)	225,300	186,045	(26,356)	384,989
Revenue bonds payable	-	2,168,000	-	2,168,000
Total noncurrent liabilities	<u>313,156</u>	<u>2,393,006</u>	<u>25,688</u>	<u>2,731,850</u>
Total liabilities	<u>424,127</u>	<u>3,027,702</u>	<u>31,104</u>	<u>3,482,933</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension plans	24,250	25,526	17,184	66,960
OPEB obligation	26,921	8,974	17,947	53,842
Total deferred inflows of resources	<u>51,171</u>	<u>34,500</u>	<u>35,131</u>	<u>120,802</u>
<b>NET POSITION</b>				
Net investment in capital assets	9,346,773	5,575,041	492,672	15,414,486
Unrestricted	4,990,855	3,222,751	2,538,304	10,751,910
Total net position	<u>\$ 14,337,628</u>	<u>\$ 8,797,792</u>	<u>\$ 3,030,976</u>	<u>\$ 26,166,396</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, 2025

	Business -Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Operating revenues:				
Charges for services	\$ 1,170,702	\$ 2,027,787	\$ 3,377,938	\$ 6,576,427
Miscellaneous	-	-	2,053	2,053
Total operating revenues	<u>1,170,702</u>	<u>2,027,787</u>	<u>3,379,991</u>	<u>6,578,480</u>
Operating expenses:				
Salaries	246,517	214,520	164,602	625,639
Employee benefits	22,491	12,650	13,000	48,141
OPEB expense (benefit)	(7,993)	(2,664)	(5,330)	(15,987)
Pension expense	16,015	14,042	10,999	41,056
Operating supplies	31,235	179,841	102,047	313,123
Vehicle expense	14,267	38,626	96,083	148,976
Utilities and communications	115,792	181,301	782	297,875
Insurance	55,873	98,329	60,733	214,935
Legal and other professional	13,040	15,140	17,732	45,912
Repairs and maintenance	114,805	65,821	54,805	235,431
Contracted services	-	-	1,466,223	1,466,223
Bad debt	34,009	13,891	-	47,900
Miscellaneous	51,043	944	-	51,987
Depreciation	<u>382,216</u>	<u>389,018</u>	<u>176,291</u>	<u>947,525</u>
Total operating expenses	<u>1,089,310</u>	<u>1,221,459</u>	<u>2,157,967</u>	<u>4,468,736</u>
Operating income	<u>81,392</u>	<u>806,328</u>	<u>1,222,024</u>	<u>2,109,744</u>
Nonoperating revenues (expenses):				
Interest income	8,962	1,006	-	9,968
Nonemployer pension contribution	7,564	8,187	5,462	21,213
Interest expense	-	(85,181)	(13)	(85,194)
Total nonoperating revenues (expenses)	<u>16,526</u>	<u>(75,988)</u>	<u>5,449</u>	<u>(54,013)</u>
Income before contributions and transfers	97,918	730,340	1,227,473	2,055,731
Capital Contributions	984,214	26,964	-	1,011,178
Transfers out	<u>(237,059)</u>	<u>(513,960)</u>	<u>(611,040)</u>	<u>(1,362,059)</u>
Change in net position	845,073	243,344	616,433	1,704,850
Net position, beginning	<u>13,492,555</u>	<u>8,554,448</u>	<u>2,414,543</u>	<u>24,461,546</u>
Net position, ending	<u>\$ 14,337,628</u>	<u>\$ 8,797,792</u>	<u>\$ 3,030,976</u>	<u>\$ 26,166,396</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, 2025

	Business-Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Cash flows from operating activities:				
Receipts from customers	\$ 1,177,817	\$ 2,039,611	\$ 3,372,361	\$ 6,589,789
Payments to suppliers	(513,548)	(559,175)	(1,800,094)	(2,872,817)
Payments to employees	(295,889)	(251,236)	(200,187)	(747,312)
Other receipts	-	-	2,053	2,053
Net cash provided by operating activities	<u>368,380</u>	<u>1,229,200</u>	<u>1,374,133</u>	<u>2,971,713</u>
Cash flows from noncapital financing activities:				
Net increase in customer meter deposits	-	7,797	-	7,797
Transfers to other funds	<u>(237,059)</u>	<u>(513,960)</u>	<u>(611,040)</u>	<u>(1,362,059)</u>
Net cash used by noncapital financing activities	<u>(237,059)</u>	<u>(506,163)</u>	<u>(611,040)</u>	<u>(1,354,262)</u>
Cash flows from capital and related financing activities:				
Principal paid on bonds and notes payable	-	(231,449)	(2,664)	(234,113)
Interest and fiscal charges paid on revenue bonds	-	(85,181)	(13)	(85,194)
Proceeds from grants	670,325	26,964	-	697,289
Acquisition of property, plant and equipment, net	<u>(1,243,717)</u>	<u>(64,259)</u>	<u>(214,790)</u>	<u>(1,522,766)</u>
Net cash used by capital and related financing activities	<u>(573,392)</u>	<u>(353,925)</u>	<u>(217,467)</u>	<u>(1,144,784)</u>
Cash flows from investing activities:				
Interest earned	<u>8,962</u>	<u>1,006</u>	<u>-</u>	<u>9,968</u>
Net increase (decrease) in cash and cash equivalents	(433,109)	370,118	545,626	482,635
Cash and cash equivalents, beginning of period	<u>4,881,251</u>	<u>3,705,763</u>	<u>1,456,332</u>	<u>10,043,346</u>
Cash and cash equivalents, end of period	<u>\$ 4,448,142</u>	<u>\$ 4,075,881</u>	<u>\$ 2,001,958</u>	<u>\$ 10,525,981</u>

(continued)

CITY OF LEESVILLE, LOUISIANA

Statement of Cash Flows  
 Proprietary Funds (Continued)  
 For the Year Ended June 30, 2025

	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	\$ 81,392	\$ 806,328	\$ 1,222,024	\$ 2,109,744
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	382,216	389,018	176,291	947,525
Pension expense	(10,849)	(15,242)	(13,804)	(39,895)
OPEB expense	(7,993)	(2,664)	(5,330)	(15,987)
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	7,115	11,824	(5,577)	13,362
Increase in prepaid items	(680)	(214)	(1,689)	(2,583)
Increase (decrease) in accounts payable	(84,981)	39,237	(2,685)	(48,429)
Increase in compensated absences payable	2,160	913	4,903	7,976
Net cash provided by operating activities	<u>\$ 368,380</u>	<u>\$ 1,229,200</u>	<u>\$ 1,374,133</u>	<u>\$ 2,971,713</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	\$ 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, beginning of period	<u>4,881,251</u>	<u>3,705,763</u>	<u>1,456,332</u>	<u>10,043,346</u>
Cash and cash equivalents, end of period -				
Cash and interest-bearing deposits - unrestricted	\$ 4,448,142	\$ 3,331,059	\$ 2,001,958	\$ 9,781,159
Cash and interest-bearing deposits - restricted	-	744,822	-	744,822
Total cash and cash equivalents, end of period	<u>4,448,142</u>	<u>4,075,881</u>	<u>2,001,958</u>	<u>10,525,981</u>
Net increase (decrease)	<u>\$ (433,109)</u>	<u>\$ 370,118</u>	<u>\$ 545,626</u>	<u>\$ 482,635</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 5,339.

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 \$951,860 at June 30, 2025. 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, 2025 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, 2025, the City reported \$4,032,954 of restricted net position, \$2,729,220 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, 2025, taxes of 17.85 mills were levied on property with assessed valuations totaling \$58,943,730 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 \$1,052,147. Taxes receivable at June 30, 2025 totaled \$17,785.

(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 (2025 collections \$3,925,650) 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 (2025 collections \$1,933,529) 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, 2025, the City had cash and interest-bearing deposits (book balances) totaling \$20,165,547 as follows

Demand deposits	\$ 13,373,489
Money market accounts	5,402,870
Time deposits	<u>1,389,188</u>
Total	<u>\$ 20,165,547</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, 2025, are secured as follows:

Bank balances	<u>\$ 20,337,434</u>
Federal deposit insurance	\$ 565,864
Pledged securities	<u>19,771,570</u>
Total	<u>\$ 20,337,434</u>

Deposits in the amount of \$19,771,570 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, 2025:

Governmental activities:	
Construction	\$ 216,378
Business-type activities:	
Customer deposits	256,064
Revenue bond reserve and sinking funds	<u>488,758</u>
Total restricted assets	<u>\$ 961,200</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Receivables

Receivables consist of the following at June 30, 2025:

	Governmental Activities	Business-Type Activities	Total
Accounts, net	\$ -	\$ 283,368	\$ 283,368
Unbilled utility	-	179,233	179,233
Ad valorem tax	17,785	-	17,785
Sales tax	547,463	-	547,463
Franchise tax	108,086	-	108,086
Licenses and permits	60,893	-	60,893
Other	42,268	-	42,268
Totals	<u>\$ 776,495</u>	<u>\$ 462,601</u>	<u>\$ 1,239,096</u>

(7) Due from Other Governmental Units

Amounts due from other governmental units consist of the following at June 30, 2025:

Governmental activities:		
State of Louisiana - beer tax revenues receivable		\$ 5,400
Leesville City Court - fees and fines		4,667
State of Louisiana - Louisiana Department of Transportation and Development - Airport Improvement grants		62,630
Business-type activities:		
State of Louisiana Division of Administration - Facility Planning and Control - Sewer improvements grant		417,412
United States Army Garrison - Fort Polk		<u>563,293</u>
Total		<u>\$ 1,053,402</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2025 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 289,026	\$ 100,900	\$ -	\$ 389,926
Construction in progress	553,368	923,867	-	1,477,235
Other capital assets:				
Buildings and improvements	12,254,530	-	-	12,254,530
Equipment and vehicles	7,546,645	368,223	121,762	7,793,106
Infrastructure	31,219,870	320,499	-	31,540,369
Totals	<u>51,863,439</u>	<u>1,713,489</u>	<u>121,762</u>	<u>53,455,166</u>
Less accumulated depreciation				
Buildings and improvements	7,632,128	297,990	-	7,930,118
Equipment and vehicles	6,250,254	311,503	121,762	6,439,995
Infrastructure	20,684,003	538,311	-	21,222,314
Total accumulated depreciation	<u>34,566,385</u>	<u>1,147,804</u>	<u>121,762</u>	<u>35,592,427</u>
Governmental activities, capital assets, net	<u>\$17,297,054</u>	<u>\$ 565,685</u>	<u>\$ -</u>	<u>\$17,862,739</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 157,249	\$ -	\$ -	\$ 157,249
Construction in progress	595,376	1,285,616	141,496	1,739,496
Other capital assets:				
Plant and system	33,965,655	163,856	-	34,129,511
Equipment and vehicles	1,534,395	214,790	-	1,749,185
Totals	<u>36,252,675</u>	<u>1,664,262</u>	<u>141,496</u>	<u>37,775,441</u>
Less accumulated depreciation				
Plant and system	18,660,218	735,335	-	19,395,553
Equipment and vehicles	870,970	212,190	-	1,083,160
Total accumulated depreciation	<u>19,531,188</u>	<u>947,525</u>	<u>-</u>	<u>20,478,713</u>
Business-type activities, capital assets, net	<u>\$16,721,487</u>	<u>\$ 716,737</u>	<u>\$ 141,496</u>	<u>\$17,296,728</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 17,502
Public safety	175,262
Public works	323,227
Economic development	435,715
Culture and recreation	<u>196,098</u>
 Total depreciation expense	 <u>\$ 1,147,804</u>

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

Sewer	\$ 382,216
Water	389,018
Fort Polk Vegetation Control	<u>176,291</u>
 Total depreciation expense	 <u>\$ 947,525</u>

(9) Accounts and Other Payables

The accounts and other payables consist of the following at June 30, 2025:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Accounts payable	\$ 14,806	\$ 7,694	\$ 22,500
Salaries payable	136,724	26,388	163,112
Payroll tax and employee benefits payable	143,314	-	143,314
Contracts and retainage payable	<u>96,342</u>	<u>120,687</u>	<u>217,029</u>
 Totals	 <u>\$ 391,186</u>	 <u>\$ 154,769</u>	 <u>\$ 545,955</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, 2024, with the principal due on July 3, 2025. The City did not utilize this line of credit during the year. There was no balance due at June 30, 2025.

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, 2025:

	<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	\$ 3,303,000	\$ -	\$ 299,000	\$ 3,004,000	\$ 311,000
Certificates of indebtedness	247,000	-	247,000	-	-
Notes payable	1,048,244	121,500	339,989	829,755	256,273
Other liabilities:					
Compensated absences	<u>417,400</u>	<u>22,418</u>	<u>-</u>	<u>439,818</u>	<u>-</u>
	<u>\$ 5,015,644</u>	<u>\$ 143,918</u>	<u>\$ 885,989</u>	<u>\$ 4,273,573</u>	<u>\$ 567,273</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, 2025 are comprised of the following individual issues:

Governmental activities:

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. \$ 302,000

\$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. 331,000

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 \$230,166	187,807
\$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 \$276,954	260,337
\$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	100,473
\$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 \$72,337	66,922
\$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 \$144,756	70,789
\$121,500 purchase agreement dated October 3, 2024 due in monthly installments of \$2,619, including interest at 5.78 percent, through November 3, 2028, secured by public works equipment with a book value of \$91,071	102,835
\$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 \$68,493	<u>40,592</u>
Total bonds and notes payable applicable to governmental activities	<u>\$ 1,462,755</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.

\$ 2,371,000

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

Year ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Interest payments
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	42,000	6,220	232,000	35,695	274,000	41,915
2031 - 2034	<u>135,000</u>	<u>9,640</u>	<u>1,284,000</u>	<u>141,894</u>	<u>1,419,000</u>	<u>151,534</u>
Total	<u>\$ 633,000</u>	<u>\$ 79,100</u>	<u>\$ 2,371,000</u>	<u>\$ 450,788</u>	<u>\$ 3,004,000</u>	<u>\$ 529,888</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,	Governmental Activities		Business-Type Activities		Total	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Interest payments
2026	\$ 256,273	\$ 46,432	\$ -	\$ -	\$ 256,273	\$ 46,432
2027	252,012	31,464	-	-	252,012	31,464
2028	160,205	17,653	-	-	160,205	17,653
2029	64,021	8,957	-	-	64,021	8,957
2030	47,182	5,938	-	-	47,182	5,938
2031 - 2031	<u>50,062</u>	<u>3,057</u>	<u>-</u>	<u>-</u>	<u>50,062</u>	<u>3,057</u>
Total	<u>\$ 829,755</u>	<u>\$ 113,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 829,755</u>	<u>\$ 113,501</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, 2025, 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, 2025, this note had been paid in full.

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 20<sup>th</sup> day of each month commencing in August 2013 a sum equal to 1/6<sup>th</sup> of the next interest payment due and 1/12<sup>th</sup> 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 20<sup>th</sup> 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 20<sup>th</sup> 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, 2025, 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, 2025, 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 \$830,002 was measured as of June 30, 2025 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, 2024	\$ 831,806
Changes for the year:	
Service cost	30,665
Interest cost	34,892
Benefit payments	<u>(67,361)</u>
Net change in total OPEB liability	<u>(1,804)</u>
Balance as of June 30, 2025	<u>\$ 830,002</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 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Total OPEB Liability	\$ 880,881	\$ 830,002	\$ 779,887

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 3.50%	Current Trend Rate 4.50%	1% Increase 5.50%
Total OPEB Liability	\$ 750,458	\$ 830,002	\$ 921,557

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, 2025, the City recognized a net OPEB benefit of \$109,241. At June 30, 2025, 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	\$ 13,416	\$ 310,026
Changes of assumptions	<u>1,306</u>	<u>57,897</u>
Total	<u>\$ 14,722</u>	<u>\$ 367,923</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>
2026	\$ (107,326)
2027	(99,711)
2028	(84,005)
2029	<u>(62,159)</u>
	<u>\$ (353,201)</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 <sup>2</sup>	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 <sup>1</sup>	25 years any age 20 years age 55 12 years age 55 20 years any age <sup>1</sup> 30 years any age <sup>3</sup> 25 years age 55 <sup>3</sup> 10 years age 60 <sup>3</sup>	25 years any age 20 years age 50 12 years age 55
Benefit percent per years of service	3.00%	2.5% - 3.33% <sup>4</sup>	3.33%

<sup>1</sup> With actuarial reduced benefits

<sup>2</sup> Membership commencing January 1, 2013

<sup>3</sup> Under non hazardous duty sub plan commencing January 1, 2013

<sup>4</sup> 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, 2025 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%	14.00%	\$ 59,084	\$ 225,477
MPERS	10.00%	35.600%	72,766	382,593
FRS	10.00%	33.25%	54,961	177,883

**Net Pension Liability**

The City’s net pension liability at June 30, 2025 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, 2024 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	\$ 1,014,698	1.672286%	-0.249081%
MPERS	2,534,469	0.279744%	-0.030144%
FRS	992,451	0.176261%	-0.002806%
Total	<u>\$ 4,541,618</u>		

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Since the measurement date of the net pension liability was June 30, 2024, 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	7/1/2018 - 6/30/2023	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019
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	4.6%-9.5%	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), (6)	(7), (8), (9)

- (1) PubG-2010(b) Healthy Retiree Table set equal to 115% for males and females using respective male and female MP2021 scales.
- (2) PubG-2010(B) Employee Table set equal to 115% for males and 120% for females using respective male and female MP2021 scales.
- (3) PubNS-2010(B) Disabled Retiree Tables set equal to 115% for males and 120% for females with full generational MP2021 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 Plan 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 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
- (7) Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Employees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.
- (8) 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.
- (9) Pub-2010 Public Retirement Plan Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using MP2019 scales.

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%	1.07%	30%	2.62%
Equities	56%	2.44%	52.0%	3.14%	54%	6.82%
Alternative Investments	15%	0.65%	14%	1.03%	16%	6.85%
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, 2025, the City recognized \$725,356 in pension expense (benefit) related to all defined benefit plans in which it participates. MERS, MPERS, and FRS recognized revenues in the amount of \$186,811 in ad valorem taxes and insurance premium tax monies collected from nonemployer contributing entities

At June 30, 2025, 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	\$ 221,368	\$ 108,569
Changes of assumptions	42,457	37,772
Net difference between projected and actual earnings on pension plan investments	117,018	-
Change in proportion and differences between employer contributions and proportionate share of contributions	261,786	395,346
Employer contributions subsequent to the measurement date	<u>785,953</u>	<u>-</u>
Total	<u>\$ 1,428,582</u>	<u>\$ 541,687</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 subsequent year. 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
2026	\$ (27,980)
2027	340,891
2028	(178,601)
2029	(63,194)
2030	24,475
Thereafter	<u>5,351</u>
	<u>\$ 100,942</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%	\$ 1,575,594	\$ 1,014,698	\$ 540,650
MPERS	6.75%	3,764,891	2,534,469	1,507,306
FRS	6.90%	<u>1,647,676</u>	<u>992,451</u>	<u>445,930</u>
Total		<u>\$ 6,988,161</u>	<u>\$ 4,541,618</u>	<u>\$ 2,493,886</u>

**Payables to Pension Plans**

At June 30, 2025, 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 2025, participants in the plan may contribute up to 100% of earnable compensation or \$23,500, 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 \$47,000. 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, 2025, the City contributed \$11,763 to the plan. No amounts were payable to the plan at June 30, 2025.

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.la.gov](http://www.la.la.gov), or the Louisiana Public Employees Deferred Compensation Plan, Louisiana DCP.com.

(17) Litigation and Claims

At June 30, 2025, 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 \$215,033 of supplemental pay during the year ended June 30, 2025. 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, 2025 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 13,000
Reimbursements	6,403
Conference travel	3,695
Public relations	4,173
	<u>\$ 27,271</u>

(21) Compensation of City Officials

A detail of compensation paid to the Mayor and Council Members for the year ended June 30, 2025 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, 2025:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental funds:		
General Fund	\$ 151,462	\$ 956,000
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>728,279</u>	<u>961,089</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>\$ 1,098,339</u>	<u>\$ 1,098,339</u>

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

B. Transfers consisted of the following at June 30, 2025:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 1,802,908	\$ 1,021,849
Sales Tax Fund	-	2,461,000
Public Safety Fund	2,256,000	-
Non major governmental funds:		
Mainstreet Program Fund	29,000	-
Airport Construction	177,000	-
Improvements Capital Projects	<u>580,000</u>	<u>-</u>
Total governmental funds	4,844,908	3,482,849
Proprietary funds:		
Sewer Fund	-	237,059
Water Fund	-	513,960
Fort Polk Vegetation Control	<u>-</u>	<u>611,040</u>
Total proprietary funds	<u>-</u>	<u>1,362,059</u>
Total	<u>\$ 4,844,908</u>	<u>\$ 4,844,908</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 Governmental Accounting Standards Board (GASB) has issued the following statements and implementation guides which were not required to be implemented by the City during the current fiscal year.

- Statement No. 103, “Financial Reporting Model Improvements.” The requirements of this Statement are effective for annual reporting periods beginning after June 15, 2025.
- Statement No. 104, “Disclosure of Certain Capital Assets.” The requirements of this Statement are effective for annual reporting periods beginning after June 15, 2025.

The effect of implementation of these new pronouncements on the City’s financial statements has not yet been determined.

(24) Beginning Fund Balance Adjustment

The City has determined that certain transactions were recorded incorrectly in a prior year resulting in an overstatement of transfers and the related interfund receivables and payables. These errors resulted in a restatement of previously reported fund balance, as follows:

	Sales Tax Fund	Public Safety Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Fund Balance, previously reported	\$ 3,346,973	\$ 1,841,136	\$ 5,188,109
Prior period adjustment:			
Correction of error	<u>600,000</u>	<u>(600,000)</u>	<u>-</u>
Fund balance, as restated	<u>\$ 3,946,973</u>	<u>\$ 1,241,136</u>	<u>\$ 5,188,109</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION**

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues:</b>				
Taxes	\$1,029,833	\$ 1,007,559	\$1,283,332	\$ 275,773
Licenses and permits	492,225	535,641	554,113	18,472
Intergovernmental	31,910	25,195	46,333	21,138
Charges for services	231,000	257,784	286,673	28,889
Miscellaneous	442,949	647,322	698,567	51,245
Total revenues	<u>2,227,917</u>	<u>2,473,501</u>	<u>2,869,018</u>	<u>395,517</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
General and administrative	1,115,294	1,051,865	979,957	71,908
Executive	101,514	94,974	89,604	5,370
Legal	40,530	41,440	39,223	2,217
Public works	1,243,320	1,240,110	1,134,763	105,347
Economic development	353,580	344,020	320,691	23,329
Debt service	119,144	125,581	142,384	(16,803)
Capital outlay	241,500	241,500	222,953	18,547
Total expenditures	<u>3,214,882</u>	<u>3,139,490</u>	<u>2,929,575</u>	<u>209,915</u>
Deficiency of revenues over expenditures	<u>(986,965)</u>	<u>(665,989)</u>	<u>(60,557)</u>	<u>605,432</u>
<b>Other financing sources (uses):</b>				
Proceeds from capital lease	121,500	121,500	121,500	-
Transfers in	905,000	575,000	1,802,908	1,227,908
Transfers out	(35,000)	(29,000)	(1,021,849)	(992,849)
Total other financing sources (uses)	<u>991,500</u>	<u>667,500</u>	<u>902,559</u>	<u>235,059</u>
Net change in fund balance	4,535	1,511	842,002	840,491
Fund balance, beginning	<u>2,100,507</u>	<u>2,100,507</u>	<u>2,100,507</u>	<u>-</u>
Fund balance, ending	<u>\$2,105,042</u>	<u>\$2,102,018</u>	<u>\$2,942,509</u>	<u>\$ 840,491</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, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 3,939,000	\$ 3,950,000	\$ 3,925,650	\$ (24,350)
Charges for services	65,950	87,571	118,566	30,995
Miscellaneous	78,739	124,272	146,409	22,137
Total revenues	<u>4,083,689</u>	<u>4,161,843</u>	<u>4,190,625</u>	<u>28,782</u>
<b>Expenditures:</b>				
Current:				
General government	230,570	243,400	234,018	9,382
Culture and recreation	703,220	651,470	577,682	73,788
Debt service	123,517	123,518	123,518	-
Capital outlay	<u>258,347</u>	<u>679,580</u>	<u>603,606</u>	<u>75,974</u>
Total expenditures	<u>1,315,654</u>	<u>1,697,968</u>	<u>1,538,824</u>	<u>159,144</u>
Excess of revenues over expenditures	<u>2,768,035</u>	<u>2,463,875</u>	<u>2,651,801</u>	<u>187,926</u>
<b>Other financing uses:</b>				
Proceeds from capital lease	243,347	-	-	-
Transfers out	<u>(2,970,000)</u>	<u>(2,461,000)</u>	<u>(2,461,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,726,653)</u>	<u>(2,461,000)</u>	<u>(2,461,000)</u>	<u>-</u>
Net change in fund balance	41,382	2,875	190,801	187,926
Fund balance, beginning, as restated	<u>3,946,973</u>	<u>3,946,973</u>	<u>3,946,973</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,988,355</u>	<u>\$ 3,949,848</u>	<u>\$ 4,137,774</u>	<u>\$ 187,926</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, 2025

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 1,962,907	\$ 1,975,000	\$ 1,933,529	\$ (41,471)
Intergovernmental	165,600	212,470	249,890	37,420
Charges for services	31,000	65,414	84,010	18,596
Fines and forfeitures	40,000	90,000	103,133	13,133
Miscellaneous	-	29,909	31,197	1,288
Total revenues	<u>2,199,507</u>	<u>2,372,793</u>	<u>2,401,759</u>	<u>28,966</u>
<b>Expenditures:</b>				
Current:				
General government	8,000	5,800	5,655	145
Public Safety:				
Police	3,005,152	2,904,600	2,707,482	197,118
Fire	1,311,691	1,319,600	1,230,821	88,779
City Court	124,651	125,470	122,195	3,275
Debt service	176,869	121,891	176,869	(54,978)
Capital outlay	<u>140,000</u>	<u>151,290</u>	<u>93,241</u>	<u>58,049</u>
Total expenditures	<u>4,766,363</u>	<u>4,628,651</u>	<u>4,336,263</u>	<u>292,388</u>
Deficiency of revenues over expenditures	<u>(2,566,856)</u>	<u>(2,255,858)</u>	<u>(1,934,504)</u>	<u>321,354</u>
<b>Other financing sources:</b>				
Transfers in	<u>2,600,000</u>	<u>2,256,000</u>	<u>2,256,000</u>	<u>-</u>
Net change in fund balance	33,144	142	321,496	321,354
Fund balance, beginning, as restated	<u>1,241,136</u>	<u>1,241,136</u>	<u>1,241,136</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,274,280</u>	<u>\$ 1,241,278</u>	<u>\$ 1,562,632</u>	<u>\$ 321,354</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, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 30,665	\$ 46,488	\$ 46,488	\$ 56,087	\$ 56,087	\$ 64,490	\$ 64,490	\$ 62,081
Interest cost	34,892	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>(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	(1,804)	(456,981)	(16,345)	(94,430)	(73,529)	20,813	36,676	35,306
Total OPEB liability - beginning	<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>	<u>1,380,296</u>
Total OPEB liability - ending	<u>\$ 830,002</u>	<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	\$ 830,002	\$ 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	\$1,111,179	\$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	74.70%	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, 2025 \*

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
<b>Municipal Employees' Retirement System of Louisiana - Plan B:</b>					
2025	1.672286%	\$ 1,014,698	\$ 1,523,930	66.6%	79.05%
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%
<b>Municipal Police Employees' Retirement System of Louisiana:</b>					
2025	0.279744%	\$ 2,534,469	\$ 987,281	256.7%	75.84%
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%
<b>Firefighters' Retirement System of Louisiana:</b>					
2025	0.176261%	\$ 992,451	\$ 506,507	195.9%	81.68%
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%

\* 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, 2025

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
<b>Municipal Employees' Retirement System of Louisiana - Plan B:</b>					
2025	\$ 225,477	\$ 225,477	\$ -	\$ 1,610,550	14.00%
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%
<b>Municipal Police Employees' Retirement System of Louisiana:</b>					
2025	\$ 382,593	\$ 382,593	\$ -	\$ 1,074,700	35.600%
2024	334,935	334,935	-	987,281	33.92%
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%
<b>Firefighters' Retirement System of Louisiana:</b>					
2025	\$ 177,939	\$ 177,883	\$ 56	\$ 535,155	33.24%
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%

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 15<sup>th</sup> 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 15<sup>th</sup> 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, 2025 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, 2025 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
<b>Municipal Employees' Retirement System of Louisiana - Plan B:</b>					
2025	6.85%	6.85%	2.50%	3	4.6-9.5%
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%
<b>Municipal Police Employees' Retirement System of Louisiana:</b>					
2025	6.75%	6.75%	2.50%	4	4.70-12.30%
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%
<b>Firefighters' Retirement System of Louisiana:</b>					
2025	6.90%	6.90%	2.50%	7	5.2-14.10%
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%

\* 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, 2025 for the OPEB plan reflect the following changes used to measure total OPEB liability.

Year ended June 30,	Discount Rate
2025	4.21%
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, 2025  
 With Comparative Totals for June 30, 2024

	2025			2024 Totals
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 9,423,188	\$ 9,781,159	\$ 19,204,347	\$ 17,061,254
Receivables	776,495	462,601	1,239,096	1,243,799
Due from other governmental agencies	72,697	980,705	1,053,402	764,980
Inventories	80,914	-	80,914	80,628
Other assets	143,917	34,099	178,016	178,100
Total current assets	<u>10,497,211</u>	<u>11,258,564</u>	<u>21,755,775</u>	<u>19,328,761</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	216,378	744,822	961,200	881,007
Capital assets:				
Land and construction in progress	1,867,161	1,896,745	3,763,906	1,595,019
Capital assets, net	<u>15,995,578</u>	<u>15,399,983</u>	<u>31,395,561</u>	<u>32,423,522</u>
Total noncurrent assets	<u>18,079,117</u>	<u>18,041,550</u>	<u>36,120,667</u>	<u>34,899,548</u>
Total assets	<u>28,576,328</u>	<u>29,300,114</u>	<u>57,876,442</u>	<u>54,228,309</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension plans	1,330,779	97,803	1,428,582	2,314,254
OPEB obligation	<u>12,568</u>	<u>2,154</u>	<u>14,722</u>	<u>23,134</u>
Total deferred inflows of resources	<u>1,343,347</u>	<u>99,957</u>	<u>1,443,304</u>	<u>2,337,388</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and other payables	391,186	154,769	545,955	547,593
Interest payable	9,725	-	9,725	11,846
Advance fuel sales	22,634	-	22,634	19,132
Internal balances	232,810	(232,810)	-	-
Customer deposits payable	-	256,064	256,064	248,267
Bonds, notes, and leases due within one year	<u>364,273</u>	<u>203,000</u>	<u>567,273</u>	<u>831,599</u>
Total current liabilities	<u>1,020,628</u>	<u>381,023</u>	<u>1,401,651</u>	<u>1,658,437</u>
Noncurrent liabilities:				
Compensated absences payable	382,421	57,397	439,818	417,400
Bonds, notes, and leases due after one year	1,098,482	2,168,000	3,266,482	3,766,645
OPEB obligation payable	708,538	121,464	830,002	831,806
Net pension liability	<u>4,156,629</u>	<u>384,989</u>	<u>4,541,618</u>	<u>5,983,362</u>
Total noncurrent liabilities	<u>6,346,070</u>	<u>2,731,850</u>	<u>9,077,920</u>	<u>10,999,213</u>
Total liabilities	<u>7,366,698</u>	<u>3,112,873</u>	<u>10,479,571</u>	<u>12,657,650</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension plans	474,727	66,960	541,687	222,024
OPEB obligation	<u>314,081</u>	<u>53,842</u>	<u>367,923</u>	<u>483,772</u>
Total deferred inflows of resources	<u>788,808</u>	<u>120,802</u>	<u>909,610</u>	<u>705,796</u>
<b>NET POSITION</b>				
Net investment in capital assets	16,399,984	15,414,486	31,814,470	29,930,607
Restricted for capital projects	1,303,734	-	1,303,734	993,036
Restricted for sales tax dedications	2,729,220	-	2,729,220	2,803,394
Unrestricted	<u>1,331,231</u>	<u>10,751,910</u>	<u>12,083,141</u>	<u>9,475,214</u>
Total net position	<u>\$ 21,764,169</u>	<u>\$ 26,166,396</u>	<u>\$ 47,930,565</u>	<u>\$ 43,202,251</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Balance Sheet - Major Governmental Funds  
June 30, 2025

	General		Sales Tax		Public Safety	
	2025	2024	2025	2024	2025	2024
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$ 3,588,253	\$ 2,846,603	\$ 3,764,226	\$ 4,577,306	\$ 1,401,009	\$ -
Receivables -						
Due from other funds	151,462	151,463	-	-	-	1,047,052
Due from other governmental agencies	5,400	5,400	-	-	4,667	10,577
Other	229,032	153,713	366,800	407,726	180,663	200,820
Prepaid items	48,906	50,345	31,149	31,254	63,862	64,985
Inventories	80,914	80,628	-	-	-	-
Total assets	<u>\$ 4,103,967</u>	<u>\$ 3,288,152</u>	<u>\$ 4,162,175</u>	<u>\$ 5,016,286</u>	<u>\$ 1,650,201</u>	<u>\$ 1,323,434</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ -	\$ 5,398	\$ 12,388	\$ 7,477	\$ 4,978	\$ 13,012
Accrued liabilities	182,824	207,115	12,013	14,783	82,591	69,286
Due to other funds	956,000	956,000	-	1,047,053	-	-
Advance fuel sales	22,634	19,132	-	-	-	-
Total liabilities	<u>1,161,458</u>	<u>1,187,645</u>	<u>24,401</u>	<u>1,069,313</u>	<u>87,569</u>	<u>82,298</u>
Fund balances -						
Nonspendable	129,820	130,973	31,149	31,254	63,862	64,985
Restricted	-	-	2,729,220	2,803,394	-	-
Committed	-	-	1,377,405	1,112,325	1,498,770	1,176,151
Unassigned	2,812,689	1,969,534	-	-	-	-
Total fund balances	<u>2,942,509</u>	<u>2,100,507</u>	<u>4,137,774</u>	<u>3,946,973</u>	<u>1,562,632</u>	<u>1,241,136</u>
Total liabilities and fund balances	<u>\$ 4,103,967</u>	<u>\$ 3,288,152</u>	<u>\$ 4,162,175</u>	<u>\$ 5,016,286</u>	<u>\$ 1,650,201</u>	<u>\$ 1,323,434</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget	2024
	Original	Final		Positive (Negative)	Actual
<b>Revenues:</b>					
Taxes	\$1,029,833	\$1,007,559	\$1,283,332	\$ 275,773	\$ 993,250
Licenses and permits	492,225	535,641	554,113	18,472	558,702
Intergovernmental	31,910	25,195	46,333	21,138	53,722
Charges for services	231,000	257,784	286,673	28,889	275,215
Miscellaneous	442,949	647,322	698,567	51,245	394,018
Total revenues	<u>2,227,917</u>	<u>2,473,501</u>	<u>2,869,018</u>	<u>395,517</u>	<u>2,274,907</u>
<b>Expenditures:</b>					
Current:					
General government:					
General and administrative	1,115,294	1,051,865	979,957	71,908	957,447
Executive	101,514	94,974	89,604	5,370	98,784
Legal	40,530	41,440	39,223	2,217	39,496
Public works	1,243,320	1,240,110	1,134,763	105,347	999,694
Economic development	353,580	344,020	320,691	23,329	329,102
Debt service	119,144	125,581	142,384	(16,803)	138,982
Capital outlay	241,500	241,500	222,953	18,547	123,818
Total expenditures	<u>3,214,882</u>	<u>3,139,490</u>	<u>2,929,575</u>	<u>209,915</u>	<u>2,687,323</u>
Deficiency of revenues over expenditures	<u>(986,965)</u>	<u>(665,989)</u>	<u>(60,557)</u>	<u>605,432</u>	<u>(412,416)</u>
<b>Other financing sources (uses):</b>					
Proceeds from notes payable	121,500	121,500	121,500	-	-
Transfers in	905,000	575,000	1,802,908	1,227,908	950,000
Transfers out	(35,000)	(29,000)	(1,021,849)	(992,849)	(35,000)
Total other financing sources (uses)	<u>991,500</u>	<u>667,500</u>	<u>902,559</u>	<u>235,059</u>	<u>915,000</u>
Net change in fund balance	4,535	1,511	842,002	840,491	502,584
Fund balance, beginning	<u>2,100,507</u>	<u>2,100,507</u>	<u>2,100,507</u>	<u>-</u>	<u>1,597,923</u>
Fund balance, ending	<u>\$2,105,042</u>	<u>\$2,102,018</u>	<u>\$2,942,509</u>	<u>\$ 840,491</u>	<u>\$2,100,507</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem	\$ 546,833	\$ 557,559	\$ 799,011	\$ 241,452	\$ 540,053
Franchise	483,000	450,000	484,321	34,321	453,197
Total taxes	<u>1,029,833</u>	<u>1,007,559</u>	<u>1,283,332</u>	<u>275,773</u>	<u>993,250</u>
Licenses and permits:					
Occupational licenses	475,109	530,000	548,457	18,457	539,503
Permits	17,116	5,641	5,656	15	19,199
Total licenses and permits	<u>492,225</u>	<u>535,641</u>	<u>554,113</u>	<u>18,472</u>	<u>558,702</u>
Intergovernmental:					
Beer taxes	15,000	17,545	17,545	-	18,320
Federal and state grants	16,910	7,650	28,788	21,138	35,402
Total intergovernmental	<u>31,910</u>	<u>25,195</u>	<u>46,333</u>	<u>21,138</u>	<u>53,722</u>
Charges for services:					
Inspection fees	4,000	4,000	3,770	(230)	5,561
Airport hanger rent	30,000	35,000	35,781	781	35,053
Airport fuel sales	97,000	80,000	101,638	21,638	93,401
Industrial park	100,000	138,600	145,300	6,700	140,800
Miscellaneous	-	184	184	-	400
Total charges for services	<u>231,000</u>	<u>257,784</u>	<u>286,673</u>	<u>28,889</u>	<u>275,215</u>
Miscellaneous:					
Interest	360,000	550,000	577,026	27,026	288,912
Video bingo	45,000	55,000	54,996	(4)	55,372
Other sources	37,949	42,322	66,545	24,223	49,734
Total miscellaneous	<u>442,949</u>	<u>647,322</u>	<u>698,567</u>	<u>51,245</u>	<u>394,018</u>
Total revenues	<u>\$2,227,917</u>	<u>\$2,473,501</u>	<u>\$2,869,018</u>	<u>\$ 395,517</u>	<u>\$2,274,907</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Current:					
General government:					
General and administrative -					
Salaries and wages	\$ 444,558	\$ 449,700	\$ 445,204	\$ 4,496	\$ 436,597
Payroll taxes	38,586	35,500	32,074	3,426	31,399
Retirement contribution	70,000	65,000	58,195	6,805	62,457
Deferred compensation	6,100	5,500	4,982	518	4,798
Hospitalization	55,000	59,000	57,854	1,146	49,162
Insurance	164,100	109,245	96,605	12,640	105,254
Materials and supplies	58,000	53,470	46,056	7,414	52,124
Advertisements and recordings	6,700	6,000	5,469	531	6,429
Accounting and auditing	30,000	25,000	21,795	3,205	17,410
Professional fees	4,000	4,000	500	3,500	-
Miscellaneous	67,750	30,750	20,747	10,003	42,385
Utilities and telephone	55,500	55,200	51,938	3,262	45,026
Repairs and maintenance	75,000	90,000	83,134	6,866	71,366
Dues	4,000	4,000	1,949	2,051	4,260
Travel	5,500	3,500	1,963	1,537	2,486
Uniforms	27,000	25,000	24,863	137	24,338
Legal fees	1,000	30,000	25,629	4,371	956
Fort Polk Progress	2,500	1,000	1,000	-	1,000
Total general and administrative	<u>1,115,294</u>	<u>1,051,865</u>	<u>979,957</u>	<u>71,908</u>	<u>957,447</u>
Executive -					
Salaries	66,040	65,000	59,956	5,044	62,686
Payroll taxes	6,000	5,500	4,740	760	4,740
Insurance	474	474	287	187	274
Office supplies	1,000	1,000	330	670	567
Travel	20,000	15,000	19,092	(4,092)	22,490
Public relations	8,000	8,000	5,199	2,801	8,027
Total executive	<u>101,514</u>	<u>94,974</u>	<u>89,604</u>	<u>5,370</u>	<u>98,784</u>

(continued)

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Legal -					
Salaries	36,000	37,000	36,099	901	36,396
Payroll taxes	3,390	3,300	2,911	389	2,911
Insurance	140	140	89	51	84
Legal fees	1,000	1,000	124	876	105
Total legal	<u>40,530</u>	<u>41,440</u>	<u>39,223</u>	<u>2,217</u>	<u>39,496</u>
Public works:					
Salaries	476,500	423,900	405,442	18,458	340,748
Payroll taxes	37,400	34,000	30,845	3,155	26,056
Retirement contribution	60,000	60,000	53,229	6,771	44,720
Deferred compensation	2,100	2,600	2,453	147	2,060
Hospitalization	26,500	27,500	22,802	4,698	25,912
Maintenance and supplies	381,000	437,500	396,292	41,208	353,562
Dumpster service	10,000	10,000	10,286	(286)	10,047
Utilities and telephone	151,000	151,000	140,737	10,263	128,123
Insurance	92,820	86,350	65,341	21,009	66,054
Miscellaneous	6,000	7,260	7,336	(76)	2,412
Total public works	<u>1,243,320</u>	<u>1,240,110</u>	<u>1,134,763</u>	<u>105,347</u>	<u>999,694</u>
Economic development -					
Salaries	55,000	68,000	68,696	(696)	51,028
Payroll taxes	5,000	4,500	4,190	310	3,952
Maintenance and supplies	58,120	61,120	52,863	8,257	59,720
Fuel	100,000	88,000	86,390	1,610	77,412
Utilities and telephone	22,000	20,000	18,517	1,483	19,170
Insurance	110,460	102,400	90,035	12,365	114,572
Miscellaneous	3,000	-	-	-	3,248
Total economic development	<u>353,580</u>	<u>344,020</u>	<u>320,691</u>	<u>23,329</u>	<u>329,102</u>

(continued)

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Debt service:					
Retirement of principal	105,214	106,647	123,879	(17,232)	120,507
Interest and fiscal charges	<u>13,930</u>	<u>18,934</u>	<u>18,505</u>	<u>429</u>	<u>18,475</u>
Total debt service	<u>119,144</u>	<u>125,581</u>	<u>142,384</u>	<u>(16,803)</u>	<u>138,982</u>
Capital outlay:					
General government	-	-	9,950	(9,950)	-
Public works	<u>241,500</u>	<u>241,500</u>	<u>213,003</u>	<u>28,497</u>	<u>123,818</u>
Total capital outlay	<u>241,500</u>	<u>241,500</u>	<u>222,953</u>	<u>18,547</u>	<u>123,818</u>
Total expenditures	<u>\$3,214,882</u>	<u>\$3,139,490</u>	<u>\$2,929,575</u>	<u>\$ 209,915</u>	<u>\$2,687,323</u>

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 3,939,000	\$ 3,950,000	\$ 3,925,650	\$ (24,350)	\$ 4,022,950
Intergovernmental	-	-	-	-	8,342
Charges for services	65,950	87,571	118,566	30,995	126,435
Miscellaneous	78,739	124,272	146,409	22,137	137,073
Total revenues	<u>4,083,689</u>	<u>4,161,843</u>	<u>4,190,625</u>	<u>28,782</u>	<u>4,294,800</u>
<b>Expenditures:</b>					
Current -					
General government:					
Salaries and wages	108,200	113,000	109,609	3,391	87,823
Payroll taxes	9,500	8,500	7,631	869	7,733
Retirement contribution	15,000	15,000	14,402	598	11,984
Deferred compensation	550	200	180	20	520
Hospitalization	16,500	15,000	14,905	95	4,796
Collection fees	65,000	65,000	64,873	127	61,086
Miscellaneous	15,820	26,700	22,418	4,282	14,036
Total general government	<u>230,570</u>	<u>243,400</u>	<u>234,018</u>	<u>9,382</u>	<u>187,978</u>
Culture and recreation:					
Recreation department	329,400	289,280	256,949	32,331	305,285
Recreation complex	226,340	273,270	243,237	30,033	143,501
Neighborhood center	54,480	57,015	48,018	8,997	63,462
Leisure pool	93,000	31,905	29,478	2,427	41,511
Total culture and recreation	<u>703,220</u>	<u>651,470</u>	<u>577,682</u>	<u>73,788</u>	<u>553,759</u>
Debt service -					
Retirement of principal	105,479	90,621	90,621	-	-
Interest and fiscal charges	18,038	32,897	32,897	-	-
Total debt service	<u>123,517</u>	<u>123,518</u>	<u>123,518</u>	<u>-</u>	<u>-</u>
Capital outlay -					
Culture and recreation:					
Recreation department	10,000	150,000	71,730	78,270	323,150
Recreation complex	243,347	529,580	531,876	(2,296)	343,777
Leisure pool	5,000	-	-	-	-
Total capital outlay	<u>258,347</u>	<u>679,580</u>	<u>603,606</u>	<u>75,974</u>	<u>666,927</u>
Total expenditures	<u>1,315,654</u>	<u>1,697,968</u>	<u>1,538,824</u>	<u>159,144</u>	<u>1,408,664</u>
Excess of revenues over expenditures	<u>2,768,035</u>	<u>2,463,875</u>	<u>2,651,801</u>	<u>187,926</u>	<u>2,886,136</u>
<b>Other financing uses:</b>					
Proceeds from capital lease	243,347	-	-	-	538,765
Transfers out	(2,970,000)	(2,461,000)	(2,461,000)	-	(2,485,000)
Total other financing sources (uses)	<u>(2,726,653)</u>	<u>(2,461,000)</u>	<u>(2,461,000)</u>	<u>-</u>	<u>(1,946,235)</u>
Net change in fund balance	41,382	2,875	190,801	187,926	939,901
Fund balance, beginning, as restated	<u>3,946,973</u>	<u>3,946,973</u>	<u>3,946,973</u>	<u>-</u>	<u>3,007,072</u>
Fund balance, ending	<u>\$ 3,988,355</u>	<u>\$ 3,949,848</u>	<u>\$ 4,137,774</u>	<u>\$ 187,926</u>	<u>\$ 3,946,973</u>

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 1,962,907	\$ 1,975,000	\$ 1,933,529	\$ (41,471)	\$ 1,981,453
Intergovernmental	165,600	212,470	249,890	37,420	207,666
Fines and forfeitures	40,000	90,000	103,133	13,133	68,893
Charges for services	31,000	65,414	84,010	18,596	41,819
Miscellaneous	-	29,909	31,197	1,288	29,189
Total revenues	<u>2,199,507</u>	<u>2,372,793</u>	<u>2,401,759</u>	<u>28,966</u>	<u>2,329,020</u>
<b>Expenditures:</b>					
Current -					
General Government:					
Accounting and auditing	8,000	5,800	5,655	145	5,015
Public safety:					
Police -					
Salaries and wages	1,617,200	1,489,200	1,409,956	79,244	1,426,934
Payroll taxes	120,000	120,000	100,514	19,486	99,475
Retirement contribution	385,752	400,000	392,566	7,434	342,842
Hospitalization	145,000	130,000	133,947	(3,947)	125,915
Insurance	216,800	221,600	181,764	39,836	157,452
Telephone and utilities	80,000	80,000	80,551	(551)	80,557
Maintenance and supplies	274,000	283,000	245,889	37,111	304,175
Collection fee	35,000	35,000	32,562	2,438	30,133
Equipment lease	10,000	7,300	6,581	719	3,351
Prisoner expense	50,400	75,000	70,882	4,118	54,518
Miscellaneous	71,000	63,500	52,270	11,230	48,149
Total police	<u>3,005,152</u>	<u>2,904,600</u>	<u>2,707,482</u>	<u>197,118</u>	<u>2,673,501</u>
Fire -					
Salaries and wages	740,000	761,600	731,207	30,393	642,656
Payroll taxes	50,000	56,000	53,559	2,441	47,132
Retirement contribution	175,191	190,000	178,894	11,106	168,414
Hospitalization	55,000	56,000	58,960	(2,960)	55,066
Insurance	117,000	107,000	89,727	17,273	70,408
Telephone and utilities	33,000	23,000	21,519	1,481	20,312
Maintenance and supplies	96,500	81,000	60,114	20,886	72,399
Miscellaneous	45,000	45,000	36,841	8,159	29,994
Total fire	<u>1,311,691</u>	<u>1,319,600</u>	<u>1,230,821</u>	<u>88,779</u>	<u>1,106,381</u>

(continued)

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

Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Expenditures (continued):					
City Court -					
Salaries and wages	75,501	77,000	75,708	1,292	76,330
Payroll taxes	7,200	6,200	5,842	358	5,842
Insurance	350	350	210	140	197
Miscellaneous	30,600	30,600	30,000	600	30,350
Utilities	10,000	10,000	9,131	869	8,953
Maintenance	1,000	1,320	1,304	16	1,167
Total city court	<u>124,651</u>	<u>125,470</u>	<u>122,195</u>	<u>3,275</u>	<u>122,839</u>
Debt service -					
Retirement of principal	155,389	107,639	155,376	(47,737)	126,051
Interest and fiscal charges	21,480	14,252	21,493	(7,241)	23,030
Total debt service	<u>176,869</u>	<u>121,891</u>	<u>176,869</u>	<u>(54,978)</u>	<u>149,081</u>
Capital outlay -					
Public safety:					
Police	50,000	61,290	60,911	379	289,751
Fire	90,000	90,000	32,330	57,670	165,514
Total capital outlay	<u>140,000</u>	<u>151,290</u>	<u>93,241</u>	<u>58,049</u>	<u>455,265</u>
Total expenditures	<u>4,766,363</u>	<u>4,628,651</u>	<u>4,336,263</u>	<u>292,388</u>	<u>4,512,082</u>
Deficiency of revenues over expenditures	<u>(2,566,856)</u>	<u>(2,255,858)</u>	<u>(1,934,504)</u>	<u>321,354</u>	<u>(2,183,062)</u>
Other financing sources:					
Proceeds from notes payable	-	-	-	-	220,065
Transfers in	2,600,000	2,256,000	2,256,000	-	2,030,000
Total other financing sources	<u>2,600,000</u>	<u>2,256,000</u>	<u>2,256,000</u>	<u>-</u>	<u>2,250,065</u>
Net change in fund balance	33,144	142	321,496	321,354	67,003
Fund balance, beginning, as restated	<u>1,241,136</u>	<u>1,241,136</u>	<u>1,241,136</u>	<u>-</u>	<u>1,174,133</u>
Fund balance, ending	<u>\$ 1,274,280</u>	<u>\$ 1,241,278</u>	<u>\$ 1,562,632</u>	<u>\$ 321,354</u>	<u>\$ 1,241,136</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, 2025

	Special Revenue	Debt Service	Capital Projects	Total
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 22,782	\$ 5,209	\$ 641,709	\$ 669,700
Receivables -				
Due from other funds	97,458	-	479,359	576,817
Due from other governmental agencies	-	-	62,630	62,630
Restricted cash and interest-bearing deposits	-	-	216,378	216,378
Total assets	<u>\$ 120,240</u>	<u>\$ 5,209</u>	<u>\$ 1,400,076</u>	<u>\$ 1,525,525</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 50	\$ -	\$ -	\$ 50
Contracts and retainage payable	-	-	96,342	96,342
Due to other funds	-	5,089	-	5,089
Total liabilities	<u>50</u>	<u>5,089</u>	<u>96,342</u>	<u>101,481</u>
Fund balances:				
Restricted for debt service	-	120	-	120
Restricted for capital projects	-	-	1,303,734	1,303,734
Unassigned	120,190	-	-	120,190
Total fund balances	<u>120,190</u>	<u>120</u>	<u>1,303,734</u>	<u>1,424,044</u>
Total liabilities and fund balances	<u>\$ 120,240</u>	<u>\$ 5,209</u>	<u>\$ 1,400,076</u>	<u>\$ 1,525,525</u>

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2025

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Taxes	\$ -	\$ 252,162	\$ -	\$ 252,162
Intergovernmental	-	-	1,066,875	1,066,875
Miscellaneous	<u>17,717</u>	<u>13</u>	<u>1,139</u>	<u>18,869</u>
Total revenues	<u>17,717</u>	<u>252,175</u>	<u>1,068,014</u>	<u>1,337,906</u>
Expenditures:				
Current -				
Public works	40,558	-	41,205	81,763
Debt service	-	252,162	47,800	299,962
Capital outlay	<u>-</u>	<u>-</u>	<u>1,425,311</u>	<u>1,425,311</u>
Total expenditures	<u>40,558</u>	<u>252,162</u>	<u>1,514,316</u>	<u>1,807,036</u>
Excess (deficiency) of revenues over expenditures	<u>(22,841)</u>	<u>13</u>	<u>(446,302)</u>	<u>(469,130)</u>
Other financing sources (uses):				
Transfers in	<u>29,000</u>	<u>-</u>	<u>757,000</u>	<u>786,000</u>
Net change in fund balance	6,159	13	310,698	316,870
Fund balances, beginning	<u>114,031</u>	<u>107</u>	<u>993,036</u>	<u>1,107,174</u>
Fund balances, ending	<u>\$ 120,190</u>	<u>\$ 120</u>	<u>\$ 1,303,734</u>	<u>\$ 1,424,044</u>

**NONMAJOR CAPITAL PROJECTS FUNDS**

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Capital Projects Funds

Combining Balance Sheet  
June 30, 2025

	Airport Construction	Improvements	Total
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 360,320	\$ 281,389	\$ 641,709
Due from other funds	50,616	428,743	479,359
Due from other governmental agencies	62,630	-	62,630
Restricted cash and interest-bearing deposits	<u>-</u>	<u>216,378</u>	<u>216,378</u>
Total assets	<u>\$ 473,566</u>	<u>\$ 926,510</u>	<u>\$ 1,400,076</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Contracts and retainage payable	<u>\$ 62,630</u>	<u>\$ 33,712</u>	<u>\$ 96,342</u>
Fund balances:			
Restricted for capital projects	<u>410,936</u>	<u>892,798</u>	<u>1,303,734</u>
Total liabilities and fund balances	<u>\$ 473,566</u>	<u>\$ 926,510</u>	<u>\$ 1,400,076</u>

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2025

	<u>Airport Construction</u>	<u>Improvements</u>	<u>Total</u>
Revenues:			
Taxes -			
Intergovernmental	\$ 769,729	\$ 297,146	\$ 1,066,875
Miscellaneous	<u>          -</u>	<u>      1,139</u>	<u>      1,139</u>
Total revenues	<u>769,729</u>	<u>298,285</u>	<u>1,068,014</u>
Expenditures:			
Public works	-	41,205	41,205
Debt service	-	47,800	47,800
Capital outlay	<u>776,408</u>	<u>648,903</u>	<u>1,425,311</u>
Total expenditures	<u>776,408</u>	<u>737,908</u>	<u>1,514,316</u>
Deficiency of revenues over expenditures	(6,679)	(439,623)	(446,302)
Other financing sources (uses):			
Transfers in	<u>177,000</u>	<u>580,000</u>	<u>757,000</u>
Net change in fund balance	170,321	140,377	310,698
Fund balances, beginning	<u>240,615</u>	<u>752,421</u>	<u>993,036</u>
Fund balances, ending	<u>\$ 410,936</u>	<u>\$ 892,798</u>	<u>\$ 1,303,734</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Net Position - Proprietary Funds  
June 30, 2025

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>ASSETS</b>								
Current assets:								
Cash and interest-bearing deposits	\$ 4,448,142	\$ 4,881,251	\$ 3,331,059	\$ 2,968,637	\$ 2,001,958	\$ 1,456,332	\$ 9,781,159	\$ 9,306,220
Receivables:								
Accounts, net	178,464	185,579	284,137	295,961	-	-	462,601	481,540
Due from other funds	370,060	370,060	-	-	-	-	370,060	370,060
Due from other governmental agencies	417,412	103,523	-	-	563,293	557,716	980,705	661,239
Prepaid items	10,841	10,161	10,841	10,627	12,417	10,728	34,099	31,516
Total current assets	<u>5,424,919</u>	<u>5,550,574</u>	<u>3,626,037</u>	<u>3,275,225</u>	<u>2,577,668</u>	<u>2,024,776</u>	<u>11,628,624</u>	<u>10,850,575</u>
Noncurrent assets:								
Restricted assets -								
Cash and interest-bearing deposits	-	-	744,822	737,126	-	-	744,822	737,126
Land and construction in progress	1,782,245	560,888	114,500	191,737	-	-	1,896,745	752,625
Capital assets, net of accumulated depreciation	7,564,528	7,924,384	7,342,783	7,590,305	492,672	454,173	15,399,983	15,968,862
Total noncurrent assets	<u>9,346,773</u>	<u>8,485,272</u>	<u>8,202,105</u>	<u>8,519,168</u>	<u>492,672</u>	<u>454,173</u>	<u>18,041,550</u>	<u>17,458,613</u>
Total assets	<u>14,771,692</u>	<u>14,035,846</u>	<u>11,828,142</u>	<u>11,794,393</u>	<u>3,070,340</u>	<u>2,478,949</u>	<u>29,670,174</u>	<u>28,309,188</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
Pension plans	40,157	76,787	31,493	56,232	26,153	42,722	97,803	175,741
OPEB obligation	1,077	1,693	359	564	718	1,128	2,154	3,385
Total deferred inflows of resources	<u>41,234</u>	<u>78,480</u>	<u>31,852</u>	<u>56,796</u>	<u>26,871</u>	<u>43,850</u>	<u>99,957</u>	<u>179,126</u>
<b>LIABILITIES</b>								
Current liabilities (payable from current assets):								
Accounts and other payables	85,625	170,606	63,728	24,491	5,416	8,101	154,769	203,198
Due to other funds	25,346	25,346	111,904	111,904	-	-	137,250	137,250
Notes payable	-	-	-	-	-	2,664	-	2,664
Total	<u>110,971</u>	<u>195,952</u>	<u>175,632</u>	<u>136,395</u>	<u>5,416</u>	<u>10,765</u>	<u>292,019</u>	<u>343,112</u>
Current liabilities (payable from restricted assets):								
Customer deposits payable	-	-	256,064	248,267	-	-	256,064	248,267
Revenue bonds	-	-	203,000	196,000	-	-	203,000	196,000
Total	<u>-</u>	<u>-</u>	<u>459,064</u>	<u>444,267</u>	<u>-</u>	<u>-</u>	<u>459,064</u>	<u>444,267</u>
Total current liabilities	<u>110,971</u>	<u>195,952</u>	<u>634,696</u>	<u>580,662</u>	<u>5,416</u>	<u>10,765</u>	<u>751,083</u>	<u>787,379</u>
Noncurrent liabilities:								
Compensated absences payable	27,124	24,964	18,717	17,804	11,556	6,653	57,397	49,421
OPEB obligation payable	60,732	60,864	20,244	20,288	40,488	40,576	121,464	121,728
Net pension liability (asset)	225,300	297,056	186,045	253,070	(26,356)	21,896	384,989	572,022
Revenue bonds payable	-	-	2,168,000	2,371,000	-	-	2,168,000	2,371,000
Notes payable	-	-	-	35,449	-	-	-	35,449
Total noncurrent liabilities	<u>313,156</u>	<u>382,884</u>	<u>2,393,006</u>	<u>2,697,611</u>	<u>25,688</u>	<u>69,125</u>	<u>2,731,850</u>	<u>3,149,620</u>
Total liabilities	<u>424,127</u>	<u>578,836</u>	<u>3,027,702</u>	<u>3,278,273</u>	<u>31,104</u>	<u>79,890</u>	<u>3,482,933</u>	<u>3,936,999</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Pension plans	24,250	7,537	25,526	6,669	17,184	4,767	66,960	18,973
OPEB obligation	26,921	35,398	8,974	11,799	17,947	23,599	53,842	70,796
Total deferred inflows of resources	<u>51,171</u>	<u>42,935</u>	<u>34,500</u>	<u>18,468</u>	<u>35,131</u>	<u>28,366</u>	<u>120,802</u>	<u>89,769</u>
<b>NET POSITION</b>								
Net investment in capital assets	9,346,773	8,506,723	5,575,041	5,668,452	492,672	451,509	15,414,486	14,626,684
Unrestricted	4,990,855	4,985,832	3,222,751	2,885,996	2,538,304	1,963,034	10,751,910	9,834,862
Total net position	<u>\$ 14,337,628</u>	<u>\$ 13,492,555</u>	<u>\$ 8,797,792</u>	<u>\$ 8,554,448</u>	<u>\$ 3,030,976</u>	<u>\$ 2,414,543</u>	<u>\$ 26,166,396</u>	<u>\$ 24,461,546</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended June 30, 2025

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Operating revenues:								
Charges for services	\$ 1,170,702	\$ 1,206,593	\$ 2,027,787	\$ 2,080,277	\$ 3,377,938	\$ 3,340,831	\$ 6,576,427	\$ 6,627,701
Miscellaneous	-	-	-	-	2,053	3,666	2,053	3,666
Total operating revenues	<u>1,170,702</u>	<u>1,206,593</u>	<u>2,027,787</u>	<u>2,080,277</u>	<u>3,379,991</u>	<u>3,344,497</u>	<u>6,578,480</u>	<u>6,631,367</u>
Operating expenses:								
Salaries	246,517	240,910	214,520	260,770	164,602	173,962	625,639	675,642
Employee benefits	22,491	22,358	12,650	27,398	13,000	16,389	48,141	66,145
OPEB expense (benefit)	(7,993)	(16,891)	(2,664)	(5,630)	(5,330)	25,894	(15,987)	3,373
Pension expense	16,015	33,699	14,042	26,977	10,999	26,102	41,056	86,778
Operating supplies	31,235	36,269	179,841	248,120	102,047	111,333	313,123	395,722
Vehicle expense	14,267	15,951	38,626	42,826	96,083	114,729	148,976	173,506
Utilities and communications	115,792	107,760	181,301	164,622	782	499	297,875	272,881
Insurance	55,873	57,010	98,329	67,602	60,733	31,414	214,935	156,026
Legal and other professional	13,040	17,930	15,140	14,420	17,732	18,627	45,912	50,977
Repairs and maintenance	114,805	90,709	65,821	80,232	54,805	40,765	235,431	211,706
Contracted services	-	-	-	-	1,466,223	1,654,532	1,466,223	1,654,532
Bad debt	34,009	4,093	13,891	44,529	-	-	47,900	48,622
Miscellaneous	51,043	59,952	944	389	-	-	51,987	60,341
Depreciation	382,216	381,420	389,018	408,670	176,291	155,399	947,525	945,489
Total operating expenses	<u>1,089,310</u>	<u>1,051,170</u>	<u>1,221,459</u>	<u>1,380,925</u>	<u>2,157,967</u>	<u>2,369,645</u>	<u>4,468,736</u>	<u>4,801,740</u>
Operating income	<u>81,392</u>	<u>155,423</u>	<u>806,328</u>	<u>699,352</u>	<u>1,222,024</u>	<u>974,852</u>	<u>2,109,744</u>	<u>1,829,627</u>
Nonoperating revenues (expenses):								
Interest income	8,962	2,865	1,006	976	-	-	9,968	3,841
Ad valorem taxes	-	233,976	-	-	-	-	-	233,976
Nonemployer pension contribution	7,564	8,622	8,187	7,656	5,462	5,467	21,213	21,745
Interest expense	-	-	(85,181)	(91,822)	(13)	(418)	(85,194)	(92,240)
Total nonoperating revenues (expenses)	<u>16,526</u>	<u>245,463</u>	<u>(75,988)</u>	<u>(83,190)</u>	<u>5,449</u>	<u>5,049</u>	<u>(54,013)</u>	<u>167,322</u>
Income before contributions and transfers	97,918	400,886	730,340	616,162	1,227,473	979,901	2,055,731	1,996,949
Capital Contributions	984,214	163,948	26,964	-	-	-	1,011,178	163,948
Transfers out	(237,059)	-	(513,960)	(150,000)	(611,040)	(620,000)	(1,362,059)	(770,000)
Change in net position	845,073	564,834	243,344	466,162	616,433	359,901	1,704,850	1,390,897
Net position, beginning	<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>
Net position, ending	<u>\$ 14,337,628</u>	<u>\$13,492,555</u>	<u>\$8,797,792</u>	<u>\$8,554,448</u>	<u>\$3,030,976</u>	<u>\$ 2,414,543</u>	<u>\$26,166,396</u>	<u>\$24,461,546</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, 2025

	First Six Month Period Ended <u>December 31, 2024</u>	First Six Month Period Ended <u>June 30, 2025</u>
<b>Receipts From:</b>		
Leesville City Court, Criminal Fines	\$ 45,372	\$ 63,671
Leesville City Court, Court Assessed Costs/Fees	9,280	12,231
Leesville City Court, Other, Witness Fees	22,054	31,203
Vernon Parish Sheriff, Other, Bond Handling Fees	743	399
Vernon Parish Police Jury, Other, Witness Fees	<u>300</u>	<u>900</u>
 Total	 <u>77,749</u>	 <u>108,404</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, 2025, 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 19, 2025.

### 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 19, 2025

CITY OF LEESVILLE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2025

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.