

CITY OF ABBEVILLE, LOUISIANA

Financial Report

Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Roslyn R. White, Mayor
And Members of the City Council
City of Abbeville, 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 City of Abbeville, Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the City of Abbeville, Louisiana, as of December 31, 2024, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matters described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the aggregate remaining fund information of the City of Abbeville, Louisiana, as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Abbeville, Louisiana, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse, Qualified, and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 of Abbeville, Louisiana, 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 adverse, qualified, and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the City of Abbeville, Louisiana's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be presented with the financial data of the City of Abbeville, Louisiana's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the governmental activities has not been determined.

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 of Abbeville, Louisiana'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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Abbeville, Louisiana'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 of Abbeville, Louisiana's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's budgetary comparison information, the schedule of changes in net OPEB liability and related ratios, the schedule of proportionate share of net pension liability, the schedule of contributions, and the schedule of Justice System funding on pages 57-63 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.

Management 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 missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Abbeville, Louisiana's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the comparative departmental analysis of utility fund, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 28, 2025, on our consideration of the City of Abbeville, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Abbeville, Louisiana'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 City of Abbeville, Louisiana's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana

May 28, 2025

BASIC FINANCIAL STATEMENTS:
GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

CITY OF ABBEVILLE, LOUISIANA

Statement of Net Position
December 31, 2024
With Comparative Totals for December 31, 2023

	Governmental Activities	Business-Type Activities	Total	2023 Totals
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 6,340,856	\$ 2,002,099	\$ 8,342,955	\$ 9,619,085
Receivables, net	1,138,711	2,220,888	3,359,599	3,099,980
Prepaid	108,075	-	108,075	-
Due from other governmental units	283,743	-	283,743	950,529
Due from other fund	358,059	34,696	392,755	178,768
Inventory-materials and supplies, at cost	5,799	326,004	331,803	322,094
Total current assets	<u>8,235,243</u>	<u>4,583,687</u>	<u>12,818,930</u>	<u>14,170,456</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	6,951,247	6,951,247	1,044,837
Capital assets, net	<u>21,912,572</u>	<u>10,766,409</u>	<u>32,678,981</u>	<u>32,149,854</u>
Total noncurrent assets	<u>21,912,572</u>	<u>17,717,656</u>	<u>39,630,228</u>	<u>33,194,691</u>
Total assets	<u>30,147,815</u>	<u>22,301,343</u>	<u>52,449,158</u>	<u>47,365,147</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to net OPEB	2,238,461	746,154	2,984,615	4,535,114
Deferred outflows related to net pension liability	<u>2,282,310</u>	<u>150,452</u>	<u>2,432,762</u>	<u>3,772,104</u>
	<u>4,520,771</u>	<u>896,606</u>	<u>5,417,377</u>	<u>8,307,218</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	824,181	563,286	1,387,467	1,311,854
Due to other fund	392,756	-	392,756	178,767
Bond anticipation note	-	5,900,000	5,900,000	-
Financed purchase obligations, due within one year	-	13,939	13,939	13,394
Lease liability, due within one year	115,496	107,440	222,936	163,951
Bonds payable, due within one year	<u>597,000</u>	<u>-</u>	<u>597,000</u>	<u>586,000</u>
Total current liabilities	<u>1,929,433</u>	<u>6,584,665</u>	<u>8,514,098</u>	<u>2,253,966</u>
Noncurrent liabilities:				
Compensated absences	660,121	-	660,121	667,695
Customers deposits	-	1,051,247	1,051,247	1,044,837
OPEB obligations	17,011,207	5,670,403	22,681,610	26,946,179
Net pension liability	8,368,532	973,715	9,342,247	11,210,886
Financed purchase obligations	-	37,594	37,594	51,533
Lease liability	270,704	294,174	564,878	532,180
Bonds payable	<u>2,339,000</u>	<u>-</u>	<u>2,339,000</u>	<u>2,936,000</u>
Total noncurrent liabilities	<u>28,649,564</u>	<u>8,027,133</u>	<u>36,676,697</u>	<u>43,389,310</u>
Total liabilities	<u>30,578,997</u>	<u>14,611,798</u>	<u>45,190,795</u>	<u>45,643,276</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to net OPEB	4,940,609	1,646,870	6,587,479	3,762,611
Deferred inflows related to net pension liability	<u>1,053,573</u>	<u>143,138</u>	<u>1,196,711</u>	<u>900,800</u>
	<u>5,994,182</u>	<u>1,790,008</u>	<u>7,784,190</u>	<u>4,663,411</u>
NET POSITION				
Net investment in capital assets	18,976,572	10,313,262	29,289,834	28,248,730
Unrestricted	<u>(20,881,165)</u>	<u>(3,517,119)</u>	<u>(24,398,284)</u>	<u>(22,883,052)</u>
Total net position (deficit)	<u>\$ (1,904,593)</u>	<u>\$ 6,796,143</u>	<u>\$ 4,891,550</u>	<u>\$ 5,365,678</u>

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

CITY OF ABBEVILLE, LOUISIANA

Statement of Activities
Year Ended December 31, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 2,764,725	\$ 616,782	\$ 787,919	\$ -	\$ (1,360,024)	\$ -	\$(1,360,024)
Public safety:							
Police	4,089,985	46,747	63,875	-	(3,979,363)	-	(3,979,363)
Fire	5,203,174	-	1,031,150	-	(4,172,024)	-	(4,172,024)
Highways and streets	2,393,299	-	-	1,473,939	(919,360)	-	(919,360)
Culture and recreation	950,240	-	-	-	(950,240)	-	(950,240)
Interest on long-term debt	<u>75,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,242)</u>	<u>-</u>	<u>(75,242)</u>
Total governmental activities	15,476,665	663,529	1,882,944	1,473,939	(11,456,253)	-	(11,456,253)
Business-type activities:							
Electric	9,481,114	12,618,661	-	-	-	3,137,547	3,137,547
Water	2,342,330	2,135,609	-	-	-	(206,721)	(206,721)
Sewer	<u>1,944,226</u>	<u>2,588,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>644,223</u>	<u>644,223</u>
Total business-type activities	<u>13,767,669</u>	<u>17,342,719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,575,050</u>	<u>3,575,050</u>
Total	<u>\$ 29,244,334</u>	<u>\$ 18,006,248</u>	<u>\$ 1,882,944</u>	<u>\$ 1,473,939</u>	<u>(11,456,253)</u>	<u>3,575,050</u>	<u>(7,881,203)</u>

General revenues:

Taxes -

Property taxes, levied for general purposes	356,630	-	356,630
Property taxes, levied for sewer improvement	89,159	-	89,159
Sales and use taxes, levied for general purposes	6,139,663	-	6,139,663
Payment in lieu of taxes	24,266	-	24,266
Chain store taxes	10,705	-	10,705
Franchise taxes	222,282	-	222,282
Interest and investment earnings	192,054	72,006	264,060
Miscellaneous	300,310	-	300,310
Transfers	<u>4,830,572</u>	<u>(4,830,572)</u>	<u>-</u>
Total general revenues and transfers	<u>12,165,641</u>	<u>(4,758,566)</u>	<u>7,407,075</u>

Change in net position

Net position (deficit) - December 31, 2023 (2,613,981) 7,979,659 5,365,678

Net position (deficit) - December 31, 2024 \$ (1,904,593) \$ 6,796,143 \$ 4,891,550

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

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUNDS

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 Fund

Sales Tax Fund –

To account for the receipt and use of proceeds of the City's one and three-quarter percent sales and use tax. These taxes are dedicated to the following purposes: constructing, acquiring, improving, and maintaining police and fire department stations and equipment; garbage and waste disposal facilities; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park facilities; and paying a portion of the salaries and benefits of City employees.

Capital Projects Fund

Road Maintenance Fund –

This fund accounts for improvement projects for roads. Program expenditures are generally funded by federal and state grants.

Enterprise Fund

Utility Fund –

To account for the provision of electric, water, and 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.

CITY OF ABBEVILLE, LOUISIANA

Balance Sheet
Governmental Funds
December 31, 2024
With Comparative Totals for December 31, 2023

ASSETS	General	Sales Tax	Road	Other	Totals	
	Fund	Fund	Maintenance	Governmental	(Memorandum Only)	
			Fund	Funds	2024	2023
Cash and interest-bearing deposits	\$ 3,098,487	\$ 2,205,046	\$ 64,938	\$ 719,319	\$ 6,087,790	\$ 6,239,313
Receivables:						
Taxes	151,238	524,188	-	37,810	713,236	582,798
Franchise fees and royalties	177,739	-	-	-	177,739	198,028
Other	160,428	46,593	-	-	207,021	74,484
Prepaid	108,075	-	-	-	108,075	-
Due from other funds	176,376	-	74,841	106,842	358,059	13,871
Due from other governments	54,527	81,784	89,780	57,652	283,743	135,903
Inventory	5,799	-	-	-	5,799	9,248
Total assets	<u>\$ 3,932,669</u>	<u>\$ 2,857,611</u>	<u>\$ 229,559</u>	<u>\$ 921,623</u>	<u>\$ 7,941,462</u>	<u>\$ 7,253,645</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 100,671	\$ 5,232	\$ 170,331	\$ 162,907	\$ 439,141	\$ 184,561
Accrued salaries	57,658	-	-	-	57,658	48,364
Other accrued liabilities	108,648	-	50,000	-	158,648	136,230
Due to other funds	74,841	209,486	-	108,429	392,756	13,871
Total liabilities	<u>341,818</u>	<u>214,718</u>	<u>220,331</u>	<u>271,336</u>	<u>1,048,203</u>	<u>383,026</u>
Fund balances:						
Nonspendable - inventory	5,799	-	-	-	5,799	9,248
Nonspendable - prepaids	108,075	-	-	-	108,075	-
Restricted for:						
Economic development	-	-	-	24,078	24,078	24,078
Fire protection	-	-	-	49,368	49,368	94,876
Road maintenance	-	-	9,228	-	9,228	-
Sewer improvement	-	-	-	91,628	91,628	76,271
Salaries and benefits	-	1,859,822	-	-	1,859,822	1,824,015
Capital outlay	-	783,071	-	-	783,071	772,371
Airport operations	239,643	-	-	-	239,643	135,454
Assigned for debt service	-	-	-	485,213	485,213	473,241
Unassigned	3,237,334	-	-	-	3,237,334	3,461,065
Total fund balances	<u>3,590,851</u>	<u>2,642,893</u>	<u>9,228</u>	<u>650,287</u>	<u>6,893,259</u>	<u>6,870,619</u>
Total liabilities and fund balances	<u>\$ 3,932,669</u>	<u>\$ 2,857,611</u>	<u>\$ 229,559</u>	<u>\$ 921,623</u>	<u>\$ 7,941,462</u>	<u>\$ 7,253,645</u>

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

CITY OF ABBEVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2024

Total fund balances for governmental funds at December 31, 2024		\$ 6,893,259
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	\$ 1,000,429	
Construction in progress	2,425,792	
Right to use lease - equipment, net of \$166,774 accumulated amortization	377,459	
Buildings, net of \$2,260,433 accumulated depreciation	2,104,330	
Infrastructure, net of \$31,584,903 accumulated depreciation	3,056,448	
Equipment, furniture, and fixtures net of \$5,936,817 accumulated depreciation	1,464,255	
Improvements other than buildings, net of \$18,170,623 accumulated depreciation	<u>11,483,859</u>	21,912,572
Some liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Those liabilities consist of:		
Bonds payable	(2,936,000)	
Lease liability	(386,200)	
Compensated absences	(660,121)	
OPEB obligations	(17,011,207)	
Net pension liability	<u>(8,368,532)</u>	(29,362,060)
Net deferred outflows and deferred inflows of resources related to OPEB are not due and payable in the current period expenditures and therefore are not reported in the funds		(2,702,148)
Net deferred outflows and deferred inflows of resources related to pensions are not available to pay current period expenditures and therefore are not reported in the funds		1,228,737
Net position of the Internal Service Funds		<u>125,047</u>
Total net position (deficit) of governmental activities at December 31, 2024		<u><u>\$ (1,904,593)</u></u>

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

CITY OF ABBEVILLE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds

Year Ended December 31, 2024

With Comparative Totals for the Year Ended December 31, 2023

	General Fund	Sales Tax Fund	Road Maintenance Fund	Other Governmental Funds	Totals (Memorandum Only)	
					2024	2023
Revenues:						
Taxes	\$ 391,601	\$ 6,139,663	\$ -	\$ 89,159	\$ 6,620,423	\$ 6,420,595
Licenses and permits	616,782	-	-	-	616,782	581,188
Intergovernmental	230,163	25,000	1,389,780	1,711,940	3,356,883	3,125,996
Fines and forfeitures	46,747	-	-	-	46,747	36,604
Miscellaneous	<u>671,732</u>	<u>40,045</u>	<u>1,544</u>	<u>1,325</u>	<u>714,646</u>	<u>680,807</u>
Total revenues	<u>1,957,025</u>	<u>6,204,708</u>	<u>1,391,324</u>	<u>1,802,424</u>	<u>11,355,481</u>	<u>10,845,190</u>
Expenditures:						
Current -						
General government	2,382,728	22,052	-	29,425	2,434,205	2,123,590
Public safety:						
Police	3,722,343	57,380	-	-	3,779,723	3,216,892
Fire	4,133,356	20,069	-	842,200	4,995,625	4,084,061
Highways and streets	1,185,204	176,428	24,097	-	1,385,729	1,456,855
Culture and recreation	482,487	2,905	-	-	485,392	616,975
Capital outlay	13,082	378,093	2,272,781	291,006	2,954,962	2,507,352
Debt service -						
Lease - principal	101,251	-	-	-	101,251	-
Principal retirement	-	-	-	586,000	586,000	788,013
Interest and fiscal charges	<u>14,823</u>	<u>-</u>	<u>-</u>	<u>60,419</u>	<u>75,242</u>	<u>83,970</u>
Total expenditures	<u>12,035,274</u>	<u>656,927</u>	<u>2,296,878</u>	<u>1,809,050</u>	<u>16,798,129</u>	<u>14,877,708</u>
Excess (deficiency) of revenues over expenditures	<u>(10,078,249)</u>	<u>5,547,781</u>	<u>(905,554)</u>	<u>(6,626)</u>	<u>(5,442,648)</u>	<u>(4,032,518)</u>
Other financing sources (uses):						
Transfers in	10,499,377	176,380	706,746	760,453	12,142,956	9,738,255
Transfers out	<u>(378,013)</u>	<u>(6,136,299)</u>	<u>-</u>	<u>(798,071)</u>	<u>(7,312,383)</u>	<u>(5,422,258)</u>
Total other financing sources (uses)	<u>10,121,364</u>	<u>(5,959,919)</u>	<u>706,746</u>	<u>(37,618)</u>	<u>4,830,573</u>	<u>4,315,997</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	43,115	(412,138)	(198,808)	(44,244)	(612,075)	283,479
Fund balances, beginning	<u>3,547,736</u>	<u>3,055,031</u>	<u>208,036</u>	<u>694,531</u>	<u>7,505,334</u>	<u>6,587,140</u>
Fund balances, ending	<u>\$ 3,590,851</u>	<u>\$ 2,642,893</u>	<u>\$ 9,228</u>	<u>\$ 650,287</u>	<u>\$ 6,893,259</u>	<u>\$ 6,870,619</u>

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

CITY OF ABBEVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2024

Total net changes in fund balances at December 31, 2024 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (612,075)
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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 Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 2,954,962	
Depreciation expense for the year ended December 31, 2024	<u>(2,128,882)</u>	826,080

The repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bonds payable	586,000
Lease liability	101,250

Net increase (decrease) of the Self-Insurance Internal Service Fund	(120,744)
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Excess (deficiency) of compensated absences used over compensated absences earned	7,574
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OPEB benefits (expenses) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as benefits (expenditures) in governmental funds	(83,099)
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Net effect of pension liability recognition	<u>4,402</u>
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Total changes in net position at December 31, 2024 per Statement of Activities	<u>\$ 709,388</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of Net Position
Proprietary Funds
December 31, 2024 and 2023

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds	
	2024	2023	2024	2023
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 2,002,099	\$ 2,381,417	\$ 253,066	\$ 310,594
Receivables:				
Accounts	1,082,379	961,013	40,715	36,562
Unbilled utility receivables	1,138,509	1,070,752	-	-
Due from other governmental units	-	666,326	-	-
Due from other funds	34,696	91,836	-	-
Inventory - materials and supplies, at cost	<u>326,004</u>	<u>314,777</u>	<u>-</u>	<u>-</u>
Total current assets	<u>4,583,687</u>	<u>5,486,121</u>	<u>293,781</u>	<u>347,156</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	6,951,247	1,044,837	-	-
Capital assets, net of accumulated depreciation and amortization	<u>10,766,409</u>	<u>11,168,877</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>17,717,656</u>	<u>12,213,714</u>	<u>-</u>	<u>-</u>
Total assets	<u>22,301,343</u>	<u>17,699,835</u>	<u>293,781</u>	<u>347,156</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to OPEB	746,154	1,133,779	-	-
Deferred outflows related to pension liabilities	<u>150,452</u>	<u>322,681</u>	<u>-</u>	<u>-</u>
	<u>896,606</u>	<u>1,456,460</u>	<u>-</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	489,556	481,697	168,734	101,365
Accrued salaries payable	49,690	49,949	-	-
Other accrued liabilities	24,040	25,765	-	-
Bond anticipation note	5,900,000	-	-	-
Financed purchase obligation, due within one year	13,939	13,394	-	-
Lease liability, due within one year	<u>107,440</u>	<u>72,935</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>6,584,665</u>	<u>643,740</u>	<u>168,734</u>	<u>101,365</u>
Noncurrent liabilities:				
Customers' deposits	1,051,247	1,044,837	-	-
Financed purchase obligation	37,594	51,533	-	-
Lease liability	294,174	241,262	-	-
OPEB obligations	5,670,403	6,736,545	-	-
Net pension liability	<u>973,715</u>	<u>1,411,918</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>8,027,133</u>	<u>9,486,095</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>14,611,798</u>	<u>10,129,835</u>	<u>168,734</u>	<u>101,365</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to OPEB	1,646,870	940,653	-	-
Deferred inflows related to pension liabilities	<u>143,138</u>	<u>106,148</u>	<u>-</u>	<u>-</u>
	<u>1,790,008</u>	<u>1,046,801</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,313,262	10,789,753	-	-
Unrestricted	<u>(3,517,119)</u>	<u>(2,810,094)</u>	<u>125,047</u>	<u>245,791</u>
Total net position	<u>\$ 6,796,143</u>	<u>\$ 7,979,659</u>	<u>\$ 125,047</u>	<u>\$ 245,791</u>

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

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Years Ended December 31, 2024 and 2023

	Business-type Activities- Enterprise Fund		Governmental Activities - Internal Service Funds	
	2024	2023	2024	2023
Operating revenues:				
Charges for services	\$ 16,477,953	\$ 16,770,118	\$ 2,888,799	\$ 2,830,773
Other	<u>864,766</u>	<u>624,555</u>	<u>20,561</u>	<u>41,460</u>
Total operating revenues	<u>17,342,719</u>	<u>17,394,673</u>	<u>2,909,360</u>	<u>2,872,233</u>
Operating expenses:				
Electric department	9,183,891	8,425,370	-	-
Water department	2,076,743	2,074,059	-	-
Sewerage department	1,501,753	1,466,260	-	-
Depreciation	1,005,282	1,035,968	-	-
Self insurance expenses	<u>-</u>	<u>-</u>	<u>3,030,244</u>	<u>2,716,741</u>
Total operating expenses	<u>13,767,669</u>	<u>13,001,657</u>	<u>3,030,244</u>	<u>2,716,741</u>
Operating income (loss)	<u>3,575,050</u>	<u>4,393,016</u>	<u>(120,884)</u>	<u>155,492</u>
Nonoperating revenues:				
Interest income	72,006	44,322	140	123
Miscellaneous	-	-	-	-
Grant revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonoperating revenues	<u>72,006</u>	<u>44,322</u>	<u>140</u>	<u>123</u>
Income (loss) before contributions and transfers	<u>3,647,056</u>	<u>4,437,338</u>	<u>(120,744)</u>	<u>155,615</u>
Transfers in (out):				
Transfers in	699,496	661,788	-	-
Transfers out	<u>(5,530,068)</u>	<u>(5,469,177)</u>	<u>-</u>	<u>-</u>
Total transfers in (out)	<u>(4,830,572)</u>	<u>(4,807,389)</u>	<u>-</u>	<u>-</u>
Change in net position	(1,183,516)	(370,051)	(120,744)	155,615
Net position, beginning	<u>7,979,659</u>	<u>8,349,710</u>	<u>245,791</u>	<u>90,176</u>
Net position, ending	<u>\$ 6,796,143</u>	<u>\$ 7,979,659</u>	<u>\$ 125,047</u>	<u>\$ 245,791</u>

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

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of Cash Flows
Proprietary Funds
Years Ended December 31, 2024 and 2023

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds	
	2024	2023	2024	2023
Cash flows from operating activities:				
Receipts from customers	\$ 17,012,296	\$ 16,891,913	\$ -	\$ -
Receipts from interfund services provided	-	-	2,888,799	2,830,773
Payments to suppliers	(10,172,017)	(8,956,551)	(2,962,875)	(2,776,443)
Payments to employees	(2,797,006)	(2,816,498)	-	-
Other receipts	<u>864,766</u>	<u>624,555</u>	<u>16,408</u>	<u>4,898</u>
Net cash provided (used) by operating activities	<u>4,908,039</u>	<u>5,743,419</u>	<u>(57,668)</u>	<u>59,228</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	699,496	661,787	-	-
Transfers to other funds	<u>(5,530,068)</u>	<u>(5,469,177)</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>(4,830,572)</u>	<u>(4,807,390)</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Net proceeds of meter deposits	6,410	15,879	-	-
Proceeds from financed purchase obligation	-	-	-	-
Payments on financed purchase obligation	(13,394)	(12,871)	-	-
Payments on lease liabilities	(72,935)	(56,144)	-	-
Proceeds from bond anticipation note	5,900,000	-	-	-
Acquisition of property, plant and equipment	<u>(442,462)</u>	<u>(677,070)</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>5,377,619</u>	<u>(730,206)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:				
Interest on investments	<u>72,006</u>	<u>44,322</u>	<u>140</u>	<u>123</u>
Net cash provided by investing activities	<u>72,006</u>	<u>44,322</u>	<u>140</u>	<u>123</u>
Net increase (decrease) in cash and cash equivalents	5,527,092	250,145	(57,528)	59,351
Cash and cash equivalents, beginning of year	<u>3,426,254</u>	<u>3,176,109</u>	<u>310,594</u>	<u>251,243</u>
Cash and cash equivalents, end of year	<u>\$ 8,953,346</u>	<u>\$ 3,426,254</u>	<u>\$ 253,066</u>	<u>\$ 310,594</u>

(continued)

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

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of Cash Flows
Proprietary Funds (Continued)
Years Ended December 31, 2024 and 2023

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Funds	
	2024	2023	2024	2023
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 3,575,050	\$ 4,393,017	\$ (120,884)	\$ 155,492
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	1,005,282	1,035,968	-	-
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	(189,123)	121,795	(4,153)	(36,562)
(Increase) decrease in due from other government	666,326	-	-	-
(Increase) decrease in due from other funds	57,140	-	-	-
(Increase) decrease in inventory	(11,227)	14,951	-	-
Increase (decrease) in accounts payable	7,859	(137,795)	67,369	(59,702)
Increase (decrease) in accrued salaries payable	(259)	(4,172)	-	-
Increase (decrease) in other accrued liabilities	(1,725)	(719)	-	-
Increase (decrease) in OPEB obligations	27,700	392,068	-	-
Increase (decrease) in pension obligations	(228,984)	(71,694)	-	-
Net cash provided (used) by operating activities	<u>\$ 4,908,039</u>	<u>\$ 5,743,419</u>	<u>\$ (57,668)</u>	<u>\$ 59,228</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:				
Cash and cash equivalents, beginning of year -				
Cash and interest-bearing deposits - unrestricted	\$ 2,381,417	\$ 2,147,151	\$ 310,594	\$ 251,243
Cash and interest-bearing deposits - restricted	<u>1,044,837</u>	<u>1,028,958</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>3,426,254</u>	<u>3,176,109</u>	<u>310,594</u>	<u>251,243</u>
Cash and cash equivalents, end of year -				
Cash and interest-bearing deposits - unrestricted	2,002,099	2,381,417	253,066	310,594
Cash and interest-bearing deposits - restricted	<u>6,951,247</u>	<u>1,044,837</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>8,953,346</u>	<u>3,426,254</u>	<u>253,066</u>	<u>310,594</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ 5,527,092</u>	<u>\$ 250,145</u>	<u>\$ (57,528)</u>	<u>\$ 59,351</u>

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

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City of Abbeville (City) have been prepared in conformity with generally accepted accounting principles (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.

Financial Reporting Entity

The City was incorporated on March 13, 1850, by a special charter and operates under a Mayor-Council form of government. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but 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. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be 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.

These financial statements present only the financial activity of the City of Abbeville, the primary government. They do not include the data of the component units necessary for reporting in conformity with generally accepted accounting principles.

Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the City of Abbeville, the primary government, as a whole. They include all funds of the reporting entity, except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City's internal service funds are a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental 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, fines, 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 of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. 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 governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the City are described below:

Governmental Funds -

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.

The Sales Tax special revenue fund accounts for the proceeds of a one and three-quarter percent sales and use tax that is legally restricted to expenditures for specific purposes.

The Road Maintenance capital projects fund accounts for improvement projects for roads. Program expenditures are generally funded by federal and state grants.

Additionally, the City reports the following fund types:

Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt service funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital projects funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following are the City's proprietary fund types:

Enterprise funds

Enterprise funds are used to 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 fund is the Utility Fund.

Internal service funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The City's internal service fund is the Employee Health Insurance Fund.

Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Program revenues

Program revenues included in the Statement of Activities are 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.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities

Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund 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.

Investments

Under state law the City may deposit funds with a fiscal agent 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 United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

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 (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes. Business-type activities report customer's 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.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts receivable is stated at cost, net of any allowance for credit losses. The City maintains allowances for credit losses for estimated losses resulting from the failure of customers to make required payments. The City reviews the accounts receivable on a periodic basis and makes allowances where there is doubt as to the collectability of individual balances. In evaluating the collectability of individual receivable balances, the City considers many factors, including the age of the balance, the customer's payment history, its current credit-worthiness and current economic trends. Based on the management's evaluation of each customer, the City considers all remaining accounts receivable to be fully collectible and, therefore, did not provide for an allowance for credit losses.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items.

Inventories

Inventory of the Utility Fund consists of supplies and parts that are valued at weighted average cost. Inventory of the General Fund consists of gas, diesel and oil, at the motor pool barn, that is valued at weighted average cost.

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 financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 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 January 1, 2003, 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	40-50 years
Infrastructure	20-50 years
Equipment, furniture and fixtures	5-10 years
Utility system and improvements	5-40 years

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the utility system customer's meter deposits and, when applicable, certain bond proceeds designated for electric, water and sewer system improvements.

Compensated Absences

All employees in the classified service shall receive one day of sick leave for each calendar month of service up to a maximum of 180 days. On December 31 of each year the unused accumulated sick leave earned by an employee shall be carried forward to the succeeding year. All accumulated sick leave shall be forfeited upon termination of employment, except in the case of retirement. Retirees are compensated for any unused sick leave at the hourly rate being earned by the employee at retirement.

For all employees, up to 1/3 of the earned, but unused, vacation leave shall be credited to the employee's sick leave account. Any remaining vacation leave shall be carried to the following year. Upon termination of employment, the employee shall be paid for unused vacation. In case of death of the employee, unused vacation shall be paid to the beneficiary of the employee.

For fund financial statements, earned vacation leave and accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as noncurrent liabilities.

Net other post-employment benefit obligations

The City recognizes the cost of post-employment healthcare benefits in the year when employee services are received, recognizes a liability for OPEB obligations, known as the net OPEB liability, on the Statement of Net Position, and provides information useful in assessing potential demands on the City's future cash flows. Changes in the net OPEB liability will be immediately recognized as OPEB expense on the Statement of Activities or reported as deferred inflows/outflows of resources depending upon the nature of the change.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term debt

The accounting treatment of long-term debt depends on whether the assets 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 are reported as liabilities in the government-wide statements. 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.

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 including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) laws through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Equity – Fund Financial Statements

Governmental fund equity is classified as fund balance. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified inventory and prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Restricted:** This classification includes amounts for which the constraints that have been placed on the use of resources are either:
 - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the members of the City Council of Abbeville, which is the entity's highest level of decision-making authority. These amounts cannot be used for any other purposes unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City of Abbeville did not have any committed resources as of year-end.
- **Assigned:** This classification includes amounts that are constrained by the City of Abbeville's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the City Council of Abbeville. The City has assigned resources in the debt service funds for the payment of principal and interest on outstanding debt.
- **Unassigned:** This classification is the residual fund balance of the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the City of Abbeville will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the City of Abbeville reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 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.

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>
Sales tax	See Note 11
Ad valorem tax (1.37 mills)	City sewer facilities
VPPJ fire prevention revenue	Construction, acquisition, improvement, and maintenance of fire department facilities

Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed operating budget for the fiscal year and submits it to the City Council not later than fifteen days prior to the beginning 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.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
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 City Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general fund and each special revenue fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the City Council.

Leases

The City applies the provisions of GASB Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financing of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. See Note 9 for further details.

Use of Estimates

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

NOTE 2 CASH AND 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 certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 2024, the City has cash and interest-bearing deposits (book balances) totaling \$15,294,202 as follows:

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (CONTINUED)

	Governmental Activities	Business-type Activities	Total
Demand deposits	\$ 131,270	\$ 5,925,229	\$ 6,056,499
Money market accounts	4,019,586	2,128,117	6,147,703
Time deposits	<u>2,190,000</u>	<u>900,000</u>	<u>3,090,000</u>
	<u>\$ 6,340,856</u>	<u>\$ 8,953,346</u>	<u>\$ 15,294,202</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal 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. The City does not have a policy for custodial credit risk. Deposit balances (bank balances) of \$15,653,725 at December 31, 2024, are secured as follows:

Federal deposit insurance	\$ 1,000,000
Pledged securities (Category 3)	<u>18,247,586</u>
Total	<u>\$ 19,247,586</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 RECEIVABLES

Receivables at December 31, 2024 totaling \$3,359,599 consist of the following:

	General	Sales Tax	Other Governmental	Utility	Total
Accounts	\$ -	\$ -	\$ -	\$ 1,082,379	\$ 1,082,379
Unbilled utility	-	-	-	1,138,509	1,138,509
Taxes:					
Ad valorem	151,238	-	37,810	-	189,048
Sales	-	524,188	-	-	524,188
Franchise fees	177,739	-	-	-	177,739
Health premiums	40,715	-	-	-	40,715
Other	<u>160,428</u>	<u>46,593</u>	<u>-</u>	<u>-</u>	<u>207,021</u>
Totals	<u>\$ 530,120</u>	<u>\$ 570,781</u>	<u>\$ 37,810</u>	<u>\$ 2,220,888</u>	<u>\$ 3,359,599</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following at December 31, 2024:

City Court of Abbeville for court fines and witness fees	\$ 3,444
Federal grant for road maintenance improvements	89,780
Federal grant for water treatment plant improvements	42,145
Department of Transportation	72,291
State of Louisiana for beer taxes	4,037
Other	<u>72,046</u>
Total	<u>\$ 283,743</u>

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,000,429	\$ -	\$ -	\$ 1,000,429
Construction in progress	315,381	2,425,790	315,379	2,425,792
Other capital assets:				
Right to use lease - equipment	438,718	105,515	-	544,233
Buildings	4,364,762	-	-	4,364,762
Infrastructure	34,641,349	-	-	34,641,349
Equipment, furniture and fixtures	7,200,029	201,043	-	7,401,072
Improvements other than buildings	<u>29,010,975</u>	<u>643,508</u>	<u>-</u>	<u>29,654,483</u>
Total	<u>76,971,643</u>	<u>3,375,856</u>	<u>315,379</u>	<u>80,032,120</u>
Less accumulated depreciation				
Right to use lease - equipment	\$ 60,384	\$ 106,390	\$ -	\$ 166,774
Buildings	2,162,232	98,200	-	2,260,432
Infrastructure	30,869,206	715,695	-	31,584,901
Equipment, furniture and fixtures	5,617,147	319,670	-	5,936,817
Improvements other than buildings	<u>17,281,697</u>	<u>888,927</u>	<u>-</u>	<u>18,170,624</u>
Total accumulated depreciation	<u>55,990,666</u>	<u>2,128,882</u>	<u>-</u>	<u>58,119,548</u>
Governmental activities, Capital assets, net	<u>\$ 20,980,977</u>	<u>\$ 1,246,974</u>	<u>\$ 315,379</u>	<u>\$ 21,912,572</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 70,929	\$ -	\$ -	\$ 70,929
Construction in progress	773,046	431,396	-	1,204,442
Other capital assets:				
Right to use asset - equipment	379,041	171,418	-	550,459
Electric system	13,530,520	-	-	13,530,520
Water system	10,765,518	-	-	10,765,518
Sewer system	19,775,305	-	-	19,775,305
Building, machinery and equipment	<u>2,210,242</u>	<u>-</u>	<u>-</u>	<u>2,210,242</u>
Total	<u>47,504,601</u>	<u>602,814</u>	<u>-</u>	<u>48,107,415</u>
Less accumulated depreciation				
Right to use asset - equipment	58,868	87,219	-	146,087
Electric system	11,242,211	248,199	-	11,490,410
Water system	8,613,240	212,581	-	8,825,821
Sewer system	14,538,318	406,191	-	14,944,509
Building, machinery and equipment	<u>1,883,087</u>	<u>51,092</u>	<u>-</u>	<u>1,934,179</u>
Total accumulated depreciation	<u>36,335,724</u>	<u>1,005,282</u>	<u>-</u>	<u>37,341,006</u>
Business-type activities, Capital assets, net	<u>\$ 11,168,877</u>	<u>\$ (402,468)</u>	<u>\$ -</u>	<u>\$ 10,766,409</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 362,098
Police	113,449
Fire	191,524
Streets	994,812
Culture and recreation	<u>466,999</u>
	<u>\$ 2,128,882</u>

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

Electric	\$ 295,348
Water	269,011
Sewer	<u>440,922</u>
	<u>\$ 1,005,282</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 6 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 November. 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 December 31, 2024, taxes of 6.85 mills were levied on property with assessed valuations totaling \$66,087,718 and were dedicated as follows:

General corporate purposes	5.48 mills
Public improvement (sewer)	<u>1.37 mills</u>
Total	<u>6.85 mills</u>

Total taxes levied were \$452,701. Taxes receivable at December 31, 2024 were \$189,048.

NOTE 7 ACCOUNTS, SALARIES, AND OTHER PAYABLES

The accounts, salaries, and other payables consisted of the following at December 31, 2024:

	Governmental Activities	Business-type Activities	Total
Accounts payable	\$ 439,141	\$ 489,556	\$ 928,697
Accrued salaries	57,658	49,690	107,348
Internal service fund claims	168,734	-	168,734
Other liabilities	<u>158,648</u>	<u>24,040</u>	<u>182,688</u>
Totals	<u>\$ 824,181</u>	<u>\$ 563,286</u>	<u>\$ 1,387,467</u>

NOTE 8 BOND ANTICIPATION NOTE

On July 16, 2024, the City issued a Bond Anticipation Note, Series 2024, in the principal amount of \$5,900,000, bearing interest 6% per annum, due on October 1, 2025. The note has been issued for the purpose of providing interim financing during the constructing and acquiring of improvements, extensions, and replacements to the waterworks component of the waterworks system and electric system as revenue producing public, including equipment and fixtures therefor, and paying costs of issuance of the Note, under the authority conferred by Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority. The Note was authorized by a resolution adopted by the City on October 1, 2024. The balance outstanding as of December 31, 2024 totaled \$5,900,000.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 9 CHANGES IN LONG TERM DEBT

The following is a summary of governmental activities bonds, business-type activities bonds, financed purchase obligations, and compensated absences transactions of the City for the year ended December 31, 2024:

	General Obligations	Financed Purchase Obligations	Compensated Absences	Total
Long-term debt, 12/31/2023	\$ 3,522,000	\$ 64,927	\$ 667,695	\$4,254,622
Additions (retirements)	<u>(586,000)</u>	<u>(13,394)</u>	<u>(7,574)</u>	<u>(606,968)</u>
Long-term debt, 12/31/2024	<u>\$ 2,936,000</u>	<u>\$ 51,533</u>	<u>\$ 660,121</u>	<u>\$3,647,654</u>

Governmental activities debt at December 31, 2024 is comprised of the following:

Sales Tax Revenue Bonds, Series 2014, due in annual installments of \$157,000 - \$198,000 through May 1, 2026; bearing interest at 2.33 percent per annum, secured by annual sales tax revenue.	\$ 391,000
Revenue Bonds, Series 2016, due in annual installments of \$12,000 - \$86,000 through March 1, 2026; bearing interest at 1.00 - 2.25 percent per annum, secured by excess annual revenue.	170,000
Revenue Bonds, Series 2021, due in annual installments of \$310,000 - \$355,000 through March 1, 2031; bearing interest at 1.75 percent per annum, secured by excess annual revenue.	<u>2,375,000</u>
Total	<u>\$ 2,936,000</u>

The debt service requirements for these obligations are as follows:

Year Ending December 31,	Governmental Activities	
	Bond Principal	Bond Interest
2025	\$ 597,000	\$ 48,504
2026	614,000	36,349
2027	335,000	27,256
2028	340,000	21,350
2029	345,000	15,356
Thereafter	<u>705,000</u>	<u>27,737</u>
Total	<u>\$ 2,936,000</u>	<u>\$ 176,552</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 9 CHANGES IN LONG TERM DEBT (CONTINUED)

Business-type activities debt at December 31, 2024 is comprised of the following:

The City entered into a financed purchased agreement as follows:

Progressive Tractor & Implement Co., LLC, original amount of \$90,171,
dated February 4, 2022, payable in 59 monthly installments of \$1,312,
and one final payment of \$24,400, bearing interest at 3.99% per annum,
secured by equipment \$ 51,533

At December 31, 2024, the book value, net of accumulated depreciation was \$52,600.

The debt service requirements for this obligation is as follows:

Year Ending December 31,	Business-type Activities	
	Finance Principal	Finance Interest
2025	\$ 13,939	\$ 1,803
2026	37,594	1,237
Total	<u>\$ 51,533</u>	<u>\$ 3,040</u>

NOTE 10 LEASE OBLIGATIONS

Governmental activities current lease agreements at December 31, 2024 are summarized as follows:

	Commencement Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Balance at 12/31/24
Street Sweeper	7/1/2023	4 years	\$45,430	5.78%	\$161,897	\$105,515
Skid Steer	10/1/2023	5 years	18,896	7.00%	79,524	62,165
Vehicles	Various	Various	62,665	1.35%	<u>302,812</u>	<u>218,520</u>
Total lease agreements					<u>\$544,233</u>	<u>\$386,200</u>

Annual requirements to amortize lease obligations and related interest are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	\$115,496	\$11,495	\$105,156
2026	119,796	7,195	105,156
2027	101,337	2,939	105,156
2028	38,695	716	82,441
2029	<u>10,876</u>	<u>43</u>	<u>17,576</u>
	<u>\$386,200</u>	<u>\$22,388</u>	<u>\$415,485</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 10 LEASE OBLIGATIONS (CONTINUED)

Business-type activities current lease agreements at December 31, 2024 are summarized as follows:

	Commencement Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Liability	Balance at 12/31/24
Vehicles	Various	Various	112,110	1.35%	<u>\$ 541,758</u>	<u>\$ 401,614</u>
Total lease agreements					<u><u>\$541,758</u></u>	<u><u>\$401,614</u></u>

Annual requirements to amortize long-term debt obligations and related interest are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	\$ 107,440	\$ 4,670	\$ 105,156
2026	108,899	3,211	105,156
2027	110,379	1,731	105,156
2028	51,359	591	82,441
2029	<u>23,537</u>	<u>129</u>	<u>17,576</u>
	<u><u>\$401,614</u></u>	<u><u>\$10,332</u></u>	<u><u>\$415,485</u></u>

NOTE 11 EMPLOYEE RETIREMENT

Plan Descriptions

The City participates in three state-administered cost-sharing multiple-employer retirement systems, which together cover substantially all of the City's full-time employees: Municipal Employees' Retirement System (MERS), Municipal Police Employees' Retirement System (MPERS), and Firefighters' Retirement System (FRS) of the State of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual, publicly-available financial reports that include financial statements and required supplementary information for the systems. Although separately administered by their respective boards of trustees, these systems are established and regulated by acts of the Louisiana Legislature with respect to membership and contribution requirements, plan benefits, and actuarial determination of funding requirements as provided by the state constitution.

Additional disclosures with respect to GASB 68 to the City's participation in these systems are provided below. The reports for MERS, MPERS, and FRS may be obtained at www.mersla.com, www.lampers.org, and www.lafirefightersret.com respectively. The Municipal Employees' Retirement System (MERS) issues a publicly available financial report, which may be obtained by writing to that system at 9737 Office Park Boulevard,

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Baton Rouge, LA 70809. The financial report for the Municipal Police Employees' Retirement System (MPERS) may be obtained by writing to that system at 8401 United Plaza Boulevard Suite 270, Baton Rouge, LA 70809-7017. The financial report for the Firefighters' Retirement System (FRS) may be obtained by writing to that system at P.O. Box 94095, Capitol Station, Baton Rouge, LA 70804-9095.

Plan Description - MERS

MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana and is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City of Abbeville are members of Plan B. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in MERS.

Plan Description – MPERS

All full-time police department employees engaged in law enforcement are required to participate in MPERS providing he or she does not have to pay social security and providing he or she meets the statutory criteria. MPERS provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through MPERS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233.

Plan Description – FRS

The Firefighters' Retirement System (FRS) is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

No person who has attained age 50 or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of 18 years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Benefits Provided

Retirement Benefits – MERS (Plan B)

Members with ten years of creditable service may retire at age sixty; members with thirty years of service may retire at any age. The monthly retirement allowance is equal to two percent of the member's final compensation multiplied by his years of creditable service; elected officials receive an additional one-half percent of final compensation for each year of such elected service.

Employees whose first employment making them eligible for membership occurs on or after January 1, 2013 will become members of Tier 2. Normal retirement eligibility in Tier 2 is at age 67 with seven years of service credit, at age 62 with ten years of service credit, or age 55 with thirty years of service credit. Members are eligible for an actuarially reduced early retirement at twenty-five years of service credit. Retirement benefits are based on a 2% accrual rate. Employee contributions are set by the Board of Trustees within a range of 4% to 6%.

Final compensation is the employee's average salary over the 36 consecutive or joined months that produce the highest average for a member whose first employment made him or her eligible for membership in the system on or before June 30, 2006. Final compensation is the employee's average salary over the 60 consecutive or joined months that produce the highest average for a member whose first employment made him or her eligible for membership in the system after June 30, 2006. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Retirement Benefits – MPERS

Members of MPERS with membership beginning prior to January 1, 2013 are eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years of creditable service and is age 55. A member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33%) of the member's final compensation (employee's average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member's years of creditable service.

Members of MPERS with membership beginning on or after January 1, 2013 are eligible for regular retirement, early retirement, disability and survivor benefits based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 30 years of creditable service at any age, 25 years of creditable service at age 55 or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55.

Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. This is available to MPERS members who are eligible for regular retirement but have not participated in DROP. This program provides both a one-time single sum payment of up to 36 months of the regular monthly retirement benefit, plus a reduced monthly retirement benefit for life.

Retirement Benefits – FRS

All full-time firefighters for the City who are engaged in fire protection are eligible to participate in FRS. A member who has completed 20 years of creditable service, has been a member at least 1 year, and has reached the age of 50 is eligible for retirement. A member with at least 12 years of service who has reached the age of 55 is eligible for retirement provided he has been a member for at least 1 year. Upon retirement the benefit amount is 3-1/3 percent of average final compensation multiplied by years of creditable service, not to exceed his average final compensation. Average final compensation is the member's average annual earned compensation for any period of 36 successive or joined months of service that produces the highest average. The system also provides death and disability benefits. Benefits are established by state statute.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Deferred Retirement Option

In lieu of terminating employment and accepting a service retirement allowance, any member of MERS who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. A MERS member may participate in DROP only once. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment, are credited to the MERS member's individual DROP account. Interest is earned when the member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the member may receive a lump sum from the account or a true annuity based on the account balance. If employment is not terminated at the end of the three year DROP participation period, payments into the DROP account cease and the person resumes active contributing membership in MERS.

A member of MPERS is eligible to enter DROP when he or she is eligible for regular retirement based on the members' sub plan participation. At the entry date into DROP, employee and employer contributions cease. The amount deposited into the DROP account for MPERS members is equal to the benefit computed under the retirement plan elected by participant date of application. Interest is earned when the MPERS member has completed DROP participation.

Upon termination of employment prior to or at the end of the participation period, the MPERS member may receive a lump sum from the account or a true annuity based on the account balance.

A member of FRS may elect to participate in the deferred retirement option plan (DROP) for up to 36 months, after completing 20 years of creditable service and age 50 or 25 years at any age. Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit. If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires. Effective June 16, 1999, members eligible to retire who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rates as the DROP account.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Disability Benefits

A member of MERS Plan B is eligible to retire and receive a disability benefit if he or she has at least 10 years of creditable service. Twenty years of creditable service are required in order for a member to have a vested disability benefit. A disabled member receives a normal retirement allowance if eligible under regular retirement provisions; if he is not eligible for a normal retirement allowance, he receives a disability benefit equal to the lesser of:

1. Thirty percent of his final average compensation or two percent of his final average compensation multiplied by his years of creditable service; whichever is greater; and
2. Two percent of his final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

A member of MPERS is eligible to retire and receive a disability benefit if he or she has been certified as disabled by the State Medical Disability Board. If the disability incurred is job-related, there is no minimum creditable service requirement. If the disability is non-job-related, a minimum of 10 years of creditable service is required if the member was employed on or after July 1, 2008. Members of MPERS employed prior to July 1, 2008 must have a minimum of 5 years of creditable service to be eligible to retire with disability benefits if the disability incurred is non-job-related. The disability benefit received by a MPERS member is equal to three percent of his or her final average compensation multiplied by years of creditable service (not less than 40%, nor more than 60% of final average compensation). At the time the disabled MPERS member reaches normal retirement age, he or she will have the option to continue to receive the disability retirement benefit or to receive his or her vested retirement benefit.

A member of FRS is eligible to retire and receive a disability benefit if he or she has been officially certified as disabled by the State Medical Disability Board. Any member totally disabled from injury in the line of duty, shall be paid, on a monthly basis, an annual pension of 60.0% of the average final compensation being received at the time of disability. Any member who has become disabled or incapacitated because of continued illness or as a result of any injury received, even though not in the line of duty, and who has 5 years of creditable service, but is not eligible for retirement under the provisions of R. S. 11:2256 may apply for retirement under the provisions of R. S. 11:2258 and shall be retired on 75.0% of the retirement salary to which he would be entitled under R. S. 11:2256 if he were otherwise eligible there under or 25.0% of the member's average salary, whichever is greater.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Any retired member or DROP plan participant who becomes disabled for any reason provided for by law shall be permitted to apply for conversion of a service retirement to a service connected disability retirement under R. S. 11:2258(B)(1)(e). Should a member who is on disability retirement die and leave a surviving spouse, the surviving spouse shall receive a benefit of \$200 per month. When the member takes disability retirement, he may, in addition, take an actuarially reduced benefit in which case the member's surviving spouse shall receive 50% of the disability benefit being paid immediately prior to the death of the disabled retiree. If the surviving spouse remarries prior to age 55, such benefits shall cease; however, the benefits shall resume upon subsequent divorce or death of the new spouse, and the approval of the board of trustees.

Survivor's Benefit

The surviving spouse of a MERS Plan B member who was eligible for normal retirement at the time of death receives an automatic option two benefit. The surviving spouse of a member with five or more years of creditable service and not eligible for normal retirement at the time of death receives either 30% of the member's final compensation payable to the spouse when they attain age 60 or an actuarial equivalent of 30% of the deceased member's final compensation, but not less than 15% of such final compensation. Survivor benefits are also payable to the surviving spouses of former members who have not withdrawn their accumulated contributions and who have at least twenty years of creditable service. The benefits payable are the actuarial equivalent of the Option 2 benefits that would have become payable to the surviving spouse at the time the former member would have begun receiving deferred normal retirement benefits, had the MERS Plan B member survived until that date, elected Option 2, and died at that time.

Survivor benefits for MPERS members are payable to the surviving spouse or surviving minor child/children of a deceased active contributing member or a deceased disability retiree. Survivor benefits are not payable to survivors of retirees receiving benefits under the provisions of early or normal service retirement. The maximum benefit for a surviving spouse of a MPERS member is equal to the regular retirement formula, regardless of age, but not less than 40% or more than 60% of the deceased member's final average compensation. There is no requirement for minimum years of creditable service.

If the MPERS member is killed in the line of duty, the surviving spouse shall receive a benefit equal to 100% of the deceased member's final average compensation, less any survivor benefits payable to a child or children. Each surviving minor child of the MPERS member will receive a benefit equal to 10% of deceased member's final average compensation or \$200 per month, whichever is greater. Benefits for a surviving child cease upon the child's attainment of age 18 or upon marriage, whichever occurs first. The benefit may continue after age 18 if the child meets certain educational or disability requirements. The surviving minor child may receive an increased benefit if there is no surviving spouse of the MPERS member.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Survivor benefits for FRS are payable to survivors of a deceased member who dies and is not eligible for retirement as follows. If any member is killed in the line of duty and leaves a surviving eligible spouse, the spouse is entitled to an annual benefit equal to two-thirds of the deceased member's final compensation. If any member dies from a cause not in the line of duty, the surviving spouse is entitled to an annual benefit equal to 3% of the deceased member's average final compensation multiplied by his total years of creditable service; however, in no event is the annual benefit less than 40% nor more than 60% of the deceased member's average final compensation. Children of the deceased member are entitled to the greater of \$200 per month or 10% of average final compensation (not to exceed 100% of average final compensation) until reaching the age of eighteen or until the age of twenty-two if enrolled full-time in an institution of higher learning, unless the surviving child is physically handicapped or mentally retarded in which case the benefit is payable regardless of age. If a deceased member dies leaving no surviving spouse, but at least one minor child, each child is entitled to receive forty percent of the deceased's average final compensation, not to exceed an aggregate of sixty percent of average final compensation.

Cost of Living Increases

MERS is authorized under state law to grant an annual cost of living adjustment to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit and may only be granted if sufficient funds are available. The cost of living increase must be paid from investment income in excess of normal requirements.

MPERS is authorized to provide annual cost of living adjustments to members who have been retired for at least one full fiscal year. The adjustment cannot exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors, and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility. MPERS members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

The present value of future FRS retirement benefits are based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

Contributions

The MERS, MPERS, and FRS employer contribution rates are established annually under LRS 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. For January 1, 2024 through June 30, 2024, the employer contribution rates for MERS Plan B, MPERS, and FRS were 15.50%; 33.93%; and 33.25%, respectively. For July 1, 2024 through December 31, 2024, the employer contribution rates for MERS Plan B, MPERS, and FRS were 14.00%; 35.60%; and 33.25%, respectively. Employer contributions to MERS, MPERS, and FRS were \$355,935; \$532,221; and \$642,431 respectively, for the year ended December 31, 2024.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Employees participating in MERS are required to contribute 5.00%; employees participating in MPERS are required to contribute 8.00%; employees participating in the FRS are required to contribute 10.00%.

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. MERS receives ad valorem taxes and state revenue sharing funds. MPERS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. FRS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. The City of Abbeville recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2024, the City of Abbeville recognized revenue as a result of support received from non-employer contributing entities of \$94,527 for its participation in MERS; \$110,609 for its participation in MPERS; and \$214,110 for its participation in the FRS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The following table reflects the City's reported net pension liability, pension expense, proportionate share of the net pension liability and changes in proportion as of December 31, 2024:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
Net Pension Liability	<u>\$ 1,623,384</u>	<u>\$ 3,852,575</u>	<u>\$ 3,866,288</u>	<u>\$ 9,342,247</u>
Pension (Benefit) Expense	<u>\$ (322,976)</u>	<u>\$ 132,957</u>	<u>\$ (43,367)</u>	<u>\$ (233,386)</u>
Proportion of Net				
Pension Liability	2.6754%	0.4252%	0.6867%	
Change in Proportion				
Increase (Decrease)	-0.17%	0.06%	-0.08%	

The net pension liabilities were measured as of June 30, 2024 and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The City of Abbeville's proportion of the net pension liability for each retirement system was based on a projection of the City of Abbeville's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

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

<u>Deferred Outflows of Resources</u>				
	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 15,415	\$ 208,589	\$ 290,270	\$ 514,274
Changes in assumptions	-	-	165,400	165,400
Net difference between projected and actual earnings on pension plan investments	58,430	107,099	39,109	204,638
Changes in:				
Proportion and differences between employer contributions and proportionate share of:				
Contributions	-	361,753	421,983	783,736
Employer contributions subsequent to measurement date	<u>176,990</u>	<u>268,875</u>	<u>318,849</u>	<u>764,714</u>
Total	<u>\$ 250,835</u>	<u>\$ 946,316</u>	<u>\$ 1,235,611</u>	<u>\$ 2,432,762</u>

<u>Deferred Inflows of Resources</u>				
	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 13,278	\$ 116,542	\$ 91,949	\$ 221,769
Changes in assumptions	60,430	-	-	60,430
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	<u>164,932</u>	<u>229,311</u>	<u>520,269</u>	<u>914,512</u>
Total	<u>\$ 238,640</u>	<u>\$ 345,853</u>	<u>\$ 612,218</u>	<u>\$ 1,196,711</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

During the year ended December 31, 2024, employer contributions totaling \$176,990, \$268,875, and \$318,849 were made subsequent to the measurement date for MERS, MPERS, and FRS respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	MERS	MPERS	FRS	Total
2025	\$ (148,495)	\$ (8,361)	\$ 114,368	\$ (42,488)
2026	68,754	417,340	553,535	1,039,629
2027	(48,424)	(9,879)	(140,587)	(198,890)
2028	(36,630)	(67,512)	(172,517)	(276,659)
2029	-	-	(15,994)	(15,994)
2030	-	-	(34,261)	(34,261)
Total	<u>\$ (164,795)</u>	<u>\$ 331,588</u>	<u>\$ 304,544</u>	<u>\$ 471,337</u>

Actuarial Assumptions

The total pension liabilities for MERS, MPERS, and FRS in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	MERS
Actuarial cost method	Entry Age Normal
Expected remaining service lives	3 years for Plan B
Investment rate of return	6.85% net of investment expense
Inflation rate	2.500%
	9.5% (1 to 2 years service) (including inflation and merit)
Projected salary increases	4.6% (More than 2 years service) (including inflation and merit)
Cost of living adjustments	None
	Annuitant and beneficiary Mortality - PubG-2010(B) Healthy Retiree Table (set equal to 120% for males and females). Employees
Mortality	Mortality - PubG-2010(B) Employee Table (set equal to 120% for males and females). Disabled
	Lives Mortality - PubNS-2010(B) Disabled Retiree Table (set equal to 120% for males and females).

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

MPERS	
Actuarial cost method	Entry Age Normal
Expected remaining service lives	4 years
Investment rate of return	6.750% net of investment expense
Inflation rate	2.50%
	<u>Years of Service</u> <u>Salary Growth Rate</u>
Projected salary increases	1 - 2 12.30%
	Above 2 4.70%
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future not yet authorized by the Board of Trustees.
	For annuitants and beneficiaries, the 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 was used.
Mortality	For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used.
	For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.
FRS	
Actuarial cost method	Entry Age Normal
Expected remaining service lives	7 years
Investment rate of return	6.90% net of investment expense
Inflation rate	2.500%
Projected salary increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Cost of living adjustments	Only those previously granted 2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees. For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.
Mortality	For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees. In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These 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. The resulting expected long-term rate of return for MERS is 6.85%, MPERS is 7.86%, and FRS is 7.91% for the year ended June 30, 2024.

Discount Rates

The discount rate used to measure the total pension liability for MERS was 6.85%, MPERS was 6.75%, and FRS was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the actuary.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for MERS, MPERS and FRS as of June 30, 2024 are summarized in the following table:

Asset Class	Expected Rate of Return					
	Target Asset Allocation			Long-Term Expected Portfolio Real Rate of Return		
	MERS	MPERS	FRS	MERS	MPERS	FRS
Fixed income	29%	34%	30%	1.26%	1.07%	0.67%
Equity	56%	52%	54%	2.44%	3.14%	3.49%
Alternatives	15%	14%	16%	0.65%	1.03%	1.25%
Real assets	0%	0%	0%	0.00%	0.00%	0.00%
Totals	<u>100%</u>	<u>100%</u>	<u>100%</u>			
Inflation				<u>2.50%</u>	<u>2.62%</u>	<u>2.50%</u>
Expected Arithmetic Nominal Return				<u>6.85%</u>	<u>7.86%</u>	<u>7.91%</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 11 EMPLOYEE RETIREMENT (CONTINUED)

Based on those assumptions, the net position of MERS, MPERS, and FRS were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the City of Abbeville's proportionate share of the net pension liability using the discount rate of 6.85% for MERS, 6.75% for MPERS, and 6.90% for FRS as well as what the City of Abbeville's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.85% for MERS, 5.75% for MPERS, and 5.90% for FRS) or one percentage-point higher (7.85% for MERS, 7.75% for MPERS, and 7.90% for FRS) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
MERS	\$ 2,520,742	\$ 1,623,384	\$ 864,969
MPERS	5,722,905	3,852,575	2,291,213
FRS	<u>6,418,850</u>	<u>3,866,288</u>	<u>1,737,207</u>
Total	<u>\$ 14,662,497</u>	<u>\$ 9,342,247</u>	<u>\$ 4,893,389</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for MERS, MPERS and FRS and can be obtained on the plans' respective websites or on the Louisiana Legislative Auditor's website: www.lla.la.gov.

Payables to the Pension Plan

At December 31, 2024, payables to MERS, MPERS, and FRS were \$26,269, \$43,438, and \$54,400 respectively for employee and employer legally-required contributions.

NOTE 12 DEDICATION OF PROCEEDS - SALES AND USE TAX

The proceeds of the One and Three Quarter percent sales and use tax levied by the City are dedicated for the following purposes:

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 12 DEDICATION OF PROCEEDS - SALES AND USE TAX (CONTINUED)

One half of one percent sales and use tax (2024 - \$1,754,189; 2023 - \$1,732,859) for opening, constructing, paving, resurfacing and improving streets, alleys, sidewalks, sewers, lighting and power plants; constructing and improving drains, drainage canals and sub-surface drainage; constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; constructing and purchasing garbage disposal and health and sanitation equipment and facilities; constructing public buildings; purchasing, constructing and improving public parks and recreational facilities and acquiring the necessary equipment and furnishings therefore; purchasing equipment for civil defense; constructing, acquiring or improving any work of permanent public improvement; and purchasing and acquiring all equipment and furnishing for the public works buildings improvements and facilities in the City.

One half of one percent sales and use tax (2024 - \$1,754,189; 2023 - \$1,732,859) for paying a portion of the salaries and benefits of City employees.

One quarter of one percent sales and use tax (2024 – \$877,095; 2023 – \$866,430) shall be allocated periodically for the purpose of increasing the salaries for public safety employees of the City.

One half of one percent sales and use tax (2024 - \$1,754,189; 2023 – \$1,732,859) shall be allocated periodically for the purpose of increasing the salaries of City employees.

NOTE 13 SEGMENT INFORMATION FOR THE ENTERPRISE FUND

The City maintains one enterprise fund with three departments that provide electricity, water, and sewerage services. Segment information for the year ended December 31, 2024 follows:

	Electric	Water	Sewerage	Total
Operating revenues	<u>\$ 12,618,661</u>	<u>\$ 2,135,609</u>	<u>\$ 2,588,449</u>	<u>\$ 17,342,719</u>
Operating expenses:				
Depreciation	295,348	269,011	440,922	1,005,282
Other	<u>9,185,765</u>	<u>2,073,319</u>	<u>1,503,303</u>	<u>12,762,387</u>
Total operating expenses	<u>9,481,114</u>	<u>2,342,330</u>	<u>1,944,226</u>	<u>13,767,669</u>
Operating income (loss)	<u>\$ 3,137,547</u>	<u>\$ (206,721)</u>	<u>\$ 644,223</u>	<u>\$ 3,575,050</u>

NOTE 14 INTERNAL SERVICE FUND

The City has established a partially self-funded internal service fund to accumulate monies for the payment of health care claims of the City employees and their dependents. An integral part of this self-funded health insurance program is the procurement of both specific and aggregate Stop-Loss insurance. The City's self-insured retention is \$75,000 per covered individual.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 15 COMPENSATION OF CITY OFFICIALS

A detail of compensation paid to the Mayor and Council for the year ended December 31, 2024 follows:

Roslyn White, Mayor	\$ 79,000
Rachel Touchet Mouton, Councilman/Mayor Pro-Tem	2,725
Carlton Campbell, Councilman-at-large	15,400
Terry Broussard, Councilman	15,400
R. Brady Broussard, Jr., Councilman	15,400
Francis Touchet, Jr., Councilman	13,058
Tony Hardy, Councilman	15,400
	<u>\$ 156,383</u>

NOTE 16 RESTRICTED ASSETS - PROPRIETARY FUND TYPE (UTILITY FUND)

Restricted assets consisted of the following at December 31, 2024:

Customers' deposits	<u>\$ 6,951,247</u>
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NOTE 17 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The City of Abbeville (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Abbeville’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P. entry) provisions are as follows: attainment of Medical benefits are provided through a medical plan and are made available to employees upon actual retirement. The employees are covered by one of three retirement systems: first, the Municipal Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; or, age 60 and 10 years of service; second, the Firefighters' Retirement System of Louisiana, and, third, the Municipal Police Retirement System of Louisiana. Both the Fire and Police systems have retirement eligibility (D.R.O.P. entry) provisions as follows: 25 years of service at any age; age 50 and 20 years of service; or, age 55 and 12 years of service. For each system, employees hired on and after

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 17 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

January 1, 2013 must meet the following retirement (D.R.O.P. entry) requirements: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The life insurance amount is based on attained age: \$25,000 under age 70 and \$12,500 ages 70+.

Employees covered by benefit terms – At December 31, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	56
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>122</u>
	<u>178</u>

Total OPEB Liability

The City's total OPEB liability of \$22,681,609 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

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

Inflation	2.0%
Salary increases	4% annually
Discount rate	3.26% annually (Beginning of Year to Determine ADC) 4.08%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	2025 Getzen model, with an initial trend of 5.5%
Mortality	PubG.H-2010(B) * 1.15 (M) and 1.20 (F) with full generation mortality projection using the MP-2021 scale

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2024, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2024.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 17 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

Changes in the Total OPEB Liability

Balance at December 31, 2023	\$ 26,946,179
Changes for the year:	
Service cost	737,941
Interest	887,674
Differences between expected and actual experience	(1,541,095)
Changes in assumptions	(3,432,021)
Benefit payments and net transfers	<u>(917,068)</u>
Net changes	<u>(4,264,569)</u>
Balance at December 31, 2024	<u><u>\$ 22,681,610</u></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 (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	1.0% Lower (3.08%)	Current (4.08%)	1.0% Higher (5.08%)
Total OPEB liability	<u>\$ 25,928,552</u>	<u>\$ 22,681,610</u>	<u>\$ 20,024,858</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Lower (4.5%)	Current (5.5%)	1.0% Higher (6.5%)
Total OPEB liability	<u>\$ 19,931,036</u>	<u>\$ 22,681,610</u>	<u>\$ 26,068,491</u>

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

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 17 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
(CONTINUED)

For the year ended December 31, 2024, the City recognized OPEB expense of \$1,027,867. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual	\$ 1,503,072	\$ 1,517,012
Changes in assumptions	1,481,543	5,070,467
Total	<u>\$ 2,984,615</u>	<u>\$ 6,587,479</u>

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

Years ending December 31:	
2025	\$ (597,747)
2026	(765,423)
2027	(1,492,382)
2028	(249,104)
2029	(249,104)
Thereafter	(249,104)
Total	<u>\$ (3,602,864)</u>

NOTE 18 CONTRACT FOR ELECTRIC POWER – ENTERPRISE FUND

The City has entered into an agreement with Louisiana Energy and Power Authority for electric power supply service. This agreement is effective from June 1, 2024 through December 31, 2029.

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 19 INTERFUND TRANSFERS

Interfund transfers consist of the following at December 31, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds:		
General fund	\$ 10,499,377	\$ 378,013
Special revenue funds:		
Sales Tax Special Revenue Fund	176,380	6,136,299
Public Improvement Sewer Fund	-	102,493
Maintenance and Operation - Fire Department Fund	-	87,800
Road Maintenance Fund	706,746	-
LCDBG Street Improvement Fund	102,493	607,778
Debt service funds:		
2012 Revenue Refunding Bonds Fund	-	-
2014 Sales Tax Revenue Bonds Fund	202,245	-
2016 Revenue Bonds Fund	87,801	-
2021 Revenue Bonds Fund	361,648	-
Capital projects funds:		
Airport Improvement Fund	6,266	-
Total governmental funds	<u>12,142,956</u>	<u>7,312,383</u>
Proprietary funds:		
Enterprise Fund	<u>699,496</u>	<u>5,530,068</u>
Total	<u>\$ 12,842,451</u>	<u>\$ 12,842,451</u>

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 to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 20 COMPENSATION, BENEFITS AND OTHER PAYMENTS TO MAYOR

A detail of compensation, benefits, and other payments made to Mayor, Roslyn White for the year ended December 31, 2024 follows:

<u>Purpose</u>	<u>Roslyn White Amount</u>
Salary	\$ 79,000
Benefits - Health insurance	2,945
Benefits - Retirement	3,950
Vehicle Provided by Government	<u>825</u>
	<u>\$ 86,720</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Basic Financial Statements

NOTE 21 COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in various lawsuits. Although the outcome of some of these lawsuits has been determined, as of the date of this audit report, the City has not appropriated any funds in payment of these liabilities. There are also pending lawsuits which may result in judgments against the City. As of December 31, 2024, the amounts, if any, resulting from the settlement of these pending claims could not be reasonably determined by management and legal counsel.

Grant Audits

The City receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

Utility Relocation Grants

In prior years, the City utilized federal funding under Act 319 to pay its share of the cost to relocate electric, water, and sewer facilities to accommodate the expansion of Highway 14. As part of the funding agreement the City is prohibited from locating additional longitudinal facilities within any right-of-way owned by the State of Louisiana until the City reimburses the Department of Transportation the full amount of costs expended on the City's behalf, which totaled \$590,359.

NOTE 22 SUBSEQUENT EVENTS

We have evaluated events subsequent to the balance sheet date through May 28, 2025, the date the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024			Variance -	
	Budget			Positive	2023
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Taxes	\$ 374,000	\$ 386,000	\$ 391,601	\$ 5,601	\$ 391,540
Licenses and permits	621,000	604,000	616,782	12,782	699,632
Intergovernmental	214,000	234,000	230,163	(3,837)	252,984
Fines and forfeitures	35,000	46,000	46,747	747	41,238
Miscellaneous	<u>506,000</u>	<u>675,000</u>	<u>671,732</u>	<u>(3,268)</u>	<u>745,775</u>
Total revenues	<u>1,750,000</u>	<u>1,945,000</u>	<u>1,957,025</u>	<u>12,025</u>	<u>2,131,169</u>
Expenditures:					
Current -					
General government	2,470,000	2,548,500	2,382,728	165,772	2,206,643
Public safety:					
Police	3,655,000	3,655,000	3,722,343	(67,343)	3,554,121
Fire	4,109,000	4,109,000	4,133,356	(24,356)	4,064,485
Highways and streets	1,285,000	1,237,000	1,185,204	51,796	1,243,606
Culture and recreation	554,000	523,000	482,487	40,513	520,301
Debt service -					
Lease - principal	115,600	100,725	101,251	(526)	56,784
Interest	20,400	17,775	14,823	2,952	8,084
Capital outlay	<u>-</u>	<u>-</u>	<u>13,082</u>	<u>(13,082)</u>	<u>44,398</u>
Total expenditures	<u>12,209,000</u>	<u>12,191,000</u>	<u>12,035,274</u>	<u>155,726</u>	<u>11,698,422</u>
Deficiency of revenues over expenditures	<u>(10,459,000)</u>	<u>(10,246,000)</u>	<u>(10,078,249)</u>	<u>167,751</u>	<u>(9,567,253)</u>
Other financing sources (uses):					
Transfers in	9,451,000	9,691,568	10,499,377	807,809	9,718,759
Transfers out	<u>(1,186,000)</u>	<u>(1,016,000)</u>	<u>(378,013)</u>	<u>637,987</u>	<u>(209,537)</u>
Total other financing sources (uses)	<u>8,265,000</u>	<u>8,675,568</u>	<u>10,121,364</u>	<u>1,445,796</u>	<u>9,509,222</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,194,000)	(1,570,432)	43,115	1,613,547	(58,031)
Fund balance, beginning	<u>3,547,736</u>	<u>3,547,736</u>	<u>3,547,736</u>	<u>-</u>	<u>3,605,767</u>
Fund balance, ending	<u>\$ 1,353,736</u>	<u>\$ 1,977,304</u>	<u>\$ 3,590,851</u>	<u>\$ 1,613,547</u>	<u>\$ 3,547,736</u>

CITY OF ABBEVILLE, LOUISIANA
Sales Tax Fund

Budgetary Comparison Schedule
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Sales tax	\$ 5,810,000	\$ 6,125,000	\$ 6,139,663	\$ 14,663	\$ 6,065,007
Intergovernmental	-	20,000	25,000	5,000	424,713
Miscellaneous - interest and other	<u>3,000</u>	<u>4,000</u>	<u>40,045</u>	<u>36,045</u>	<u>29,331</u>
Total revenues	<u>5,813,000</u>	<u>6,149,000</u>	<u>6,204,708</u>	<u>55,708</u>	<u>6,519,051</u>
Expenditures:					
Current -					
General government	70,000	80,000	22,052	57,948	55,820
Public safety:					
Police	40,000	40,000	57,380	(17,380)	33,441
Fire	30,000	30,000	20,069	9,931	38,906
Highways and streets	200,000	200,000	176,428	23,572	257,084
Culture and recreation	50,000	50,000	2,905	47,095	12,243
Capital outlay	182,000	192,000	378,093	(186,093)	848,029
Debt service -					
Principal	-	-	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>572,000</u>	<u>592,000</u>	<u>656,927</u>	<u>(64,927)</u>	<u>1,245,523</u>
Excess of revenues over expenditures	<u>5,241,000</u>	<u>5,557,000</u>	<u>5,547,781</u>	<u>(9,219)</u>	<u>5,273,528</u>
Other financing sources (uses):					
Transfers in -	-	-	176,380	176,380	194,036
Transfers out -					
General Fund -					
Salaries	(780,000)	(780,000)	(780,000)	-	(780,000)
Retirement	(531,000)	(531,000)	(531,420)	(420)	(531,420)
Health insurance	(790,000)	(850,000)	(869,200)	(19,200)	(845,300)
Capital outlay and other costs	(1,503,000)	(2,192,000)	(2,045,330)	146,670	(1,374,349)
Debt Service Fund	(562,000)	(562,000)	(563,893)	(1,893)	(564,769)
Utility Fund -					
Retirement	(89,000)	(89,000)	(88,500)	500	(88,500)
Health insurance	(250,000)	(270,000)	(287,800)	(17,800)	(269,700)
Capital outlay and other costs	<u>(625,000)</u>	<u>(1,050,000)</u>	<u>(970,156)</u>	<u>79,844</u>	<u>(554,881)</u>
Total other financing sources (uses)	<u>(5,130,000)</u>	<u>(6,324,000)</u>	<u>(5,959,919)</u>	<u>364,081</u>	<u>(4,814,883)</u>
Excess (deficiency) of revenues and other sources over expenditures and other financing uses	111,000	(767,000)	(412,138)	354,862	458,645
Fund balance, beginning	<u>3,055,031</u>	<u>3,055,031</u>	<u>3,055,031</u>	<u>-</u>	<u>2,596,386</u>
Fund balance, ending	<u>\$ 3,166,031</u>	<u>\$ 2,288,031</u>	<u>\$ 2,642,893</u>	<u>\$ 354,862</u>	<u>\$ 3,055,031</u>

CITY OF ABBEVILLE, LOUISIANA
POST RETIREMENT BENEFITS

Schedule of Changes in Net OPEB Liability
and Related Ratios
Year Ended December 31, 2024

Total OPEB Liability	2018	2019	2020	2021	2022	2023	2024
Service cost	\$ 378,008	\$ 296,133	\$ 293,301	\$ 284,718	\$ 1,090,323	\$ 754,240	\$ 737,941
Interest	1,061,073	1,146,518	542,828	485,121	488,057	925,156	887,674
Changes of benefit terms	-	(9,517,341)	-	-	-	-	-
Differences between expected and actual experience	(513,681)	1,548,248	337,699	(372,328)	2,529,856	-	(1,541,095)
Changes of assumptions	(3,208,364)	(1,101,763)	2,265,355	203,377	(1,859,151)	1,533,011	(3,432,021)
Benefit payments	(557,384)	(522,991)	(363,072)	(383,041)	(717,209)	(756,655)	(917,068)
Net change in total OPEB liability	(2,840,348)	(8,151,196)	3,076,111	217,847	1,531,876	2,455,752	(4,264,569)
Total OPEB liability - beginning	30,656,137	27,815,789	19,664,593	22,740,704	22,958,551	24,490,427	26,946,179
Total OPEB liability - ending	<u>\$ 27,815,789</u>	<u>\$ 19,664,593</u>	<u>\$ 22,740,704</u>	<u>\$ 22,958,551</u>	<u>\$ 24,490,427</u>	<u>\$ 26,946,179</u>	<u>\$ 22,681,610</u>
Covered employee payroll	\$ 4,503,826	\$ 4,638,941	\$ 5,210,543	\$ 5,366,859	\$ 4,486,428	\$ 4,711,647	\$ 5,323,555
Net OPEB liability as a percentage of covered employee payroll	617.60%	423.90%	436.44%	427.78%	545.88%	571.91%	426.06%
Notes to Schedule:							
Benefit change:	None	None	None	None	None	None	None
Changes of Assumptions:							
Discount Rate:	4.10%	2.74%	2.12%	2.06%	3.72%	3.26%	3.72%

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

CITY OF ABBEVILLE, LOUISIANA
EMPLOYEE RETIREMENT

Schedule of Proportionate Share of Net Pension Liability
Year Ended December 31, 2024

Fiscal Year	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered employee payroll	Share of the net pension liability as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Municipal Employees' Retirement System					
2024	2.67544%	\$ 1,623,384	\$ 2,483,842	65.36%	80.10%
2023	2.84902%	\$ 2,284,520	\$ 2,436,583	93.76%	73.25%
2022	3.20600%	\$ 2,814,828	\$ 2,529,471	111.28%	69.56%
2021	3.18887%	\$ 1,847,338	\$ 2,506,477	73.70%	79.14%
2020	3.00279%	\$ 2,721,209	\$ 2,461,504	110.55%	66.26%
2019	2.86696%	\$ 2,508,058	\$ 2,205,125	113.74%	66.14%
2018	2.97348%	\$ 2,515,062	\$ 2,212,271	113.69%	65.60%
2017	3.02570%	\$ 2,617,937	\$ 2,097,862	124.79%	63.49%
2016	2.92099%	\$ 2,421,235	\$ 1,962,066	123.40%	63.30%
2015	2.93837%	\$ 1,997,053	\$ 2,001,427	99.78%	68.71%
Municipal Police Employees' Retirement System					
2024	0.42523%	\$ 3,852,575	\$ 1,490,694	258.44%	75.80%
2023	0.36854%	\$ 3,893,624	\$ 1,420,544	274.09%	71.30%
2022	0.40810%	\$ 4,171,087	\$ 1,179,574	353.61%	70.80%
2021	0.44422%	\$ 2,367,935	\$ 1,285,277	184.24%	84.09%
2020	0.38048%	\$ 3,516,513	\$ 1,386,597	253.61%	70.94%
2019	0.34904%	\$ 3,169,850	\$ 1,066,921	297.10%	71.01%
2018	0.36201%	\$ 3,060,488	\$ 926,323	330.39%	71.89%
2017	0.38059%	\$ 3,322,738	\$ 997,410	333.14%	70.08%
2016	0.38315%	\$ 3,591,195	\$ 969,480	370.42%	66.00%
2015	0.40739%	\$ 3,191,490	\$ 1,063,951	299.97%	70.73%
Firefighters' Retirement System					
2024	0.68666%	\$ 3,866,288	\$ 1,932,124	200.11%	81.68%
2023	0.77109%	\$ 5,032,742	\$ 2,005,711	250.92%	77.69%
2022	0.77270%	\$ 5,448,583	\$ 2,000,338	272.38%	74.68%
2021	0.81756%	\$ 2,897,315	\$ 2,022,671	143.24%	86.78%
2020	0.75184%	\$ 5,211,409	\$ 2,144,535	243.01%	72.61%
2019	0.61380%	\$ 3,843,548	\$ 1,596,195	240.79%	73.96%
2018	0.57644%	\$ 3,315,739	\$ 1,428,739	232.07%	74.76%
2017	0.58083%	\$ 3,329,241	\$ 1,309,980	254.14%	73.55%
2016	0.68091%	\$ 4,453,793	\$ 1,471,020	302.77%	68.20%
2015	0.75836%	\$ 4,092,960	\$ 1,544,795	264.95%	72.45%

This schedule is intended to show information for 10 years.

CITY OF ABBEVILLE, LOUISIANA
EMPLOYEE RETIREMENT

Schedule of Pension Contributions
Year Ended December 31, 2024

Fiscal Year	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
Municipal Employees' Retirement System					
2024	\$ 366,032	\$ 366,032	\$ -	\$ 2,483,842	14.7%
2023	\$ 377,670	\$ 377,670	\$ -	\$ 2,436,583	15.5%
2022	\$ 392,068	\$ 392,068	\$ -	\$ 2,529,471	15.5%
2021	\$ 388,504	\$ 388,504	\$ -	\$ 2,506,477	15.5%
2020	\$ 363,111	\$ 363,111	\$ -	\$ 2,461,504	14.8%
2019	\$ 311,044	\$ 311,044	\$ -	\$ 2,205,125	14.1%
2018	\$ 303,643	\$ 303,643	\$ -	\$ 2,212,271	13.7%
2017	\$ 256,915	\$ 256,915	\$ -	\$ 2,097,862	12.2%
2016	\$ 222,341	\$ 222,341	\$ -	\$ 1,962,066	11.3%
2015	\$ 190,136	\$ 190,136	\$ -	\$ 2,001,427	9.5%
Municipal Police Employees' Retirement System					
2024	\$ 518,405	\$ 518,405	\$ -	\$ 1,490,694	34.8%
2023	\$ 464,384	\$ 464,384	\$ -	\$ 1,420,544	32.7%
2022	\$ 359,796	\$ 359,796	\$ -	\$ 1,179,574	30.5%
2021	\$ 407,052	\$ 407,052	\$ -	\$ 1,285,277	31.7%
2020	\$ 459,854	\$ 459,854	\$ -	\$ 1,386,597	33.2%
2019	\$ 345,395	\$ 345,395	\$ -	\$ 1,066,921	32.4%
2018	\$ 350,087	\$ 350,087	\$ -	\$ 926,323	37.8%
2017	\$ 334,457	\$ 334,457	\$ -	\$ 997,410	33.5%
2016	\$ 352,248	\$ 352,248	\$ -	\$ 969,480	36.3%
2015	\$ 324,732	\$ 324,732	\$ -	\$ 1,063,951	30.5%
Firefighters' Retirement System					
2024	\$ 642,431	\$ 642,431	\$ -	\$ 1,932,124	33.3%
2023	\$ 666,899	\$ 666,899	\$ -	\$ 2,005,711	33.3%
2022	\$ 669,752	\$ 669,752	\$ -	\$ 2,000,338	33.5%
2021	\$ 668,387	\$ 668,387	\$ -	\$ 2,022,671	33.0%
2020	\$ 644,597	\$ 644,597	\$ -	\$ 2,144,535	30.1%
2019	\$ 433,329	\$ 433,329	\$ -	\$ 1,596,195	27.1%
2018	\$ 378,616	\$ 378,616	\$ -	\$ 1,428,739	26.5%
2017	\$ 338,955	\$ 338,955	\$ -	\$ 1,309,980	25.9%
2016	\$ 386,775	\$ 386,775	\$ -	\$ 1,471,020	26.3%
2015	\$ 451,853	\$ 451,853	\$ -	\$ 1,544,795	29.3%

This schedule is intended to show information for 10 years.

CITY OF ABBEVILLE, LOUISIANA
General Fund

Schedule Justice System Funding – Receiving Entity
Year Ended December 31, 2024

	First Six Month Period Ended <u>6/30/2024</u>	Second Six Month Period Ended <u>12/31/2024</u>
Receipts From:		
City Court of Abbeville, Criminal Fines - Other/Non-Contempt	\$ 22,060	\$ 24,368
City Court of Abbeville, Criminal Court Costs/Fees	1,139	1,409
City Court of Abbeville, Other	-	76
District Attorney for 15th Judicial Court, Other	<u>625</u>	<u>250</u>
Total Receipts	<u>\$ 23,824</u>	<u>\$ 26,103</u>

CITY OF ABBEVILLE, LOUISIANA
General Fund

Schedule Justice System Funding – Collecting/Disbursing Entity
Year Ended December 31, 2024

	First Six Month Period Ended <u>6/30/2024</u>	Second Six Month Period Ended <u>12/31/2024</u>
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 1,440	\$ 2,314
Add: Collections		
Bond Fees	<u>1,170</u>	<u>1,205</u>
Subtotal Collections	<u>1,170</u>	<u>1,205</u>
Less: Disbursements To Individuals and Entities		
Louisiana Chiefs of Police	<u>148</u>	<u>154</u>
Less: Disbursements To Government & Nonprofits:	<u>148</u>	<u>154</u>
Subtotal Disbursements	<u>296</u>	<u>308</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u><u>\$ 2,314</u></u>	<u><u>\$ 3,211</u></u>
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Revenues
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Taxes:					
Ad valorem	\$ 340,000	\$ 352,000	\$ 356,630	\$ 4,630	\$ 352,133
Housing authority payment in lieu of taxes	21,000	21,000	24,266	3,266	22,822
Chain store	13,000	13,000	10,705	(2,295)	16,585
Total taxes	<u>374,000</u>	<u>386,000</u>	<u>391,601</u>	<u>5,601</u>	<u>391,540</u>
Licenses and permits:					
Occupational licenses	550,000	535,000	535,411	411	605,023
Beer and liquor licenses	20,000	18,000	19,025	1,025	17,025
Building and other permits	51,000	51,000	62,346	11,346	77,584
Total licenses and permits	<u>621,000</u>	<u>604,000</u>	<u>616,782</u>	<u>12,782</u>	<u>699,632</u>
Intergovernmental:					
Vermilion Parish Police Jury/School Board -					
Fire insurance tax	118,000	114,000	113,453	(547)	118,083
Resource officer	30,000	35,000	41,330	6,330	18,143
State of Louisiana -					
Beer taxes	22,000	20,000	18,786	(1,214)	20,308
State grants	34,000	55,000	34,049	(20,951)	33,387
Federal -					
Police department grants	10,000	10,000	22,545	12,545	63,063
Total intergovernmental	<u>214,000</u>	<u>234,000</u>	<u>230,163</u>	<u>(3,837)</u>	<u>252,984</u>
Fines and forfeitures	<u>35,000</u>	<u>46,000</u>	<u>46,747</u>	<u>747</u>	<u>41,238</u>
Miscellaneous:					
Rental income	157,000	137,000	106,764	(30,236)	136,667
Franchise fees - Reliant	70,000	70,000	88,545	18,545	84,082
Franchise fees - Cable TV	70,000	80,000	71,007	(8,993)	81,672
Franchise fees - Bell South	10,000	9,000	8,833	(167)	8,076
Franchise fees - La Competitive	6,000	6,000	8,145	2,145	7,912
Franchise fees - Entergy	45,000	44,000	45,752	1,752	44,756
Interest income	35,000	160,000	152,009	(7,991)	145,895
Witness fees	3,000	2,000	2,745	745	3,010
Oil and mineral leases	65,000	65,000	53,748	(11,252)	107,948
Other sources	45,000	102,000	134,184	32,184	125,757
Total miscellaneous	<u>506,000</u>	<u>675,000</u>	<u>671,732</u>	<u>(3,268)</u>	<u>745,775</u>
Total revenues	<u>\$1,750,000</u>	<u>\$1,945,000</u>	<u>\$1,957,025</u>	<u>\$ 12,025</u>	<u>\$2,131,169</u>

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Expenditures
Year Ended December 31, 2024

With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Favorable (Unfavorable)	Actual
General government:					
Administrative -					
Salaries	\$ 448,000	\$ 449,000	\$ 448,788	\$ 212	\$ 426,540
Employees' insurance	240,000	243,000	264,230	(21,230)	252,835
Payroll taxes	34,500	34,500	33,186	1,314	31,746
Retirement	52,500	52,500	51,783	717	51,676
General insurance	45,000	55,000	54,751	249	50,075
Equipment operating	54,000	75,000	74,761	239	17,631
Dues and subscriptions	3,000	3,000	4,376	(1,376)	1,275
Janitorial	12,000	12,000	10,691	1,309	10,650
Legal and accounting	160,000	175,000	195,025	(20,025)	166,950
Maintenance and repairs	19,000	19,000	17,206	1,794	18,983
Other professional fees	320,000	295,000	152,072	142,928	137,100
Travel and convention	8,000	10,000	10,426	(426)	9,009
Office supplies	39,500	29,500	20,241	9,259	34,435
Postage	11,000	11,000	10,500	500	10,500
Publications	25,000	20,000	16,469	3,531	14,481
Telephone	30,000	30,000	27,154	2,846	29,598
Rents	7,500	7,500	7,200	300	7,200
Utilities	12,000	12,000	12,098	(98)	12,852
Employee drug testing	3,000	3,000	3,473	(473)	3,784
Security guard	24,000	24,000	23,650	350	21,600
Main Street/related projects	92,000	87,000	63,280	23,720	81,694
Tourist welcome center	10,000	10,000	10,000	-	10,000
Drug task force	35,000	35,000	35,000	-	35,000
Miscellaneous	56,000	85,000	89,452	(4,452)	93,542
Total administrative	1,741,000	1,777,000	1,635,812	141,188	1,529,156
Airport expenses -					
Salaries	20,000	20,000	20,000	-	20,000
Payroll taxes	1,500	1,500	1,530	(30)	1,530
Utilities and telephone	15,000	15,000	15,289	(289)	16,312
Equipment operating	5,000	5,000	3,655	1,345	4,012
Repairs and maintenance	22,000	15,000	13,270	1,730	21,326
Professional services	50,000	50,000	25,144	24,856	44,697
Supplies	15,000	15,000	5,246	9,754	4,005
Miscellaneous	1,500	8,500	9,675	(1,175)	2,225
Total airport	130,000	130,000	93,809	36,191	114,107

(continued)

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Expenditures (Continued)
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024			Variance -	
	Budget			Favorable	2023
	Original	Final	Actual	(Unfavorable)	Actual
City Court -					
Salaries	\$ 124,000	\$ 137,000	\$ 135,741	\$ 1,259	\$ 105,112
Employees' insurance	105,000	105,000	109,257	(4,257)	104,600
Payroll taxes	10,000	11,000	9,547	1,453	7,464
Retirement	30,000	32,000	32,804	(804)	27,854
General insurance	28,000	28,000	28,955	(955)	28,130
Equipment operating	6,000	6,000	5,478	522	6,349
Repair and maintenance	2,000	1,000	1,395	(395)	165
Utilities	4,000	4,000	3,485	515	3,078
Witness fees	4,000	4,000	2,150	1,850	2,350
Legal	36,000	36,000	36,000	-	36,000
Miscellaneous	1,000	1,000	1,022	(22)	1,065
Total city court	<u>350,000</u>	<u>365,000</u>	<u>365,834</u>	<u>(834)</u>	<u>322,167</u>
Tax & Licenses -					
Salaries	117,000	116,000	114,593	1,407	95,790
Employees' insurance	34,000	37,000	39,346	(2,346)	36,900
Payroll taxes	8,000	8,000	8,524	(524)	7,040
Retirement	11,000	17,000	16,532	468	12,961
Supplies	30,000	30,000	36,477	(6,477)	38,889
Miscellaneous	14,000	20,500	21,919	(1,419)	15,500
Total motor pool	<u>214,000</u>	<u>228,500</u>	<u>237,391</u>	<u>(8,891)</u>	<u>207,080</u>
Civil Service -					
Salaries	18,000	26,000	27,148	(1,148)	15,734
Payroll taxes	1,500	2,000	1,866	134	1,211
Retirement	-	2,000	2,229	(229)	-
Supplies	500	1,000	492	508	212
Medical services	10,000	12,000	13,247	(1,247)	12,176
Legal fees	5,000	5,000	4,800	200	4,800
Miscellaneous	-	-	100	(100)	-
Total civil service	<u>35,000</u>	<u>48,000</u>	<u>49,882</u>	<u>(1,882)</u>	<u>34,133</u>
Total general government	<u>2,470,000</u>	<u>2,548,500</u>	<u>2,382,728</u>	<u>165,772</u>	<u>2,206,643</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Expenditures (Continued)
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024			Variance -	
	Budget			Favorable	2023
	Original	Final	Actual	(Unfavorable)	Actual
Public Safety:					
Police -					
Salaries	\$ 1,835,000	\$ 1,835,000	\$ 1,825,913	\$ 9,087	\$ 1,731,694
Employees' insurance	554,000	554,000	597,954	(43,954)	582,584
Payroll taxes	36,000	36,000	34,334	1,666	33,252
Retirement	530,000	530,000	532,221	(2,221)	478,716
General insurance	320,000	320,000	343,739	(23,739)	324,301
Equipment operating	138,000	138,000	151,583	(13,583)	165,722
Uniforms	13,000	13,000	13,323	(323)	14,904
Supplies	33,000	33,000	36,051	(3,051)	26,242
Membership dues	8,000	8,000	8,298	(298)	8,360
Prisoner housing	64,000	64,000	65,321	(1,321)	56,250
Utilities	12,000	12,000	11,385	615	11,179
Telephone	40,000	40,000	38,936	1,064	38,832
DARE program	-	-	-	-	130
Schools and convention	10,000	10,000	3,431	6,569	6,281
Professional fees	36,000	36,000	34,232	1,768	22,380
Surveillance contract	-	-	-	-	30,000
Miscellaneous	<u>26,000</u>	<u>26,000</u>	<u>25,622</u>	<u>378</u>	<u>23,294</u>
Total police	<u>3,655,000</u>	<u>3,655,000</u>	<u>3,722,343</u>	<u>(67,343)</u>	<u>3,554,121</u>
Fire -					
Salaries	2,015,000	2,015,000	1,973,128	41,872	1,936,582
Employees' insurance	800,000	800,000	862,915	(62,915)	842,760
Payroll taxes	170,000	170,000	164,501	5,499	160,956
Retirement	685,000	685,000	642,431	42,569	660,715
General insurance	242,000	242,000	229,627	12,373	237,925
Equipment operating	75,000	75,000	101,331	(26,331)	83,131
Uniforms	15,000	15,000	15,817	(817)	14,872
Supplies	34,000	34,000	43,014	(9,014)	52,105
Utilities	20,000	20,000	20,467	(467)	21,989
Telephone	11,000	11,000	12,533	(1,533)	12,778
Maintenance and repairs	6,000	6,000	19,191	(13,191)	5,961
Professional services	7,000	7,000	13,075	(6,075)	8,217
Schools and conventions	15,000	15,000	20,517	(5,517)	10,872
Miscellaneous	<u>14,000</u>	<u>14,000</u>	<u>14,809</u>	<u>(809)</u>	<u>15,622</u>
Total fire	<u>4,109,000</u>	<u>4,109,000</u>	<u>4,133,356</u>	<u>(24,356)</u>	<u>4,064,485</u>
Total public safety	<u>7,764,000</u>	<u>7,764,000</u>	<u>7,855,699</u>	<u>(91,699)</u>	<u>7,618,606</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Expenditures (Continued)
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Highways and Streets:					
Salaries	\$ 390,000	\$ 330,000	\$ 318,941	\$ 11,059	\$ 338,450
Employees' insurance	140,000	140,000	154,794	(14,794)	159,613
Payroll taxes	30,000	25,000	23,909	1,091	25,206
Retirement	55,000	40,000	29,037	10,963	42,116
General insurance	235,000	235,000	238,738	(3,738)	232,958
Equipment operating	95,000	90,000	79,828	10,172	108,225
Utilities and telephone	29,000	29,000	26,273	2,727	30,478
Professional services	10,000	20,000	19,643	357	20,402
Maintenance of grass	155,000	177,000	155,680	21,320	142,778
Small tools and supplies	32,000	37,000	32,608	4,392	44,552
Maintenance materials	9,000	9,000	4,790	4,210	1,990
Electricity for street lights	80,000	80,000	76,141	3,859	75,825
Uniforms	15,000	15,000	17,194	(2,194)	14,899
Miscellaneous	<u>10,000</u>	<u>10,000</u>	<u>7,628</u>	<u>2,372</u>	<u>6,114</u>
Total highways and streets	<u>1,285,000</u>	<u>1,237,000</u>	<u>1,185,204</u>	<u>51,796</u>	<u>1,243,606</u>
Culture and Recreation:					
Parks -					
Salaries	125,000	145,000	142,583	2,417	121,000
Employees' insurance	23,000	20,000	20,520	(520)	22,293
Payroll taxes	7,000	10,000	9,690	310	7,191
Retirement	11,000	12,000	14,751	(2,751)	12,285
General insurance	14,000	16,000	18,106	(2,106)	18,651
Equipment operating	13,000	27,000	19,833	7,167	15,404
Supplies	13,000	12,000	9,491	2,509	11,986
Repairs and maintenance	104,000	28,000	18,214	9,786	76,231
Utilities and telephone	65,000	74,000	65,699	8,301	70,058
Security and janitorial	-	-	-	-	100
Youth recreation	90,000	90,000	90,000	-	75,043
Miscellaneous	<u>89,000</u>	<u>89,000</u>	<u>73,600</u>	<u>15,400</u>	<u>90,059</u>
Total parks	<u>554,000</u>	<u>523,000</u>	<u>482,487</u>	<u>40,513</u>	<u>520,301</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Expenditures (Continued)
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Debt service:					
Lease - principle	\$ 115,600	\$ 100,725	\$ 101,251	\$ (526)	\$ 56,784
Interest	20,400	17,775	14,823	2,952	8,084
Total capital outlay	<u>136,000</u>	<u>118,500</u>	<u>116,074</u>	<u>2,426</u>	<u>64,868</u>
Capital outlay:					
General government -					
Administrative	\$ -	\$ -	\$ -	\$ -	\$ -
Airport	-	-	13,082	(13,082)	44,398
Parks -	-	-	-	-	-
Public safety -					
Police	-	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>13,082</u>	<u>(13,082)</u>	<u>44,398</u>
Total expenditures	<u>\$ 12,209,000</u>	<u>\$ 12,191,000</u>	<u>\$ 12,035,274</u>	<u>\$ 155,726</u>	<u>\$ 11,698,422</u>

CITY OF ABBEVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule – Other Financing Sources (Uses)
Year Ended December 31, 2024
With Comparative Actual Amounts for the Year Ended December 31, 2023

	2024				
	Budget			Variance -	
	Original	Final	Actual	Favorable	2023
				(Unfavorable)	Actual
Other financing sources:					
Transfers from other funds -					
Utility fund	\$ 6,000,000	\$ 5,986,568	\$ 6,608,427	\$ 621,859	\$ 6,187,690
Sales tax fund	<u>3,451,000</u>	<u>3,705,000</u>	<u>3,890,950</u>	<u>185,950</u>	<u>3,531,069</u>
	<u>9,451,000</u>	<u>9,691,568</u>	<u>10,499,377</u>	<u>807,809</u>	<u>9,718,759</u>
Transfers to other funds -					
Sales tax fund	(670,000)	-	-	-	-
Airport improvement fund	-	-	(6,267)	(6,267)	(1,685)
Road maintenance fund	-	(500,000)	(371,746)	128,254	(207,852)
LCDBG	<u>(516,000)</u>	<u>(516,000)</u>	<u>-</u>	<u>516,000</u>	<u>-</u>
	<u>(1,186,000)</u>	<u>(1,016,000)</u>	<u>(378,013)</u>	<u>637,987</u>	<u>(209,537)</u>
Total other financing sources	<u>\$ 8,265,000</u>	<u>\$ 8,675,568</u>	<u>\$ 10,121,364</u>	<u>\$ 1,445,796</u>	<u>\$ 9,509,222</u>

NONMAJOR GOVERNMENTAL FUNDS

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and interest-bearing deposits	\$ 234,106	\$ 485,213	\$ -	\$ 719,319
Receivables -				
Ad valorem taxes	37,810	-	-	37,810
Due from other funds	106,842	-	-	106,842
Due from other governments	<u>-</u>	<u>-</u>	<u>57,652</u>	<u>57,652</u>
Total assets	<u>\$ 378,758</u>	<u>\$ 485,213</u>	<u>\$ 57,652</u>	<u>\$ 921,623</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 106,842	\$ -	\$ 56,065	\$ 162,907
Due to other fund	<u>106,842</u>	<u>-</u>	<u>1,587</u>	<u>108,429</u>
Total liabilities	<u>213,684</u>	<u>-</u>	<u>57,652</u>	<u>271,336</u>
Fund balances:				
Restricted for economic development	24,078	-	-	24,078
Restricted for fire protection	49,368	-	-	49,368
Restricted for road maintenance	-	-	-	-
Restricted for sewer improvement	91,628	-	-	91,628
Assigned for debt service	<u>-</u>	<u>485,213</u>	<u>-</u>	<u>485,213</u>
Total fund balances	<u>165,074</u>	<u>485,213</u>	<u>-</u>	<u>650,287</u>
Total liabilities and fund balances	<u>\$ 378,758</u>	<u>\$ 485,213</u>	<u>\$ 57,652</u>	<u>\$ 921,623</u>

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues:				
Taxes	\$ 89,159	\$ -	\$ -	\$ 89,159
Intergovernmental	1,452,407	-	259,533	1,711,940
Miscellaneous	<u>586</u>	<u>739</u>	<u>-</u>	<u>1,325</u>
Total revenues	<u>1,542,152</u>	<u>739</u>	<u>259,533</u>	<u>1,802,424</u>
Expenditures:				
Current -				
General government	29,425	-	-	29,425
Fire protection	842,200	-	-	842,200
Capital outlay	25,207	-	265,799	291,006
Debt service -				
Principal retirement	-	586,000	-	586,000
Interest and fiscal charges	<u>-</u>	<u>60,419</u>	<u>-</u>	<u>60,419</u>
Total expenditures	<u>896,832</u>	<u>646,419</u>	<u>265,799</u>	<u>1,809,050</u>
Deficiency of revenues over expenditures	<u>645,320</u>	<u>(645,680)</u>	<u>(6,266)</u>	<u>(6,626)</u>
Other financing sources (uses):				
Transfers in	102,493	651,694	6,266	760,453
Transfers out	<u>(798,071)</u>	<u>-</u>	<u>-</u>	<u>(798,071)</u>
Total financing sources (uses)	<u>(695,578)</u>	<u>651,694</u>	<u>6,266</u>	<u>(37,618)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(50,258)	6,014	-	(44,244)
Fund balance, beginning	<u>215,332</u>	<u>479,199</u>	<u>-</u>	<u>694,531</u>
Fund balance, ending	<u>\$ 165,074</u>	<u>\$ 485,213</u>	<u>\$ -</u>	<u>\$ 650,287</u>

NONMAJOR SPECIAL REVENUE FUNDS

Public Improvement (Sewer) Fund

This fund accounts for the receipt and disbursement of ad valorem taxes dedicated to public improvement of the City's sewer facilities.

Maintenance and Operation – Fire Department Fund

This fund accounts for the receipt and disbursement of proceeds from the Vermilion Parish Police Jury to be used for the purpose of construction, acquiring, improving, and maintaining fire department facilities and equipment.

Economic Development District No. 1

This fund accounts for the receipt and disbursement of proceeds from the half cent sales and use tax within the boundaries of Economic District No. 1.

LCDBG Improvement Fund

This fund accounts for improvement projects for the LCDBG. Program expenditures are generally funded by federal and state grants.

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Special Revenue Funds

Combining Balance Sheet
December 31, 2024

	Public Improvement Sewer Fund	Maint. and Operation - Fire Dept. Fund	Economic Development District No. 1 Fund	LCDBG Improvement Fund	Totals
ASSETS					
Interest-bearing deposits	\$ 160,660	\$ 49,368	\$ 24,078	\$ -	\$ 234,106
Receivables:					
Ad valorem taxes	37,810	-	-	-	37,810
Due from other fund	-	-	-	106,842	106,842
Due from other government	-	-	-	-	-
Total assets	<u>\$ 198,470</u>	<u>\$ 49,368</u>	<u>\$ 24,078</u>	<u>\$ 106,842</u>	<u>\$ 378,758</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 106,842	\$ 106,842
Due to other fund	<u>106,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,842</u>
Total liabilities	<u>106,842</u>	<u>-</u>	<u>-</u>	<u>106,842</u>	<u>213,684</u>
Fund balances:					
Restricted for economic development	-	-	24,078	-	24,078
Restricted for fire protection	-	49,368	-	-	49,368
Restricted for road maintenance	-	-	-	-	-
Restricted for sewer improvements	<u>91,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,628</u>
Total fund balances	<u>91,628</u>	<u>49,368</u>	<u>24,078</u>	<u>-</u>	<u>165,074</u>
Total liabilities and fund balances	<u>\$ 198,470</u>	<u>\$ 49,368</u>	<u>\$ 24,078</u>	<u>\$ 106,842</u>	<u>\$ 378,758</u>

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

	Public Improvement Sewer Fund	Maint. and Operation - Fire Dept. Fund	Economic Development District No. 1 Fund	LCDBG Improvement Fund	Totals
Revenues:					
Taxes	\$ 89,159	\$ -	\$ -	\$ -	\$ 89,159
Intergovernmental	-	917,697	-	534,710	1,452,407
Other revenues	<u>237</u>	<u>349</u>	<u>-</u>	<u>-</u>	<u>586</u>
Total revenues	<u>89,396</u>	<u>918,046</u>	<u>-</u>	<u>534,710</u>	<u>1,542,152</u>
Expenditures:					
Current -					
General government -					
Improvements	-	-	-	29,425	29,425
Public safety -					
Fire protection	-	842,200	-	-	842,200
Capital outlay	<u>-</u>	<u>25,207</u>	<u>-</u>	<u>-</u>	<u>25,207</u>
Total expenditures	<u>-</u>	<u>867,407</u>	<u>-</u>	<u>29,425</u>	<u>896,832</u>
Excess (deficiency) of revenues over expenditures	<u>89,396</u>	<u>50,639</u>	<u>-</u>	<u>505,285</u>	<u>645,320</u>
Other financing sources (uses):					
Transfers in	-	-	-	102,493	102,493
Transfers out	<u>(102,493)</u>	<u>(87,800)</u>	<u>-</u>	<u>(607,778)</u>	<u>(798,071)</u>
Total financing sources (uses)	<u>(102,493)</u>	<u>(87,800)</u>	<u>-</u>	<u>(505,285)</u>	<u>(695,578)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(13,097)	(37,161)	-	-	(50,258)
Fund balances, beginning	<u>104,725</u>	<u>86,529</u>	<u>24,078</u>	<u>-</u>	<u>215,332</u>
Fund balances, ending	<u>\$ 91,628</u>	<u>\$ 49,368</u>	<u>\$ 24,078</u>	<u>\$ -</u>	<u>\$ 165,074</u>

NONMAJOR DEBT SERVICE FUNDS

2014 Sales Tax Revenue Bond Fund

This fund accumulates monies for payment of the \$2,100,000 Sales Tax Revenue Bonds, Series 2014. Debt service is financed by transfers from the Sales Tax Fund.

2016 Revenue Bond Fund

This fund accumulates monies for payment of the \$600,000 Revenue Bonds, Series 2016. Debt service is financed by transfers from the Maintenance and Operation – Fire Department Fund.

2022 Revenue Bond Fund

This fund accumulates monies for payment of the \$3,000,000 Revenue Bonds, Series 2022. Debt service is financed by transfers from the Sales Tax Fund.

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Debt Service Funds

Combining Balance Sheet
December 31, 2024

	2014 Sales Tax Revenue Bond Fund	2016 Revenue Bond Fund	2021 Revenue Bond Fund	Totals
ASSETS				
Interest - bearing deposits	<u>\$ 132,143</u>	<u>\$ 71,672</u>	<u>\$281,398</u>	<u>\$ 485,213</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Fund balance:				
Assigned for debt service	<u>132,143</u>	<u>71,672</u>	<u>281,398</u>	<u>485,213</u>
Total liabilities and fund balance	<u>\$ 132,143</u>	<u>\$ 71,672</u>	<u>\$281,398</u>	<u>\$ 485,213</u>

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2024

	2014 Sales Tax Revenue Bond Fund	2016 Revenue Bond Fund	2021 Revenue Bond Fund	Totals
Revenues:				
Other revenues -				
Interest income	\$ 234	\$ 102	\$ 403	\$ 739
Expenditures:				
Debt service -				
Principal retirement	189,000	82,000	315,000	586,000
Interest and fiscal charges	<u>11,312</u>	<u>4,768</u>	<u>44,339</u>	<u>60,419</u>
Total expenditures	<u>200,312</u>	<u>86,768</u>	<u>359,339</u>	<u>646,419</u>
Deficiency of revenues over expenditures	<u>(200,078)</u>	<u>(86,666)</u>	<u>(358,936)</u>	<u>(645,680)</u>
Other financing sources:				
Transfers in	<u>202,245</u>	<u>87,801</u>	<u>361,648</u>	<u>651,694</u>
Excess of revenues and other financing sources over expenditures	2,167	1,135	2,712	6,014
Fund balance, beginning	<u>129,976</u>	<u>70,537</u>	<u>278,686</u>	<u>479,199</u>
Fund balance, ending	<u>\$ 132,143</u>	<u>\$ 71,672</u>	<u>\$ 281,398</u>	<u>\$ 485,213</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Airport Improvement Fund

To account for improvement projects at the Abbeville Chris Crusta Memorial Airport. Program expenditures are generally funded by federal and state grants.

Water Treatment Plant Improvement Fund

To account for improvement projects for the Water Treatment Plant. Program expenditures are generally funded by federal and state grants.

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Capital Projects Funds

Combining Balance Sheet
December 31, 2024

	Airport Improvement Fund	Water Treatment Improvement Fund	Totals
ASSETS			
Cash and interest - bearing deposits	\$ -	\$ -	\$ -
Due from other fund	-	-	-
Due from other governments	<u>15,507</u>	<u>42,145</u>	<u>57,652</u>
	<u><u>\$ 15,507</u></u>	<u><u>\$ 42,145</u></u>	<u><u>\$ 57,652</u></u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 13,920	\$ 42,145	\$ 56,065
Due to other fund	<u>1,587</u>	<u>-</u>	<u>1,587</u>
Total liabilities	<u>15,507</u>	<u>42,145</u>	<u>57,652</u>
Fund balance:			
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 15,507</u></u>	<u><u>\$ 42,145</u></u>	<u><u>\$ 57,652</u></u>

CITY OF ABBEVILLE, LOUISIANA
Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2024

	Airport Improvement Fund	Water Treatment Improvement Fund	Totals
Revenues:			
Federal grants	\$ 146,271	\$ 84,159	\$ 230,430
State grants	<u>29,103</u>	<u>-</u>	<u>29,103</u>
Total revenues	<u>175,374</u>	<u>84,159</u>	<u>259,533</u>
Expenditures:			
Current -			
Professional services	-	-	-
Capital outlay -			
Airport improvements	181,640	-	181,640
Water treatment plan improvements	<u>-</u>	<u>84,159</u>	<u>84,159</u>
Total expenditures	<u>181,640</u>	<u>84,159</u>	<u>265,799</u>
Excess (deficiency) of revenues over expenditures	(6,266)	-	(6,266)
Other financing sources:			
Bonds proceeds	-	-	-
Transfers in	6,266	-	6,266
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total financing sources (uses)	<u>6,266</u>	<u>-</u>	<u>6,266</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF ABBEVILLE, LOUISIANA
Enterprise Fund
Utility System Fund

Comparative Departmental Analysis of Revenues and Expenses
Years Ended December 31, 2024 and 2023

	Electric		Water	
	2024	2023	2024	2023
Operating revenues:				
Charges for services	\$ 12,329,358	\$ 12,597,314	\$ 2,111,580	\$ 2,129,517
Other revenues	<u>289,303</u>	<u>299,802</u>	<u>24,029</u>	<u>14,427</u>
Total operating revenues	<u>12,618,661</u>	<u>12,897,116</u>	<u>2,135,609</u>	<u>2,143,944</u>
Operating expenses:				
Salaries	611,030	562,015	416,882	483,588
Employees' insurance	129,679	134,168	189,464	188,418
OPEB (benefit) expense	8,284	116,332	5,670	82,838
Payroll taxes	51,948	40,399	31,930	36,889
Retirement	60,799	65,349	52,024	58,131
Pension (benefit) obligation expense	(59,469)	(5,427)	(127,686)	(18,980)
General insurance	128,843	124,295	97,358	94,974
Equipment operating expense	5,564	10,573	54,766	33,139
Maintenance and repairs - systems	692,226	550,260	631,016	336,327
Electricity for pumps	-	-	42	42
Utilities	-	-	142,722	152,699
Materials, tools and supplies	23,152	85,542	263,341	250,513
Electric power purchased	6,343,072	6,270,391	-	-
Office expense, postage and computer processing	-	-	-	-
Bad debts and collection fees	-	-	-	-
Miscellaneous	790,465	28,184	20,490	43,014
Interest	-	-	-	-
Depreciation and amortization	289,225	314,892	259,589	259,192
Allocation of general and administrative expenses	<u>406,296</u>	<u>446,208</u>	<u>304,722</u>	<u>334,656</u>
Total operating expenses	<u>9,481,114</u>	<u>8,743,181</u>	<u>2,342,330</u>	<u>2,335,440</u>
Operating income (loss)	<u>\$ 3,137,547</u>	<u>\$ 4,153,935</u>	<u>\$ (206,721)</u>	<u>\$ (191,496)</u>

Sewerage		General and Administrative		Totals	
2024	2023	2024	2023	2024	2023
\$ 2,037,015	\$ 2,043,287	\$ -	\$ -	\$ 16,477,953	\$ 16,770,118
551,434	310,326	-	-	864,766	624,555
<u>2,588,449</u>	<u>2,353,613</u>	<u>-</u>	<u>-</u>	<u>17,342,719</u>	<u>17,394,673</u>
347,266	328,642	435,048	442,225	1,810,226	1,816,470
114,362	116,882	199,986	195,546	633,491	635,014
5,001	72,164	8,745	120,734	27,700	392,068
25,475	24,198	33,154	34,954	142,507	136,440
36,868	38,296	59,107	61,907	208,798	223,683
(41,829)	(47,288)	-	-	(228,984)	(71,695)
84,029	81,556	19,731	16,767	329,961	317,592
32,858	35,773	27,495	30,148	120,683	109,633
294,480	193,554	-	-	1,617,722	1,080,141
61,262	51,240	-	-	61,304	51,282
124,626	120,847	7,033	7,203	274,381	280,749
77,512	94,989	-	-	364,005	431,044
-	-	-	-	6,343,072	6,270,391
-	-	119,273	100,592	119,273	100,592
-	-	62,311	75,260	62,311	75,260
41,119	22,940	17,073	15,998	869,147	110,136
-	-	6,790	6,888	555,604	580,972
436,475	454,587	19,993	7,297	1,005,282	1,035,968
<u>304,722</u>	<u>334,656</u>	<u>(1,015,739)</u>	<u>(1,115,519)</u>	<u>-</u>	<u>-</u>
<u>1,944,226</u>	<u>1,923,036</u>	<u>-</u>	<u>-</u>	<u>14,316,483</u>	<u>13,575,740</u>
<u>\$ 644,223</u>	<u>\$ 430,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,026,236</u>	<u>\$ 3,818,933</u>

**COMPLIANCE, INTERNAL CONTROL
AND
OTHER MATTERS**

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 Roslyn R. White, Mayor
And Members of the City Council
City of Abbeville, 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 Abbeville, Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Abbeville, Louisiana's basic financial statements and have issued our report thereon dated May 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Abbeville, Louisiana'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 City of Abbeville, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Abbeville, Louisiana'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 of Abbeville, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes, & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana
May 28, 2025

Independent Auditor's Report on Compliance for
Each Major Program and on Internal Control
Over Compliance Required by the Uniform Guidance

The Honorable Roslyn R. White, Mayor
And Members of the City Council
City of Abbeville, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Abbeville, Louisiana's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of City of Abbeville, Louisiana's major federal programs for the year ended December 31, 2024. City of Abbeville, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Abbeville, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Abbeville, Louisiana and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Abbeville, Louisiana's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Abbeville, Louisiana's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Abbeville, Louisiana's compliance based on our audit. 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, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Abbeville, Louisiana's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Abbeville, Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Abbeville, Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Abbeville, Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes, & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana
May 28, 2025

CITY OF ABBEVILLE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

PART I SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been expressed on the primary government's governmental activities, business type activities, and each major fund financial statements as of and for the year ended December 31, 2024.

Due to the omission of the financial data of the legally separate component units of the City of Abbeville, Louisiana, we have expressed an adverse opinion on the aggregate discretely presented component units' opinion unit.

Internal Control Deficiencies - Financial Reporting

No significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance – Financial Reporting

No instances of noncompliance material to the financial statements were disclosed during the audit of the financial statements.

FEDERAL AWARDS

Major Program – Identification

The City of Abbeville, Louisiana for the year ended December 31, 2024, had one major program Community Development Block Grant, which received funds from the Department of Housing and Urban Development.

Low-Risk Auditee

The City of Abbeville, Louisiana, is considered a low-risk auditee for the year ended December 31, 2024.

Major Program – Threshold

The dollar threshold to distinguish Type A and Type B programs is \$750,000 for the year ended December 31, 2024.

Auditor's Report – Major Program

An unmodified opinion has been issued on the City of Abbeville, Louisiana's compliance for its major programs as of and for the year ended December 31, 2024.

CITY OF ABBEVILLE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

PART I SUMMARY OF AUDITOR'S RESULTS (continued)

Control and Significant Deficiencies and Material Weaknesses – Major Program

There were no significant deficiencies noted during the audit of the major federal program.

Compliance Finding Related to Major Program

The audit did not disclose any material noncompliance or questioned costs relative to its major federal programs.

PART II FINDINGS RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The audit did not disclose any findings that would require disclosure.

PART III FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL PROGRAMS

This section is not applicable for the year ended December 31, 2024.

PART IV MANAGEMENT LETTER

A management letter was not issued for the year ended December 31, 2024.

CITY OF ABBEVILLE, LOUISIANA

Summary Schedule of Prior Year Audit Findings
Year Ended December 31, 2024

Prior year audit findings:

There were no prior year audit findings.

CITY OF ABBEVILLE, LOUISIANA

Summary Schedule of Management's Corrective Action Plan
Year Ended December 31, 2024

There are no current audit findings.

CITY OF ABBEVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

<u>FEDERAL GRANTOR/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>FEDERAL REVENUE RECOGNIZED</u>	<u>FEDERAL EXPENDITURES</u>
Assistance to Firefighters Grant	97.044	\$ 695,455	\$ 695,455	\$ 695,455
U.S. Department of Transportation				
Airport Improvement Program and COVID-19 Airports Programs	20.106	176,533	146,270	146,270
State and Community Highway Safety	20.600	14,600	3,758	3,758
U.S. Department of Housing and Urban Development				
Passed through Office of Community Development Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawii	14.228	1,400,000	534,710	534,710
U.S. Department of Justice				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18,787	18,787	18,787
U.S. Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	4,452,283	-	175,014
Passed through Delta Regional Authority				
Strategic Planning Grant	90.200	<u>150,000</u>	<u>84,159</u>	<u>84,159</u>
Total federal grants		<u>\$ 6,907,658</u>	<u>\$ 1,483,139</u>	<u>\$ 1,658,153</u>

Note A - Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards include the federal grant activity of the the City of Abbeville, Louisiana and has been prepared using the modified accrual basis of accounting as contemplated under generally accepted accounting principles and which is the same basis of accounting used for presenting the fund financial statements. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administration Requirements*, Cost Principles, and Audit Requirements for Federal Grants. Therefore, some amounts presented in this table may differ from amounts presented in, or used in the presentation of, the financial statements.