

CITY OF ST. MARTINVILLE, LOUISIANA

Financial Report

Year Ended June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Jason Willis, Mayor
and Members of the City Council
City of St. Martinville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Martinville, Louisiana (City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 22, the City adopted new accounting guidance, GASB Statement No. 100, Accounting Changes and Error Corrections, and GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test-basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer pension contributions, 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 the management's discussion and analysis that accounting principles generally accepted in the United States of America requires 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's basic financial statements. The accompanying comparative statements, the justice system funding schedule, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 comparative statements, the justice system funding schedule, the LCDBG schedules, 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.

The prior year comparative information on the comparative statements has been derived from the City's 2024 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented, in all material respects, in relation to the basic financial statements as a whole.

Other information

Management is responsible for the other information included in the annual report. The other information comprises the general fund and capital projects fund budgetary schedules with comparative amounts to prior year, non-major governmental funds combining financial statements, and the schedule of number of utility customers but does not include the basic financials and our auditors report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2025, on our consideration of the City of St. Martinville'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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St. Martinville's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 8, 2025

BASIC FINANCIAL STATEMENTS

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

CITY OF ST. MARTINVILLE, LOUISIANA

Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 613,241	\$ 363,473	\$ 976,714
Investments	655,850	303,959	959,809
Receivables, net	366,880	1,239,637	1,606,517
Internal balances	722,746	(722,746)	-
Due from other governmental units	308,151	245,314	553,465
Inventories	-	264,371	264,371
Prepaid items	95,664	17,036	112,700
Deposits	-	12,000	12,000
Total current assets	<u>2,762,532</u>	<u>1,723,044</u>	<u>4,485,576</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	-	62,754	62,754
Investments	-	349,230	349,230
Capital assets -			
Land and construction in progress	1,133,932	1,141,220	2,275,152
Capital assets, net	<u>6,566,455</u>	<u>9,023,512</u>	<u>15,589,967</u>
Total noncurrent assets	<u>7,700,387</u>	<u>10,576,716</u>	<u>18,277,103</u>
Total assets	<u>10,462,919</u>	<u>12,299,760</u>	<u>22,762,679</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	586,296	225,763	812,059
Deferred outflows related to postemployment benefits	-	-	-
Total deferred outflows of resources	<u>586,296</u>	<u>225,763</u>	<u>812,059</u>
LIABILITIES			
Current liabilities:			
Accounts, salaries, and other payables	259,742	900,438	1,160,180
Customer deposits	16,845	380,546	397,391
Leases payable	15,541	71,658	87,199
Notes payable	59,529	2,556	62,085
Bonds payable	172,000	-	172,000
Accrued interest	9,359	-	9,359
Total current liabilities	<u>533,016</u>	<u>1,355,198</u>	<u>1,888,214</u>
Noncurrent liabilities:			
Compensated absences payable	67,362	29,165	96,527
Leases payable	55,076	176,250	231,326
Notes payable	94,822	-	94,822
Bonds payable	1,487,013	-	1,487,013
Net pension liability	1,390,922	577,007	1,967,929
Postemployment benefit obligation payable	<u>243,371</u>	<u>74,883</u>	<u>318,254</u>
Total noncurrent liabilities	<u>3,338,566</u>	<u>857,305</u>	<u>4,195,871</u>
Total liabilities	<u>3,871,582</u>	<u>2,212,503</u>	<u>6,084,085</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	217,842	26,198	244,040
Deferred inflows related to postemployment benefits	<u>70,266</u>	<u>21,620</u>	<u>91,886</u>
	<u>288,108</u>	<u>47,818</u>	<u>335,926</u>
NET POSITION			
Net investment in capital assets	5,934,461	9,914,268	15,848,729
Restricted:			
Purpose of grantor	34,182	-	34,182
Capital projects	251,019	-	251,019
Debt service	74,086	-	74,086
Unrestricted	<u>595,777</u>	<u>350,934</u>	<u>946,711</u>
Total net position	<u>\$ 6,889,525</u>	<u>\$ 10,265,202</u>	<u>\$ 17,154,727</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2025

	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 1,681,663	\$ -	\$ -	\$ (1,681,663)	\$ -	\$ (1,681,663)
Public safety	2,195,301	125,958	-	(1,666,948)	-	(1,666,948)
Public works	1,522,724	11,171	-	(1,511,553)	-	(1,511,553)
Recreation	449,246	41,237	-	(245,095)	-	(245,095)
Tourism	152,413	10,489	-	(141,924)	-	(141,924)
Urban redevelopment housing	479,719	-	-	(18,555)	-	(18,555)
Interest on long-term debt	54,381	-	-	(54,381)	-	(54,381)
Total governmental activities	<u>6,535,447</u>	<u>188,855</u>	<u>1,026,473</u>	<u>(5,320,119)</u>	<u>-</u>	<u>(5,320,119)</u>
Business-type activities:						
Electric	4,496,225	5,705,488	-	-	1,209,263	1,209,263
Water	883,205	848,827	-	-	(34,378)	(34,378)
Wastewater	919,402	757,362	983,072	-	821,032	821,032
Garbage	611,914	659,036	-	-	47,122	47,122
Total business-type activities	<u>6,910,745</u>	<u>7,970,713</u>	<u>983,072</u>	<u>-</u>	<u>2,043,040</u>	<u>2,043,040</u>
Total	<u>\$ 13,446,192</u>	<u>\$ 8,159,568</u>	<u>\$ 1,026,473</u>	<u>(5,320,119)</u>	<u>2,043,040</u>	<u>(3,277,079)</u>
General revenues:						
Taxes -						
Property taxes, levied for general purposes		259,108			-	259,108
Sales and use taxes, levied for general purposes		2,599,116			-	2,599,116
Franchise taxes		120,197			-	120,197
Occupational licenses		239,457			-	239,457
Grants and contributions not restricted to specific programs -						
State sources		377,469			-	377,469
Non-employer pension contribution		59,050			33,598	92,648
Interest and investment earnings		43,585			34,806	78,391
Miscellaneous		174,989			-	174,989
Transfers		1,347,425			(1,347,425)	-
Total general revenues and transfers		<u>5,220,396</u>			<u>(1,279,021)</u>	<u>3,941,375</u>
Change in net position					764,019	664,296
Net position - July 1, 2024					6,989,248	16,490,431
Net position - June 30, 2025					<u>\$ 6,889,525</u>	<u>\$ 17,154,727</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

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.

Capital Projects Fund

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).

Enterprise Fund

Utility Fund -

To account for the provision of electricity, water, and wastewater services to residents of the City and operations of the electrical, water and wastewater plants.

NONMAJOR FUNDS

The Section 8 Fund and Debt Service Fund are presented as nonmajor funds.

CITY OF ST. MARTINVILLE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2025

	General	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and interest-bearing deposits	\$ 359,877	\$ 144,982	\$ 108,382	\$ 613,241
Investments	655,850	-	-	655,850
Receivables:				
Taxes	233,858	-	-	233,858
Due from other governmental units	158,447	149,704	-	308,151
Due from other funds	722,746	-	838	723,584
Other	133,022	-	-	133,022
Prepaid items	95,664	-	-	95,664
Total assets	<u>\$2,359,464</u>	<u>\$ 294,686</u>	<u>\$ 109,220</u>	<u>\$ 2,763,370</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 139,596	\$ 11,118	\$ 952	\$ 151,666
Accrued expenses	64,238	-	-	64,238
Contract payable	-	32,549	-	32,549
Due to other governmental units	11,289	-	-	11,289
Customer rental deposits	16,845	-	-	16,845
Unearned revenue	-	-	-	-
Due to other funds	838	-	-	838
Total liabilities	<u>232,806</u>	<u>43,667</u>	<u>952</u>	<u>277,425</u>
Fund balances -				
Nonspendable - prepaid items and inventory	95,664	-	-	95,664
Restricted for capital projects	-	251,019	-	251,019
Restricted for debt service	-	-	74,086	74,086
Restricted for purpose of grantor	-	-	34,182	34,182
Unassigned	2,030,994	-	-	2,030,994
Total fund balances	<u>2,126,658</u>	<u>251,019</u>	<u>108,268</u>	<u>2,485,945</u>
Total liabilities and fund balances	<u>\$2,359,464</u>	<u>\$ 294,686</u>	<u>\$ 109,220</u>	<u>\$ 2,763,370</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2025

Total fund balances for governmental funds at June 30, 2025 \$2,485,945

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	\$ 745,390	
Construction in progress	388,542	
Right-of-use assets, net of \$5,209 accumulated amortization	68,409	
Buildings and improvements, net of \$4,786,396 accumulated depreciation	1,973,000	
Equipment and vehicles, net of \$1,461,159 accumulated depreciation	1,265,194	
Infrastructure, net of \$1,505,853 accumulated depreciation	<u>3,259,852</u>	7,700,387

The deferred outflows of expenditures for the municipal and police employees retirement systems and postemployment benefits are not a use of current resources, and therefore, are not reported in the funds. 586,296

General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. General long-term debt consist of:

Bonds payable	(1,659,013)	
Accrued interest payable	(9,359)	
Notes payable	(154,351)	
Right-of-use liabilities	(70,617)	
Net postemployment benefit obligation payable	(243,371)	
Compensated absences	(67,362)	
Net pension liability	<u>(1,390,922)</u>	(3,594,995)

The deferred inflows of contributions for the municipal and police employees retirement systems are not available resources, and therefore, are not reported in the funds. (288,108)

Total net position of governmental activities at June 30, 2025 \$6,889,525

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

CITY OF ST. MARTINVILLE, LOUISIANA

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

For the Year Ended June 30, 2025

	General	Capital Projects Fund	Nonmajor Funds	Total
Revenues:				
Taxes	\$ 2,747,279	\$ -	\$ 110,945	\$2,858,224
Licenses and permits	362,062	-	-	362,062
Intergovernmental	779,864	162,914	461,164	1,403,942
Charges for services	62,897	-	-	62,897
Fines and forfeits	125,958	-	-	125,958
Miscellaneous	214,847	177	49	215,073
Total revenues	<u>4,292,907</u>	<u>163,091</u>	<u>572,158</u>	<u>5,028,156</u>
Expenditures:				
Current -				
General government	1,547,441	49,417	2,050	1,598,908
Public safety	2,173,090	-	-	2,173,090
Public works	1,318,723	-	-	1,318,723
Recreation	271,573	-	-	271,573
Tourism	106,910	-	-	106,910
Urban redevelopment and housing	-	-	479,783	479,783
Capital outlay	346,367	286,570	-	632,937
Debt service	119,218	-	156,910	276,128
Total expenditures	<u>5,883,322</u>	<u>335,987</u>	<u>638,743</u>	<u>6,858,052</u>
Deficiency of revenues over expenditures	<u>(1,590,415)</u>	<u>(172,896)</u>	<u>(66,585)</u>	<u>(1,829,896)</u>
Other financing sources (uses):				
Issuance of long-term debt	39,897	-	-	39,897
Transfers in	1,758,523	51,334	106,521	1,916,378
Transfers out	<u>(568,953)</u>	<u>-</u>	<u>-</u>	<u>(568,953)</u>
Total other financing sources (uses)	<u>1,229,467</u>	<u>51,334</u>	<u>106,521</u>	<u>1,387,322</u>
Net changes in fund balances	(360,948)	(121,562)	39,936	(442,574)
Fund balances, beginning	<u>2,487,606</u>	<u>372,581</u>	<u>68,332</u>	<u>2,928,519</u>
Fund balances, ending	<u>\$ 2,126,658</u>	<u>\$ 251,019</u>	<u>\$ 108,268</u>	<u>\$2,485,945</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2025

Total net changes in fund balances at June 30, 2025 per
statement of revenues, expenditures and changes in fund balances \$ (442,574)

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	\$ 632,937	
Depreciation expense for the year ended June 30, 2025	<u>(604,029)</u>	28,908

Bond proceeds are reported as financing sources in governmental funds
and thus contribute to the change in fund balance. In the statement of
net position, however, issuing debt increases long-term liabilities and
does not affect the statement of activities. Similarly, principal
payments are recorded as expenditures in the governmental funds but
reduce the liability in the statement of net position. Also, governmental
funds report the effect of premiums, discounts, and similar items when
debt is first issued, whereas these amounts are deferred and amortized
in the statement of activities:

Principal payments	220,997	
Proceeds from intangible right-of-use assets	<u>(39,897)</u>	181,100

Pension expense not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure		39,851
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Nonemployer contributions to the municipal employees and police employees pension plans		59,050
--	--	--------

Change in net OPEB obligation at June 30, 2025 not requiring the use of current economic resources and, therefore, not recorded as a fund expenditure		9,907
---	--	-------

Some expenses reported in the statement of activities do not require the
use of current financial resources and, therefore, are not reported as
expenditures in governmental funds.

Interest expense	1,844	
Compensated absences	<u>22,191</u>	<u>24,035</u>

Total changes in net position at June 30, 2025 per statement of activities		<u>\$ (99,723)</u>
--	--	--------------------

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

CITY OF ST. MARTINVILLE, LOUISIANA

Statement of Net Position
 Proprietary Fund
 June 30, 2025

ASSETS

Current assets:	
Cash and interest-bearing deposits	\$ 363,473
Investments	303,959
Receivables:	
Accounts, net	1,239,637
Inventory	264,371
Prepaid items	17,036
Deposits	<u>12,000</u>
Total current assets	<u>2,445,790</u>
Noncurrent assets:	
Restricted assets -	
Cash and interest-bearing deposits	62,754
Investments	349,230
Capital assets -	
Land and construction in progress	1,141,220
Other capital assets, net of accumulated depreciation	<u>9,023,512</u>
Total noncurrent assets	<u>10,576,716</u>
Total assets	<u>13,022,506</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	225,763
Deferred outflows related to postemployment benefits	<u>-</u>
Total deferred outflows of resources	<u>225,763</u>

LIABILITIES

Current liabilities:	
Accounts, salaries, and other payables	900,438
Due to other funds	722,746
Leases payable	71,658
Notes payable	2,556
Customer deposits	<u>380,546</u>
Total current liabilities	<u>2,077,944</u>
Noncurrent liabilities:	
Compensated absences	29,165
Leases payable	176,250
Net pension liability	577,007
Postemployment benefit obligation payable	<u>74,883</u>
Total noncurrent liabilities	<u>857,305</u>
Total liabilities	<u>2,935,249</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	26,198
Deferred outflows related to postemployment benefits	<u>21,620</u>
	<u>47,818</u>

NET POSITION

Net investment in capital assets	9,914,268
Unrestricted	<u>350,934</u>
Total net position	<u>\$ 10,265,202</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

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

Operating revenues:	
Charges for services -	
Electric	\$ 5,554,107
Water	848,827
Wastewater	757,362
Garbage	659,036
Permits, reconnections and penalties	151,381
Total operating revenues	<u>7,970,713</u>
Operating expenses:	
Electric	4,496,225
Water	883,205
Wastewater	897,748
Garbage	611,914
Total operating expenses	<u>6,889,091</u>
Operating income	<u>1,081,622</u>
Nonoperating revenues (expenses):	
Investment income	34,806
Interest expense	(21,654)
Nonemployer contribution revenue	33,598
Total nonoperating revenues (expenses)	<u>46,750</u>
Income before capital contributions and transfers	1,128,372
Capital contributions	983,072
Transfers out	<u>(1,347,425)</u>
Change in net position	764,019
Net position, beginning	<u>9,501,183</u>
Net position, ending	<u>\$ 10,265,202</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended June 30, 2025

Cash flows from operating activities:	
Receipts from customers	\$ 8,000,109
Payments to suppliers	(4,916,137)
Payments to employees	<u>(1,428,320)</u>
Net cash provided by operating activities	<u>1,655,652</u>
Cash flows from noncapital financing activities:	
Increase in customer deposits, net of refunds	8,285
Cash received from other funds	130,849
Transfers out	<u>(1,347,425)</u>
Net cash used by noncapital financing activities	<u>(1,208,291)</u>
Cash flows from capital and related financing activities:	
Purchase and construction of capital assets	(1,338,004)
Principal payments on notes payable	(21,774)
Grants received	<u>983,072</u>
Net cash used by capital and related financing activities	<u>(376,706)</u>
Cash flows from investing activities:	
Maturities of investments, net of purchases	(317,650)
Investment income	<u>34,806</u>
Net cash provided (used) by investing activities	<u>(282,844)</u>
Net increase in cash and cash equivalents	(212,189)
Cash and cash equivalents, beginning of period	<u>638,416</u>
Cash and cash equivalents, end of period	<u>\$ 426,227</u>

(continued)

CITY OF ST. MARTINVILLE, LOUISIANA

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

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 1,081,622
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	420,887
Pension/OPEB expense	(9,860)
Changes in current assets and liabilities:	
Receivables	(215,918)
Inventory	17,681
Prepaid items	(240)
Accounts and other payables	332,315
Compensated absences	29,165
Total adjustments	<u>574,030</u>
Net cash provided by operating activities	<u>\$ 1,655,652</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 303,127
Cash - restricted	<u>335,289</u>
Total cash and cash equivalents	<u>638,416</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	363,473
Cash - restricted	<u>62,754</u>
Total cash and cash equivalents	<u>426,227</u>
Net increase (decrease)	<u>\$ (212,189)</u>

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

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of St. Martinville (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.

A. Financial Reporting Entity

The City of St. Martinville was incorporated on January 30, 1817. The City operated under the provisions of a special charter dated April 4, 1898, until May 2025. Effective June 1, 2025, the city voters approved the adoption of the Lawrason Act and began to operate under a Mayor-City Council form of government.

The financial reporting entity should consist 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.

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

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

Based on these criteria, the City did not identify any component units that are required to be reported.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the 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 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.

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.

The various funds of the City are classified into two categories: governmental and proprietary (enterprise). 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 and deferred outflows, liabilities and deferred inflows, 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 and deferred outflows, liabilities and deferred inflows, 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.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The major funds of the City are described below:

Governmental Funds -

General Fund -

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

Capital Projects Fund -

Capital projects fund is 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).

Proprietary Fund -

Enterprise Fund -

The enterprise fund is 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.

The City's nonmajor funds are described below:

Debt Service Fund -

The debt service fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

Section 8 Fund -

This fund is used to account for the receipt and subsequent expenditures of Section 8 housing funds received from the federal government.

C. 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.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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.

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 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 City considers revenues to be available 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 a 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.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

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.

Inventories

Inventories held by both the General and Utility Funds are valued at cost (first-in, first-out).

Prepays

Payments made to vendors for services that will benefit future periods are recorded as prepaid items. The City utilizes the consumption method to account for prepaid items.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. The major receivable balance for the governmental activities is sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading/billing and the end of the month are estimated and recorded at June 30, 2025. All receivables are shown net of an allowance account, as applicable. At June 30, 2025, the allowance amount associated with the receivables of the Utility Fund was \$166,060.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or 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 or more for capitalizing capital assets.

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

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

Buildings and improvements	5-40 years
Equipment and vehicles	5-20 years
Wastewater and water plant	5-50 years
Electric lines and meters	7-50 years
Infrastructure	40 years

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.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Restricted Assets

Restricted assets include cash, interest-bearing deposits, and investments that are legally restricted as to their use. As of June 30, 2025, the restricted assets were related to utility customers' deposits in the amounts of \$411,984.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. The City recognizes deferred outflows of resources and deferred inflows of resources that are attributable to its postemployment benefits and pension plans.

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 resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation bonds, street improvement refunding bonds, sales tax bonds, and capital lease obligations.

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

Compensated Absences

Employees of the City earn from 10 to 35 days of vacation leave, depending upon length of service, and can carryover a maximum of 80 hours each year. Employees of the City earn from 10 to 35 days of sick leave each year, depending upon length of service. Sick leave may be accumulated. No sick leave is paid upon resignation. Upon retirement, unused accumulated vacation and sick leave is paid to the employee at the employee's current rate of pay.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Consists of net position 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) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position –All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal action of the City Council members, which is the highest level of decision-making authority for the City.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by a formal decision of the City’s Mayor and City Council.
- e. Unassigned – all other spendable amounts.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Council members have provided otherwise in its commitment or assignment actions.

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

E. 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.

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 Funds - 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.

F. 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.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(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 June 30, 2025, the City has cash and interest-bearing deposits (book balances) totaling \$1,039,468.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. 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 pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit within the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at June 30, 2025 are secured as follows:

Bank balances	<u>\$ 1,058,780</u>
Federal deposit insurance	\$ 701,796
Securities investor protection	138,203
Pledged securities	<u>218,781</u>
Total	<u>\$ 1,058,780</u>

Deposits in the amount of \$218,781 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the City's name. Even though the pledged securities are considered uncollateralized, 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. The City does not have a policy for custodial credit risk.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Investments

As of June 30, 2025, the City had the following investments and maturities:

<u>Investment Type</u>	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>One - Five Years</u>
State Investment Pool (LAMP)	100%	\$ 783,964	\$ 783,964	\$ -
Mutual Funds:				
Fixed Income	99%	519,079	519,079	-
Money Market	1%	5,996	5,996	-
Total mutual funds	<u>100%</u>	<u>525,075</u>	<u>525,075</u>	<u>-</u>
Total investments		<u>\$ 1,309,039</u>	<u>\$ 1,309,039</u>	<u>\$ -</u>

The City participates in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investment. The financial statements for LAMP may be accessed on their website (<https://www.lamppool.com>). The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA- R.S. 33:2955.

The investment in LAMP is not exposed to custodial credit risk. LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required. Credit risk is the risk that an issuer or other counter party to an investment will be unable to meet its obligations. LAMP is rated AAAM by Standard & Poor's. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investment as of June 30, 2024, is 55 days.

The investments of LAMP are stated at fair value which is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pooled shares. LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

LAMP's financial statements can be obtained by contacting LAMP at 650 Poydras Street, Suite 200 New Orleans Louisiana 70130 or by contacting the administrative office at 800-249-5267, and the financial statements are also available on the Louisiana Legislative Auditors website at <https://lla.la.gov/>.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Concentration of Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits investments to government securities that are direct and indirect obligations of the United States Government. At June 30, 2025, investments with a fair value of \$519,079 were rated AA+ by Standards & Poor’s.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City requires all investments to be in the City’s name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the City. Accordingly, the City had no custodial credit risk related to its investments at June 30, 2025.

(4) Receivables

Receivables as of June 30, 2025, in the amount of \$1,606,517 consist of the following:

	<u>General</u>	<u>Utility</u>	<u>Total</u>
Accounts, net	\$ 80,063	\$ 743,387	\$ 823,450
Unbilled utility	-	489,644	489,644
Taxes:			
Ad Valorem	52,959	-	52,959
Sales tax	233,858	-	233,858
Other	-	6,606	6,606
Totals	<u>\$ 366,880</u>	<u>\$ 1,239,637</u>	<u>\$ 1,606,517</u>

(5) Due from Other Governmental Units

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

Governmental Activities -		
State of Louisiana:		
Supplemental pay		\$ 6,600
Grass cutting		483
Beer tax		2,826
Grants		56,019
Video poker		50,045
Louisiana Department of Transportation:		
Off track betting		3,878
Housing Authority - payment in lieu of taxes		42,985
Federal grants		143,685
Other		1,630
Total Governmental Activities		<u>\$ 308,151</u>
Business Type Activities -		
Federal Grants		245,314
		<u>\$ 553,465</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Capital Assets

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

	Balance 07/01/24	Additions	Deletions	Balance 06/30/25
Governmental activities:				
Assets not being depreciated:				
Land	\$ 745,390	\$ -	\$ -	\$ 745,390
Construction in progress	101,972	286,570	-	388,542
Total assets not depreciated	<u>847,362</u>	<u>286,570</u>	<u>-</u>	<u>1,133,932</u>
Assets being depreciated:				
Buildings and improvements	6,697,434	61,962	-	6,759,396
Equipment and vehicles	2,515,267	244,508	33,422	2,726,353
Infrastructure	4,765,705	-	-	4,765,705
Totals assets being depreciated	<u>13,978,406</u>	<u>306,470</u>	<u>33,422</u>	<u>14,251,454</u>
Less accumulated depreciation:				
Buildings and improvements	4,559,384	227,012	-	4,786,396
Equipment and vehicles	1,268,092	226,489	33,422	1,461,159
Infrastructure	1,366,249	139,604	-	1,505,853
Total accumulated depreciation	<u>7,193,725</u>	<u>593,105</u>	<u>33,422</u>	<u>7,753,408</u>
Total capital assets, being depreciated, net	<u>7,632,043</u>	<u>(65)</u>	<u>-</u>	<u>7,631,978</u>
Leased assets:				
Right-of-use assets	44,645	39,897	-	84,542
Less accumulated amortization:				
Right-of-use assets	5,209	10,924	-	16,133
Leased assets, being amortized, net	<u>39,436</u>	<u>28,973</u>	<u>-</u>	<u>68,409</u>
Governmental activities, capital assets, net	<u>\$7,671,479</u>	<u>\$ 28,908</u>	<u>\$ -</u>	<u>\$ 7,700,387</u>

Depreciation expense was charged to governmental activities as follows:

Capital assets:	
General government	\$ 74,702
Public safety	102,898
Public works	191,654
Culture and recreation	177,806
Tourism	46,045
Total depreciation expense	<u>593,105</u>
Leased assets:	
Right-of-use assets	<u>10,924</u>
Total depreciation expense	<u>\$ 604,029</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 07/01/24	Additions	Deletions	Balance 06/30/25
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 482,737	\$ -	\$ -	\$ 482,737
Construction in progress	399,942	1,255,790	997,250	658,482
Total assets not depreciated	<u>882,679</u>	<u>1,255,790</u>	<u>997,250</u>	<u>1,141,219</u>
Capital assets being depreciated:				
Buildings and improvements	1,043,540	-	-	1,043,540
Equipment	885,343	-	895	884,448
Wastewater and water plant	17,854,137	985,371	4,876	18,834,632
Electric lines and meters	1,841,770	-	-	1,841,770
Totals assets being depreciated	<u>21,624,790</u>	<u>985,371</u>	<u>5,771</u>	<u>22,604,390</u>
Less accumulated depreciation:				
Buildings and improvements	1,037,555	784	-	1,038,339
Equipment	745,793	33,246	895	778,144
Wastewater and water plant	9,904,402	303,523	4,876	10,203,049
Electric lines and meters	1,779,266	18,327	-	1,797,593
Total accumulated depreciation	<u>13,467,016</u>	<u>355,880</u>	<u>5,771</u>	<u>13,817,125</u>
Total capital assets, being depreciated, net	<u>9,040,453</u>	<u>1,885,281</u>	<u>997,250</u>	<u>9,928,484</u>
Leased assets:				
Right-of-use assets	321,694	39,897	-	361,591
Less accumulated amortization:				
Right-of-use assets	60,336	65,007	-	125,343
Leased assets, being amortized, net	<u>261,358</u>	<u>(25,110)</u>	<u>-</u>	<u>236,248</u>
Business-type activities, capital assets, net	<u>\$9,301,811</u>	<u>\$1,860,171</u>	<u>\$ 997,250</u>	<u>\$10,164,732</u>

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

Capital assets:	
Electric	\$ 30,482
Water	69,491
Wastewater	255,907
Total depreciation expense	355,880
Leased assets:	
Right-of-use assets	65,007
Total depreciation expense	<u>\$ 420,887</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Leases Payable

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. For purposes of discounting future payments on the lease, the City used the interest rate of 7.88% - 9.56%. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

The following is a summary of changes in the lease liability for the year ended June 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities	\$ 40,769	\$ 39,897	\$ 10,049	\$ 70,617	\$ 15,541
Business-Type Activities	268,406	39,897	60,396	247,907	71,658
Total	<u>\$ 309,175</u>	<u>\$ 79,794</u>	<u>\$ 70,445</u>	<u>\$ 318,524</u>	<u>\$ 87,199</u>

Minimum lease payments through the lease terms are as follows:

Year Ended June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 15,541	\$ 5,006	\$ 71,658	\$ 18,481
2027	16,818	3,729	77,115	12,004
2028	18,201	2,346	76,702	4,965
2029	13,135	982	13,008	1,091
2030	6,922	222	9,424	324
Totals	<u>\$ 70,617</u>	<u>\$ 12,285</u>	<u>\$ 247,907</u>	<u>\$ 36,865</u>

(8) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following as of June 30, 2025:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 151,837	\$ 795,578	\$ 947,415
Contracts and retainage	32,549	58,133	90,682
Accrued payroll and related liabilities	75,356	46,727	122,083
Totals	<u>\$ 259,742</u>	<u>\$ 900,438</u>	<u>\$ 1,160,180</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(9) Changes in Compensated Absence

	Governmental Activities	Business-Type Activities	Total
Compensated absence payable at July 1, 2024	\$ 89,554	\$ -	\$ 89,554
Net change	<u>(22,192)</u>	<u>29,165</u>	<u>6,973</u>
Compensated absence payable at June 30, 2025	<u>\$ 67,362</u>	<u>\$ 29,165</u>	<u>\$ 96,527</u>

(10) Changes in Long-Term Debt

The following is a summary of the changes for the year ended June 30, 2025:

	Balance 7/1/2024	Additions	Reductions	Balance 6/30/2025
Governmental Activities:				
General obligation bonds	\$ 1,110,000	\$ -	\$ 75,000	\$ 1,035,000
Sales tax bond, Series 2016	669,013	-	45,000	624,013
Notes payable	245,299	-	90,948	154,351
	<u>2,024,312</u>	<u>-</u>	<u>210,948</u>	<u>1,813,364</u>
Unamortized bond premium	-	-	-	-
Total governmental activities	<u>\$ 2,024,312</u>	<u>\$ -</u>	<u>\$ 210,948</u>	<u>\$ 1,813,364</u>
Business-type Activities:				
Note payable	\$ 24,330	\$ -	\$ 21,774	\$ 2,556
Total business-type activities	<u>\$ 24,330</u>	<u>\$ -</u>	<u>\$ 21,774</u>	<u>\$ 2,556</u>

Long-term debt as of June 30, 2025 is comprised of the following:

Governmental activities -	Current Portion
<p>\$1,500,000 General Obligation Bond Series 2016 dated March 10, 2016; due in annual installments of \$60,000 - \$115,000 through March 1, 2036; interest at 3.00 percent and payable from and secured by levy collection of ad valorem taxes.</p>	\$ 1,035,000 \$ 75,000
<p>\$944,013 Sales Tax Bond, Series 2016 issued by Louisiana Department of Environmental Quality; due in annual installments of \$92,000 to \$101,000 through January 1, 2038; interest at 0.45 percent, payable from sales tax collections. Interest and administrative fees amounted to \$3,070 and \$3,411, respectively, for the year ended June 30, 2025.</p>	<u>624,013</u> <u>97,000</u> <u>1,659,013</u> <u>172,000</u>
Total bonds payable	<u>1,659,013</u> <u>172,000</u>

(Continued)

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Governmental activities (Continued) –

		<u>Current Portion</u>
\$227,695 vehicle lease-purchase dated August 10, 2023, due in 60 monthly installments of \$4,482, including interest at 7.00 percent, through August 10, 2028, secured by General Fund revenues and assets with a carrying value of \$149,016.	138,482	44,794
\$25,412 equipment lease-purchase dated August 30, 2022, due in 48 monthly installments of \$586, including interest at 5.25 percent, through July 30, 2026, secured by General Fund revenues and assets with a carrying value of \$15,126.	7,935	6,801
\$34,230 equipment lease-purchase dated November 13, 2020, due in 60 monthly installments of \$640, including interest at 4.75 percent, through October 13, 2025, secured by General Fund revenues and assets with a carrying value of \$2,282.	659	659
\$42,025 equipment lease-purchase dated May 18, 2021, due in 60 monthly installments of \$790, including interest at 5.00 percent, through April 18, 2026, secured by General Fund revenues and assets with a carrying value of \$7,704.	<u>7,275</u>	<u>7,275</u>
Total notes payable	<u>154,351</u>	<u>59,529</u>
Total governmental activities long-term liabilities	<u>\$ 1,813,364</u>	<u>\$ 231,529</u>

Business-type activities

Utility Fund

\$68,820 equipment lease-purchase dated November 13, 2020, due in 60 monthly installments of \$1,286, including interest at 4.75 percent, through October 13, 2025, secured by Utility Fund revenues and assets with a carrying value of \$4,588.	<u>2,556</u>	<u>2,556</u>
Total notes payable- business-type activities	<u>\$ 2,556</u>	<u>\$ 2,556</u>

(Continued)

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The annual requirements to amortize debt outstanding at June 30, 2025 are as follows:

June 30,	Governmental Activities				Business-Type Activities	
	Bonds		Notes Payable		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 172,000	\$ 35,245	\$ 59,529	\$ 9,336	\$ 2,556	\$ 52
2027	178,000	32,499	49,166	5,760	-	-
2028	184,000	29,738	45,656	2,286	-	-
2029	185,000	26,822	-	-	-	-
2030	191,000	23,826	-	-	-	-
2031-2035	634,013	71,922	-	-	-	-
2036-2038	115,000	6,825	-	-	-	-
Totals	<u>\$ 1,659,013</u>	<u>\$ 226,876</u>	<u>\$ 154,351</u>	<u>\$ 17,382</u>	<u>\$ 2,556</u>	<u>\$ 52</u>

(11) Pension Plans

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

Plan Descriptions:

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

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

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	<u>MERS</u>	<u>MPERS</u>
Final average salary	Final average compensation	Highest 36 months or 60 months ²
Years of service required and/or age eligible for benefits	30 years of any age 10 years age 60	25 years of any age 20 years age 50 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³
Benefit percent per years of service	2.00%	2.50 - 3.33% ⁴

¹ With actuarial reduced benefits

² Membership commencing January 1, 2013

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

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

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee.

Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2025 for the defined benefit pension plans in which the City is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Nonemployer Contributing Entities</u>	<u>Government Contributions</u>
MERS	5.00%	14.00%	\$ 71,038	\$ 284,974
MPERS	10.00%	35.60%	21,340	98,115
Total			<u>\$ 92,378</u>	<u>\$ 383,089</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Net Pension Liability

The City’s net pension liability as of June 30, 2025 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City’s net pension liability for each plan was measured as of the plan’s measurement date (June 30, 2024 for both plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The City’s proportionate share of the net pension liability for each of the plans in which it participates was based on the City’s required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the City’s proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$1,224,632	2.018270%	0.308657%
MPERS	743,297	0.082042%	-0.015176%
Total	<u>\$1,967,929</u>		

Since the measurement date of the net pension liability was June 30, 2024, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan’s assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City’s net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows: MERS – <http://www.mersla.com> ; MPERS – <http://lampers.org/> .

Cost of Living Adjustments

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

Actuarial Assumptions

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

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	MERS	MPERS
Date of experience study	7/1/2018-6/30/2023	7/1/2014-6/30/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85%, net of investment expense	6.750%, net of investment expense
Expected remaining service lives	3	4
Inflation rate	2.500%	2.500%
Projected salary increases	4.6% - 9.5%	4.70% - 12.30%
Projected benefit changes including COLAs	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)

(1) PubG-2010(B) Healthy Retiree Tables set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

(2) PubG-2010(B) Employee Tables set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

(3) PubNS-2010(B) Disabled Retiree Tables set equal to 120% for males and females, with the full generational MP2018 scales.

(4) Pub-2010 Public Retirement Plan Mortality Table for Safety Below- Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

(5) Pub-2010 Public Retirement Plan 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.

(6) Pub-2010 Public Retirement Plan 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.

Discount Rate

The discount rate used to measure the total pension liability for MERS was 6.850%, which was the same rate from the prior year valuation. The discount rate used to measure the total pension liability for MPERS was 6.750%, which was the same rate from the prior year valuation. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Rate of Return

For MERS and MPERS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return 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 target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Asset Class	MERS		MPERS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Public equity	56%	2.44%	52.0%	3.14%
Public fixed income	29%	1.26%	34.0%	1.07%
Alternative Investments	15%	0.65%	14.0%	1.03%
Totals	100%	4.35%	100%	5.24%
Inflation		2.50%		2.62%
Expected arithmetic nominal return		6.85%		7.86%

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2025, the City recognized \$244,472 and \$137,905 in pension expense related to MERS and MPERS, respectively.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	MERS	MPERS	Total
Difference between expected and actual experience	\$ 11,627	\$ 40,244	\$ 51,871
Changes of assumptions	-	-	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	162,811	103,734	266,545
Net differences between projected and actual earnings on plan investments	44,077	20,663	64,740
Contributions subsequent to the measurement date	309,974	118,929	428,903
Total	<u>\$ 528,489</u>	<u>\$ 283,570</u>	<u>\$ 812,059</u>

	Deferred Inflows of Resources		
	MERS	MPERS	Total
Difference between expected and actual experience	\$ 10,016	\$ 22,485	\$ 32,501
Changes of assumptions	45,586	-	45,586
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	165,953	165,953
Total	<u>\$ 55,602</u>	<u>\$ 188,438</u>	<u>\$ 244,040</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$428,903 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended			
<u>June 30</u>	<u>MERS</u>	<u>MPERS</u>	<u>Total</u>
2025	\$ 74,600	\$ 40,721	\$ 115,321
2026	152,479	5,959	158,438
2027	(36,529)	(57,452)	(93,981)
2028	<u>(27,637)</u>	<u>(13,025)</u>	<u>(40,662)</u>
	<u>\$ 162,913</u>	<u>\$ (23,797)</u>	<u>\$ 139,116</u>

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

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

<u>Plan</u>	<u>Current Discount Rate</u>	<u>Net Pension Liability</u>		
		<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
MERS	6.85%	\$ 1,901,573	\$ 1,224,632	\$ 652,506
MPERS	6.75%	<u>1,104,150</u>	<u>743,297</u>	<u>442,055</u>
Total		<u>\$ 3,005,723</u>	<u>\$ 1,967,929</u>	<u>\$ 1,094,561</u>

Payables to the Pension Plans

At June 30, 2025, the City’s payables were \$30,760 and \$13,820 to MERS and MPERS, respectively, for the month of June 2024, which were the contractually required contributions.

(12) Postretirement Health Care and Life Insurance Benefits

Plan Description - The City administers a single-employer defined benefit healthcare plan entitled City of St. Martinville Retiree Health Plan (the Plan). The Plan provides lifetime healthcare insurance for eligible employees and their spouses through the City’s group insurance plan which covers both active and retired members. Benefits provisions are established and may be amended by the City Council as authorized by City ordinance. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75. The Plan does not issue a publicly available report.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Benefits Provided – The City provides subsidized medical, dental, and vision benefits to eligible retirees. Covered dependents of the retiree may also have medical, dental and vision benefit coverage with the retiree paying 100% of the additional cost for dependents. The City pays 90% of the individual medical, dental and vision contribution for the retiree.

Employees covered by benefit terms – As of July 1, 2024, the following employees were covered by the medical plan terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>47</u>
Total	<u>51</u>

A total of 47 active and 4 retirees have one or more health coverages.

Total OPEB Liability

The City’s total OPEB liability of \$318,254 was measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.5%
Discount rate, including inflation	4.21%
Medical healthcare cost trend rate, flat annually	4.5%
Dental/vision healthcare cost trend rate, flat annually	3.0%
Mortality	RH-2014 Total Table

Changes in the Total OPEB Liability

Balance at June 30, 2024	<u>\$ 299,052</u>
Changes for the year:	
Service cost	37,515
Interest	13,500
Differences between expected and actual	-
Changes in assumptions	-
Benefit payments and net transfers	<u>(31,813)</u>
Net changes	<u>19,202</u>
Balance at June 30, 2025	<u>\$ 318,254</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 (3.21%) or 1-percentage-point higher (5.21%) than the current discount rate:

	1.00% Decrease 3.21%	Current Discount Rate 4.21%	1.00% Increase 5.21%
Total OPEB liability	<u>\$ 290,454</u>	<u>\$ 318,254</u>	<u>\$ 351,767</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 (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare trend rates:

	1.00% Decrease 3.50%	Current Trend Rate 4.50%	1.00% Increase 5.50%
Total OPEB liability	<u>\$ 297,953</u>	<u>\$ 318,254</u>	<u>\$ 340,478</u>

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

For the year ended June 30, 2025, the City recognized OPEB benefit of \$13,091. As of June 30, 2025, 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
Difference between expected and actual experience	\$ -	\$ 75,261
Changes of assumptions	-	16,625
Net differences between projected and actual investments	-	-
Total	<u>\$ -</u>	<u>\$ 91,886</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Year Ended June 30,	
2026	\$ (35,204)
2027	(35,204)
2028	(13,344)
2029	(7,543)
2030	(591)
	<u>\$ (91,886)</u>

(13) Ad Valorem Taxes

For the year ended June 30, 2025, taxes of 8.01 mills were levied on property with assessed valuations totaling \$24,435,825 and were dedicated as follows:

General alimony	3.90 mills
Public improvement bonds	4.11 mills

Total taxes levied for the year ended June 30, 2025 were \$213,569. The taxes are levied and assessed in June of each year. Tax bills are mailed in November, due on December 31, and are delinquent if unpaid as of January 1.

(14) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2025:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Governmental Funds:		
General Fund	\$ 722,746	\$ 838
Enterprise Fund:		
Utility Fund	-	722,746
Nonmajor Funds	<u>838</u>	<u>-</u>
Total	<u>\$ 723,584</u>	<u>\$ 723,584</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances are expected to be paid within the next fiscal year.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Interfund transfers

Interfund transfers consisted of the following at June 30, 2025:

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
Major Funds:		
Governmental Funds:		
General Fund	\$ 1,707,189	\$ 517,619
Capital Projects Funds	51,334	-
Enterprise Fund:		
Utility Fund	502,948	1,850,373
Nonmajor Funds	<u>106,521</u>	<u>-</u>
Total	<u>\$ 2,367,992</u>	<u>\$ 2,367,992</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(15) Dedication of Sales Tax Revenues

On June 25, 1975, the voters of the City of St. Martinville approved a one percent (1%) sales and use tax. On May 5, 2007, the voters of the City of St. Martinville approved a one percent (1%) sales and use tax.

On November 6, 2012, the voters of the City of St. Martinville approved a rededication of all proceeds heretofore and hereafter received. Such proceeds (after paying the reasonable and necessary costs and expenses of collecting and administering the sales taxes) may be used for any lawful corporate purpose of the City, including, but not limited to, establishing, acquiring, constructing, improving, maintaining and/or operating the City's waterworks plant and system, solid waste disposal facilities, sewers and sewerage disposal works, drains and drainage facilities, streets, bridges and sidewalks, electric transmission and distribution system, public buildings and recreational facilities within the City, including the necessary land, equipment and furnishings therefore, and the City shall be further authorized to fund the proceeds of the Sales Taxes into bonds from time to time for any one or more capital purposes, to the extent and in the manner permitted by the laws of Louisiana.

On December 4, 2023, the voters of the City of St. Martinville approved a one-half percent (1/2%) sales and use tax to begin April 1, 2024. Such proceeds (after paying the reasonable and necessary costs and expenses of collecting and administering the sales taxes) may be used for any lawful corporate purpose of the City, including, but not limited to, establishing, acquiring, constructing, improving, maintaining and/or operating the City's waterworks plant and system, solid waste disposal facilities, sewers and sewerage disposal works, drains and drainage facilities, streets, bridges and sidewalks, electric transmission and distribution system, public buildings and recreational facilities within the City, including the necessary land, equipment and furnishings therefore, and the City shall be further authorized to fund the proceeds of the Sales Taxes into bonds from time to time for any one or more capital purposes, to the extent and in the manner permitted by the laws of Louisiana.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sales and use tax revenues for the fiscal year ended June 30, 2025 were \$2,599,116. Proceeds from the taxes and all reasonable and necessary costs and expenses of collecting the taxes are recorded in the General Fund.

(16) Contracts

The City has a long-term contract with The Louisiana Energy and Power Authority to provide the City's power and energy requirements. The agreement commenced on January 1, 2023 and will expire on December 31, 2027 incurring an initial monthly demand rate of \$7.75 per kw in addition to other demand and energy cost factors. During the year ended June 30, 2025, the City purchased power from The Louisiana Energy and Power Authority in the amount of \$3,269,035 which \$358,952 was payable at year end. This amount has been accrued in the accompanying financial statements.

(17) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2025:

Description	Total	Level 1	Level 2	Level 3
Mutual Funds:				
Fixed Income	\$ 519,079	\$ -	\$ 519,079	\$ -

(18) Risk Management

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

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(19) On-behalf Payments

The City has recognized \$90,600 as a revenue and an expenditure for on-behalf salary payments made by the state of Louisiana.

(20) Contingencies

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representative. The City's management believes that any liability for reimbursement which may arise as a result of these audits would not be material.

At June 30, 2025, the City is a defendant in various lawsuits. Although the outcome of the lawsuits are not presently determinable, in the opinion of the City's attorney, any judgements rendered in favor of the plaintiff or payments resulting from compromise settlements, if any, will be within the limits of the various insurance coverages carried by the City.

(21) Tax Abatements

The City is subject to tax abatements granted by the Louisiana Board of Commerce and Energy. The program has a purpose of increasing business activity and employment in the City. Under the program, companies commit to expand or maintain facilities or employment, establish a new business, or relocate an existing business to the City. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment period. These abatements result in a reduction of property taxes.

(22) New Accounting Guidance

As of July 1, 2024, the City adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

During the fiscal year, the City adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The implementation of this standard had no material effect on the City's financial statements for the year ended June 30, 2025.

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The Governmental Accounting Board (GASB) has also issued the following statements and implementation guides which were not required to be implemented by the City during the fiscal year.

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

(23) Compensation of City Council

The compensation paid to the council members for the year ended June 30, 2025 follows:

Carol Frederick	\$ 12,887
Janise Anthony	13,407
Mike Fusilier	12,887
Jonas Fontenette	12,696
Forita Chatman	<u>12,887</u>
Total	<u>\$ 64,764</u>

(24) Act 706 – Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to the Mayor for the year ended June 30, 2025 is as follows:

Jason Willis, Mayor	
Salary	\$ 73,349
Benefits - insurance	498
Benefits - retirement	10,185
Car allowance	10,800
Conference fees	270
Conference travel	<u>581</u>
Total	<u>\$ 95,683</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$2,541,710	\$2,686,761	\$2,747,279	\$ 60,518
Licenses and permits	279,027	324,545	362,062	37,517
Intergovernmental	628,464	683,542	779,864	96,322
Charges for services	52,237	66,406	62,897	(3,509)
Fines and forfeitures	149,400	81,802	125,958	44,156
Miscellaneous income	215,061	183,115	214,847	31,732
Total revenues	<u>3,865,899</u>	<u>4,026,171</u>	<u>4,292,907</u>	<u>266,736</u>
Expenditures:				
Current -				
General government	1,444,359	1,429,069	1,547,441	(118,372)
Public safety	2,041,161	2,229,232	2,173,090	56,142
Public works	1,421,454	1,314,802	1,318,723	(3,921)
Recreation	309,829	268,593	271,573	(2,980)
Tourism	129,680	112,327	106,910	5,417
Capital outlay	40,000	242,266	346,367	(104,101)
Debt service	97,661	70,583	119,218	(48,635)
Total expenditures	<u>5,484,144</u>	<u>5,666,872</u>	<u>5,883,322</u>	<u>(216,450)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,618,245)</u>	<u>(1,640,701)</u>	<u>(1,590,415)</u>	<u>50,286</u>
Other financing sources (uses):				
Issuance of long-term debt	-	-	39,897	39,897
Transfers in	1,700,000	1,500,000	1,758,523	258,523
Transfers out	(50,000)	(147,375)	(568,953)	(421,578)
Total other financing sources (uses)	<u>1,650,000</u>	<u>1,352,625</u>	<u>1,229,467</u>	<u>(123,158)</u>
Net change in fund balance	31,755	(288,076)	(360,948)	(72,872)
Fund balance, beginning	<u>2,487,606</u>	<u>2,487,606</u>	<u>2,487,606</u>	<u>-</u>
Fund balance, ending	<u>\$2,519,361</u>	<u>\$2,199,530</u>	<u>\$2,126,658</u>	<u>\$ (72,872)</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Capital Projects Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental -				
State grants	\$ 4,853,000	\$ 200,200	\$ 162,914	\$ (37,286)
Miscellaneous	<u>700</u>	<u>515</u>	<u>177</u>	<u>(338)</u>
Total revenues	<u>4,853,700</u>	<u>200,715</u>	<u>163,091</u>	<u>(37,624)</u>
Expenditures:				
General government -				
Repairs and maintenance	200	5,664	48,281	(42,617)
Legal and professional fees	<u>-</u>	<u>-</u>	<u>1,136</u>	<u>(1,136)</u>
	<u>200</u>	<u>5,664</u>	<u>49,417</u>	<u>(43,753)</u>
Capital outlay -				
Recreation	410,000	170,000	170,000	-
Streets and drainage	<u>4,655,686</u>	<u>97,575</u>	<u>116,570</u>	<u>(18,995)</u>
Total capital outlay	<u>5,065,686</u>	<u>267,575</u>	<u>286,570</u>	<u>(18,995)</u>
Total expenditures	<u>5,065,886</u>	<u>273,239</u>	<u>335,987</u>	<u>(62,748)</u>
Deficiency of revenues over expenditures	<u>(212,186)</u>	<u>(72,524)</u>	<u>(172,896)</u>	<u>(100,372)</u>
Other financing sources:				
Transfers in (out)	<u>-</u>	<u>67,375</u>	<u>51,334</u>	<u>(16,041)</u>
Total other financing sources	<u>-</u>	<u>67,375</u>	<u>51,334</u>	<u>(16,041)</u>
Net change in fund balance	(212,186)	(5,149)	(121,562)	(116,413)
Fund balance, beginning	<u>372,581</u>	<u>372,581</u>	<u>372,581</u>	<u>-</u>
Fund balance, ending	<u>\$ 160,395</u>	<u>\$ 367,432</u>	<u>\$ 251,019</u>	<u>\$ (116,413)</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 37,515	\$ 44,784	\$ 44,784	\$ 46,285	\$ 46,285	\$ 27,433	\$ 27,433	\$ 26,408
Interest	13,500	12,336	11,254	10,034	9,388	14,592	13,165	13,751
Changes in benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(33,059)	-	(149,154)	-	-	-	-
Changes of assumptions	-	(12,790)	-	(22,615)	-	21,556	-	-
Benefit payments and net transfers	<u>(31,813)</u>	<u>(31,813)</u>	<u>(19,152)</u>	<u>(19,152)</u>	<u>(33,722)</u>	<u>(33,722)</u>	<u>(28,830)</u>	<u>(28,830)</u>
Net changes	19,202	(20,542)	36,886	(134,602)	21,951	29,859	11,768	11,329
Total OPEB liability - beginning	<u>299,052</u>	<u>319,594</u>	<u>282,708</u>	<u>417,310</u>	<u>395,359</u>	<u>365,500</u>	<u>353,732</u>	<u>342,403</u>
Total OPEB liability - ending	<u>\$ 318,254</u>	<u>\$ 299,052</u>	<u>\$ 319,594</u>	<u>\$ 282,708</u>	<u>\$ 417,310</u>	<u>\$ 395,359</u>	<u>\$ 365,500</u>	<u>\$ 353,732</u>
Covered employee payroll	\$ 2,434,338	\$ 2,434,338	\$ 1,935,852	\$ 1,935,852	\$ 2,029,798	\$ 2,029,798	\$ 1,790,083	\$ 1,790,083
Total OPEB liability as a percentage of covered-employee payroll	13.07%	12.28%	16.51%	14.60%	20.56%	19.48%	20.42%	19.76%

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

CITY OF ST. MARTINVILLE

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2025*

<u>Year Ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees Retirement System					
2025	2.01827%	\$ 1,224,632	\$ 1,415,548	86.5%	80.10%
2024	1.70961%	1,370,871	1,415,548	96.8%	73.25%
2023	1.61970%	1,422,069	1,295,019	109.8%	69.56%
2022	1.80915%	1,048,057	1,447,703	72.4%	79.14%
2021	1.66149%	1,505,687	1,289,621	116.8%	66.26%
2020	1.54611%	1,352,561	1,183,320	114.3%	65.60%
2019	1.74236%	1,473,742	1,291,227	114.1%	65.60%
2018	1.85732%	1,607,017	1,378,305	116.6%	63.49%
2017	1.79651%	1,489,139	1,319,904	112.8%	63.34%
2016	1.76133%	1,197,084	1,230,739	97.3%	68.71%
Municipal Police Employees Retirement System					
2025	0.08204%	\$ 743,297	\$ 275,604	269.7%	75.80%
2024	0.09722%	1,027,105	332,064	309.3%	71.30%
2023	0.11417%	1,167,030	357,775	326.2%	70.80%
2022	0.05918%	315,456	195,813	161.1%	84.09%
2021	0.07124%	658,405	215,366	305.7%	70.94%
2020	0.04544%	412,708	141,916	290.8%	71.01%
2019	0.05049%	426,854	149,005	286.5%	71.89%
2018	0.07106%	620,349	212,125	292.4%	70.08%
2017	0.07828%	733,667	219,269	334.6%	66.04%
2016	0.04933%	386,425	141,570	273.0%	70.73%

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

This schedule is intended to show information for 10 years.

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Employer Pension Contributions
For the Year Ended June 30, 2025

<u>Year ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
Municipal Employees Retirement System					
2025	\$ 284,974	\$ 284,974	\$ -	\$ 1,838,542	16.50%
2024	288,610	288,610	-	1,415,548	20.39%
2023	219,410	219,410	-	1,415,548	15.50%
2022	200,728	200,728	-	1,295,019	15.50%
2021	224,394	224,394	-	1,447,703	15.50%
2020	180,547	180,547	-	1,289,621	14.00%
2019	164,802	165,665	-	1,183,320	14.00%
2018	171,088	171,088	-	1,291,227	13.25%
2017	151,648	151,648	-	1,378,305	11.00%
2016	125,391	125,391	-	1,319,904	9.50%
Municipal Police Employees Retirement System					
2025	\$ 98,115	\$ 98,115	\$ -	\$ 275,604	35.60%
2024	98,477	98,477	-	315,126	31.25%
2023	103,770	103,770	-	332,064	31.25%
2022	106,438	106,438	-	357,775	29.75%
2021	66,087	66,087	-	195,813	33.75%
2020	69,994	69,994	-	215,366	32.50%
2019	45,768	45,768	-	141,916	32.25%
2018	45,819	45,819	-	149,005	30.75%
2017	67,350	67,350	-	212,125	31.75%
2016	64,684	64,684	-	219,269	29.50%

This schedule is intended to show information for 10 years.

CITY OF ST. MARTINVILLE

Notes to the Required Supplementary Information
For the Year Ended June 30, 2025

(1) Budget and Budgetary Accounting

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

- a) The Mayor submits, no later than 15 days prior to the beginning of each fiscal year, to the City Council a proposed operating budget.
- b) A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) 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 a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- e) 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 Mayor.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the City Council.

(2) Excess Expenditures Over Appropriations

For the year ended June 30, 2025, the General Fund had actual expenditures over appropriations as follows:

	Final Budget	Actual	Excess
General government	\$ 1,429,069	\$ 1,547,441	\$ (118,372)
Public works	1,314,802	1,318,723	(3,921)
Recreation	268,593	271,573	(2,980)
Capital outlay	242,266	346,367	(104,101)
Debt service	70,583	119,218	(48,635)

CITY OF ST. MARTINVILLE

Notes to the Required Supplementary Information (Continued)
For the Year Ended June 30, 2025

(3) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

(4) Other Postemployment Benefits

- a) Benefit changes – There were no changes of benefit terms.
- b) Changes of assumptions – There were no changes in assumptions.

SUPPLEMENTARY INFORMATION

CITY OF ST. MARTINVILLE, LOUISIANA

Statement of Net Position
June 30, 2025
With Comparative Totals as of June 30, 2024

	2025			2024 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 613,241	\$ 363,473	\$ 976,714	\$ 1,232,753
Investments	655,850	303,959	959,809	1,311,546
Receivables, net	366,880	1,239,637	1,606,517	1,489,051
Internal balances	722,746	(722,746)	-	-
Due from other governmental units	308,151	245,314	553,465	344,215
Inventories	-	264,371	264,371	282,052
Prepaid items	95,664	17,036	112,700	123,673
Deposits	-	12,000	12,000	12,000
Total current assets	<u>2,762,532</u>	<u>1,723,044</u>	<u>4,485,576</u>	<u>4,795,290</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	62,754	62,754	335,289
Investments	-	349,230	349,230	36,972
Capital assets -				
Land and construction in progress	1,133,932	1,141,220	2,275,152	1,730,041
Capital assets, net	<u>6,566,455</u>	<u>9,023,512</u>	<u>15,589,967</u>	<u>15,243,249</u>
Total noncurrent assets	<u>7,700,387</u>	<u>10,576,716</u>	<u>18,277,103</u>	<u>17,345,551</u>
Total assets	<u>10,462,919</u>	<u>12,299,760</u>	<u>22,762,679</u>	<u>22,140,841</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	586,296	225,763	812,059	1,035,510
Deferred outflows related to postemployment benefits	-	-	-	2,909
Total deferred outflows of resources	<u>586,296</u>	<u>225,763</u>	<u>812,059</u>	<u>1,038,419</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries, and other payables	259,742	900,438	1,160,180	814,111
Unearned revenue	-	-	-	34,215
Customer deposits	16,845	380,546	397,391	381,196
Leases payable	15,541	71,658	87,199	67,429
Note payable	59,529	2,556	62,085	97,084
Bonds payable	172,000	-	172,000	172,000
Accrued interest	9,359	-	9,359	11,100
Total current liabilities	<u>533,016</u>	<u>1,355,198</u>	<u>1,888,214</u>	<u>1,577,135</u>
Noncurrent liabilities:				
Compensated absences payable	67,362	29,165	96,527	89,554
Leases payable	55,076	176,250	231,326	241,746
Note payable	94,822	-	94,822	172,545
Bonds payable	1,487,013	-	1,487,013	1,607,013
Net pension liability	1,390,922	577,007	1,967,929	2,397,976
Postemployment benefit obligation payable	243,371	74,883	318,254	299,052
Total noncurrent liabilities	<u>3,338,566</u>	<u>857,305</u>	<u>4,195,871</u>	<u>4,807,886</u>
Total liabilities	<u>3,871,582</u>	<u>2,212,503</u>	<u>6,084,085</u>	<u>6,385,021</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	217,842	26,198	244,040	176,718
Deferred inflows related to postemployment benefits	70,266	21,620	91,886	127,090
	<u>288,108</u>	<u>47,818</u>	<u>335,926</u>	<u>303,808</u>
NET POSITION				
Net investment in capital assets	5,934,461	9,914,268	15,848,729	14,994,673
Restricted:				
Purpose of grantor	34,182	-	34,182	52,773
Capital projects	251,019	-	251,019	372,581
Debt service	74,086	-	74,086	15,559
Unrestricted	595,777	350,934	946,711	1,054,845
Total net position	<u>\$ 6,889,525</u>	<u>\$ 10,265,202</u>	<u>\$ 17,154,727</u>	<u>\$ 16,490,431</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Balance Sheet
 General and Capital Projects Funds
 June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	General Fund		Capital Projects Fund	
	2025	2024	2025	2024
ASSETS				
Cash and interest-bearing deposits	\$ 359,877	\$ 417,459	\$ 144,982	\$ 439,945
Investments	655,850	1,025,024	-	-
Receivables:				
Taxes	233,858	211,087	-	-
Due from other governmental units	158,447	344,215	149,704	-
Due from other funds	722,746	773,462	-	-
Other	133,022	8,931	-	-
Prepaid items	95,664	106,877	-	-
Total assets	<u>\$2,359,464</u>	<u>\$2,887,055</u>	<u>\$ 294,686</u>	<u>\$ 439,945</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 139,596	\$ 136,508	\$ 11,118	\$ 17,117
Accrued expenses	64,238	76,142	-	-
Contract payable	-	-	32,549	-
Due to other governmental units	11,289	11,289	-	-
Customer rental deposits	16,845	8,935	-	-
Unearned revenue	-	34,215	-	-
Due to other funds	838	132,360	-	50,247
Total liabilities	<u>232,806</u>	<u>399,449</u>	<u>43,667</u>	<u>67,364</u>
Fund balances -				
Nonspendable - prepaid items and inventory	95,664	106,877	-	-
Unassigned	<u>2,030,994</u>	<u>2,380,729</u>	<u>251,019</u>	<u>372,581</u>
Total fund balances	<u>2,126,658</u>	<u>2,487,606</u>	<u>251,019</u>	<u>372,581</u>
Total liabilities and fund balances	<u>\$2,359,464</u>	<u>\$2,887,055</u>	<u>\$ 294,686</u>	<u>\$ 439,945</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Comparative Statement of Net Position
Enterprise Fund
June 30, 2025 and 2024

	Utility Fund	
	2025	2024
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 363,473	\$ 303,127
Investments	303,959	286,522
Receivables:		
Accounts	1,239,637	1,269,033
Other	245,314	-
Due from other funds	-	131,318
Inventory	264,371	282,052
Prepaid items	17,036	16,796
Deposits	12,000	12,000
Total current assets	<u>2,445,790</u>	<u>2,300,848</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	62,754	335,289
Investments	349,230	36,972
Capital assets -		
Land and construction in progress	1,141,220	882,679
Other capital assets, net of accumulated depreciation	9,023,512	8,419,132
Total noncurrent assets	<u>10,576,716</u>	<u>9,674,072</u>
Total assets	<u>13,022,506</u>	<u>11,974,920</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	225,763	248,750
Deferred outflows related to postemployment benefits	-	582
Total deferred outflows of resources	<u>225,763</u>	<u>249,332</u>
LIABILITIES		
Current liabilities:		
Accounts, salaries, and other payables	900,438	568,123
Due to other funds	722,746	723,215
Leases payable	71,658	59,435
Note payable	2,556	18,757
Customer deposits	380,546	372,261
Total current liabilities	<u>2,077,944</u>	<u>1,741,791</u>
Noncurrent liabilities:		
Compensated absences	29,165	-
Leases payable	176,250	208,971
Note payable	-	5,573
Net pension liability	577,007	644,382
Postemployment benefit obligation payable	74,883	70,365
Total noncurrent liabilities	<u>857,305</u>	<u>929,291</u>
Total liabilities	<u>2,935,249</u>	<u>2,671,082</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	26,198	22,083
Deferred inflows related to postemployment benefits	21,620	29,904
	<u>47,818</u>	<u>51,987</u>
NET POSITION		
Net investment in capital assets	9,914,268	9,009,075
Unrestricted	350,934	492,108
Total net position	<u>\$ 10,265,202</u>	<u>\$ 9,501,183</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Fund
For the Years Ended June 30, 2025 and 2024

	Utility Fund	
	2025	2024
Operating revenues:		
Charges for services -		
Electric	\$ 5,554,107	\$ 5,196,884
Water	848,827	936,494
Wastewater	757,362	884,307
Garbage	659,036	630,085
Permits, reconnections and penalties	151,381	87,459
Total operating revenues	<u>7,970,713</u>	<u>7,735,229</u>
Operating expenses:		
Electric	4,496,225	4,117,970
Water	883,205	809,968
Wastewater	897,748	981,377
Garbage	611,914	611,372
Total operating expenses	<u>6,889,091</u>	<u>6,520,687</u>
Operating income	<u>1,081,622</u>	<u>1,214,542</u>
Nonoperating revenues (expenses):		
Investment income	34,806	48,129
Interest expense	(21,654)	(25,432)
Nonemployer contribution revenue	33,598	25,598
Loss on disposition	-	30,000
Total nonoperating revenues (expenses)	<u>46,750</u>	<u>78,295</u>
Income before capital contributions and transfers	1,128,372	1,292,837
Capital Contributions	983,072	50,000
Transfers out	<u>(1,347,425)</u>	<u>(1,465,558)</u>
Change in net position	764,019	(122,721)
Net position, beginning	<u>9,501,183</u>	<u>9,623,904</u>
Net position, ending	<u>\$ 10,265,202</u>	<u>\$ 9,501,183</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Statement of Revenues and Expenses
For the Years Ended June 30, 2025 and 2024

	Totals		Electric	
	2025	2024	2025	2024
Operating revenues:				
Customers service charges	\$ 7,819,332	\$ 7,647,770	\$ 5,554,107	\$ 5,196,884
Permits, reconnections and penalties	151,381	87,459	151,381	87,459
Total operating revenues	<u>7,970,713</u>	<u>7,735,229</u>	<u>5,705,488</u>	<u>5,284,343</u>
Operating expenses:				
Salaries	1,107,191	1,047,767	409,685	353,428
Retirement	116,131	95,769	42,001	31,697
Payroll taxes	82,396	82,074	30,314	27,158
Group insurance	180,247	159,667	51,858	44,054
Worker's comp	58,486	59,603	16,120	13,276
Power purchased	3,269,035	3,033,002	3,269,035	3,033,002
State mandated water fee	46,643	31,254	-	-
Maintenance and supplies	221,825	224,296	84,056	90,865
Chemicals	70,559	81,631	-	-
Fuel	65,623	58,518	21,174	20,700
Depreciation expense	420,887	416,385	32,004	38,807
Utilities	108,213	125,438	4,546	4,739
Telephone	5,962	10,899	1,025	1,459
Truck operation	16,622	820	15,209	117
Office supplies and postage	30,187	40,010	1,773	1,322
Bad debts	7,705	99,127	-	-
Insurance	224,581	95,461	78,408	45,433
Miscellaneous	18,968	20,343	2,425	2,802
Professional fees	125,861	132,804	248	-
Uniforms	1,570	4,804	-	2,980
Travel	316	80	-	-
Contractual services	710,083	700,935	84,375	81,179
Allocation of general and administrative expense	-	-	351,969	324,952
Total operating expenses	<u>6,889,091</u>	<u>6,520,687</u>	<u>4,496,225</u>	<u>4,117,970</u>
Net operating income (loss)	<u>\$ 1,081,622</u>	<u>\$ 1,214,542</u>	<u>\$ 1,209,263</u>	<u>\$ 1,166,373</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Statement of Revenues and Expenses
For the Years Ended June 30, 2025 and 2024

Water		Wastewater		Garbage		Administrative	
2025	2024	2025	2024	2025	2024	2025	2024
\$ 848,827	\$ 936,494	\$ 757,362	\$ 884,307	\$659,036	\$ 630,085	\$ -	\$ -
-	-	-	-	-	-	-	-
<u>848,827</u>	<u>936,494</u>	<u>757,362</u>	<u>884,307</u>	<u>659,036</u>	<u>630,085</u>	-	-
274,341	265,023	213,937	266,556	167	3,000	209,061	159,760
27,186	24,025	20,832	24,097	-	278	26,112	15,672
20,577	20,173	15,761	22,347	-	-	15,744	12,396
35,368	34,613	42,153	48,109	-	-	50,868	32,891
23,236	22,316	18,360	23,429	-	11	770	571
-	-	-	-	-	-	-	-
46,643	31,254	-	-	-	-	-	-
73,817	50,767	46,924	81,080	-	-	17,028	1,584
38,986	39,352	31,573	42,279	-	-	-	-
22,756	18,117	21,693	19,701	-	-	-	-
83,208	78,789	296,754	294,329	-	-	8,921	4,460
88,237	106,757	15,410	13,942	-	-	20	-
3,338	3,001	1,403	1,759	-	-	196	4,680
1,308	703	105	0	-	-	-	-
-	224	662	442	-	-	27,752	38,022
-	-	-	-	-	-	7,705	99,127
67,732	35,645	35,100	5,739	-	-	43,341	8,644
1,056	803	5,294	459	-	-	10,193	16,279
4,310	2,145	80,841	79,056	-	-	40,462	51,603
612	941	888	519	-	-	70	364
-	-	316	80	-	-	-	-
16,703	16,763	1,747	2,160	569,983	568,685	37,275	32,148
<u>53,791</u>	<u>58,557</u>	<u>47,995</u>	<u>55,294</u>	<u>41,764</u>	<u>39,398</u>	<u>(495,518)</u>	<u>(478,201)</u>
<u>883,205</u>	<u>809,968</u>	<u>897,748</u>	<u>981,377</u>	<u>611,914</u>	<u>611,372</u>	-	-
<u>\$ (34,378)</u>	<u>\$ 126,526</u>	<u>\$(140,386)</u>	<u>\$ (97,070)</u>	<u>\$ 47,122</u>	<u>\$ 18,713</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ST. MARTINVILLE, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity
As required by Act 87 of the 2020 Regular Legislative Session
June 30, 2025

	First Six Month Period Ended <u>12/31/2024</u>	Second Six Month Period Ended <u>6/30/2025</u>
Beginning Balance of Amounts Collected	\$ 1,771	\$ 2,430
Add: Collections -		
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	65,592	61,732
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>65,592</u>	<u>61,732</u>
Less: Disbursements to Governments and Nonprofits -		
Acadiana Criminalistics Lab/Criminal Fines - Other	2,710	2,240
16th Judicial District Public Defender/Criminal Fines - Other	4,095	3,220
St Martin Crime Stoppers/Criminal Fines - Other	234	184
Louisiana Supreme Court/Criminal Fines - Other	59	46
LA Dept of Health & Hospitals THI/SCI/Criminal Fines - Other	308	235
Louisiana State Treasurer CMIS/Criminal Fines - Other	351	276
Louisiana Commission on Law Enforcement/Criminal Fines - Other	234	184
LA Association of Chiefs of Police/Criminal Fines - Other	234	184
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	56,709	54,953
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies	<u>-</u>	<u>-</u>
Subtotal Disbursements/Retainage	<u>64,934</u>	<u>61,522</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 2,430</u>	<u>\$ 2,640</u>

OTHER INFORMATION

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$2,541,710	\$2,686,761	\$2,747,279	\$ 60,518	\$2,280,772
Licenses and permits	279,027	324,545	362,062	37,517	349,382
Intergovernmental	628,464	683,542	779,864	96,322	1,366,140
Charges for services	52,237	66,406	62,897	(3,509)	54,374
Fines and forfeitures	149,400	81,802	125,958	44,156	122,711
Miscellaneous income	215,061	183,115	214,847	31,732	302,531
Total revenues	<u>3,865,899</u>	<u>4,026,171</u>	<u>4,292,907</u>	<u>266,736</u>	<u>4,475,910</u>
Expenditures:					
Current -					
General government	1,444,359	1,429,069	1,547,441	(118,372)	1,336,310
Public safety	2,041,161	2,229,232	2,173,090	56,142	1,929,993
Public works	1,421,454	1,314,802	1,318,723	(3,921)	1,281,322
Recreation	309,829	268,593	271,573	(2,980)	245,672
Tourism	129,680	112,327	106,910	5,417	96,498
Capital outlay	40,000	242,266	346,367	(104,101)	1,292,701
Debt service	97,661	70,583	119,218	(48,635)	105,012
Total expenditures	<u>5,484,144</u>	<u>5,666,872</u>	<u>5,883,322</u>	<u>(216,450)</u>	<u>6,287,508</u>
Excess (deficiency) of revenues over expenditures	<u>(1,618,245)</u>	<u>(1,640,701)</u>	<u>(1,590,415)</u>	<u>50,286</u>	<u>(1,811,598)</u>
Other financing sources (uses):					
Issuance of long-term debt	-	-	39,897	39,897	272,340
Transfers in	1,700,000	1,500,000	1,758,523	258,523	1,465,558
Transfers out	(50,000)	(147,375)	(568,953)	(421,578)	(250,000)
Total other financing sources (uses)	<u>1,650,000</u>	<u>1,352,625</u>	<u>1,229,467</u>	<u>(123,158)</u>	<u>1,487,898</u>
Net change in fund balance	31,755	(288,076)	(360,948)	(72,872)	(323,700)
Fund balance, beginning	<u>2,487,606</u>	<u>2,487,606</u>	<u>2,487,606</u>	<u>-</u>	<u>2,811,306</u>
Fund balance, ending	<u>\$2,519,361</u>	<u>\$2,199,530</u>	<u>\$2,126,658</u>	<u>\$ (72,872)</u>	<u>\$2,487,606</u>

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

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

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes -					
Ad valorem	\$ 102,348	\$ 108,159	\$ 105,178	\$ (2,981)	\$ 99,379
Payments in lieu of taxes	40,925	37,502	42,985	5,483	37,502
Sales	<u>2,398,437</u>	<u>2,541,100</u>	<u>2,599,116</u>	<u>58,016</u>	<u>2,143,891</u>
Total taxes	<u>2,541,710</u>	<u>2,686,761</u>	<u>2,747,279</u>	<u>60,518</u>	<u>2,280,772</u>
Licenses and permits -					
Occupational and liquor licenses	164,000	216,162	241,865	25,703	231,482
Franchise, fees, and permits	<u>115,027</u>	<u>108,383</u>	<u>120,197</u>	<u>11,814</u>	<u>117,900</u>
Total licenses and permits	<u>279,027</u>	<u>324,545</u>	<u>362,062</u>	<u>37,517</u>	<u>349,382</u>
Intergovernmental -					
Federal and state grants	40,000	227,580	311,795	84,215	911,249
Beer tax	14,000	11,513	11,282	(231)	12,212
Video poker/Off track betting	437,664	361,449	366,187	4,738	346,520
On behalf payments	<u>136,800</u>	<u>83,000</u>	<u>90,600</u>	<u>7,600</u>	<u>96,159</u>
Total intergovernmental	<u>628,464</u>	<u>683,542</u>	<u>779,864</u>	<u>96,322</u>	<u>1,366,140</u>
Charges for services -					
Grass cutting fees	7,270	13,981	11,171	(2,810)	11,137
Recreation	30,532	45,534	41,237	(4,297)	30,294
Tourism center	<u>14,435</u>	<u>6,891</u>	<u>10,489</u>	<u>3,598</u>	<u>12,943</u>
Total charges for services	<u>52,237</u>	<u>66,406</u>	<u>62,897</u>	<u>(3,509)</u>	<u>54,374</u>
Fines and forfeits	<u>149,400</u>	<u>81,802</u>	<u>125,958</u>	<u>44,156</u>	<u>122,711</u>
Miscellaneous -					
Sale of assets	-	-	-	-	14,580
Interest	20,061	49,671	43,359	(6,312)	33,729
Other	<u>195,000</u>	<u>133,444</u>	<u>171,488</u>	<u>38,044</u>	<u>254,222</u>
Total miscellaneous	<u>215,061</u>	<u>183,115</u>	<u>214,847</u>	<u>31,732</u>	<u>302,531</u>
Total revenues	<u>\$ 3,865,899</u>	<u>\$ 4,026,171</u>	<u>\$ 4,292,907</u>	<u>\$ 266,736</u>	<u>\$ 4,475,910</u>

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

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

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Current:					
General government -					
Mayor and council salaries	\$ 132,132	\$ 108,398	\$ 111,079	\$ (2,681)	\$ 104,493
Other salaries and wages	517,764	506,837	512,498	(5,661)	426,719
Retirement	70,512	66,297	64,345	1,952	64,786
Group insurance	94,730	60,460	69,329	(8,869)	69,531
Payroll taxes	46,618	42,207	41,823	384	36,305
Workers compensation	3,576	9,825	12,324	(2,499)	6,280
Auto allowance	10,800	10,800	10,800	-	10,800
Contract labor	25,000	85,001	62,306	22,695	61,000
Equipment	-	1,711	3,345	(1,634)	1,779
Insurance	148,053	102,239	175,953	(73,714)	151,251
Office supplies and postage	16,960	23,273	26,247	(2,974)	26,396
Advertising	8,884	12,634	13,837	(1,203)	18,276
Dues	2,194	1,143	3,568	(2,425)	1,414
Legal and professional fees	151,483	176,960	197,124	(20,164)	129,399
Magistrate	25,200	15,000	15,000	-	18,000
Travel and conferences	31,000	8,969	9,588	(619)	11,646
Fuel	2,520	1,615	5,008	(3,393)	1,939
Indigent defendants cost	24,000	16,763	16,760	3	21,420
Telephone	18,600	22,101	20,029	2,072	19,840
Utilities	12,540	275	240	35	3,515
Technology	14,136	32,164	34,126	(1,962)	34,303
Repairs and maintenance	8,400	39,580	39,048	532	25,189
Collection expense	35,977	35,669	49,037	(13,368)	37,309
Contribution - SMEDA	14,000	14,000	14,000	-	14,000
Inspection fees	24,000	18,686	22,434	(3,748)	26,921
Election expense	-	-	519	(519)	686
Miscellaneous	5,280	16,462	16,154	308	13,095
Total general government	<u>1,444,359</u>	<u>1,429,069</u>	<u>1,547,441</u>	<u>(118,372)</u>	<u>1,336,310</u>
Public safety -					
Salaries	1,084,758	1,086,993	1,061,381	25,612	883,517
Retirement	172,446	161,354	168,261	(6,907)	98,477
Group insurance	175,254	161,649	161,950	(301)	137,563
Payroll taxes	84,878	81,508	80,337	1,171	66,363
Workman's comp	52,052	80,643	80,493	150	59,333
Insurance	95,124	198,808	98,717	100,091	161,743

(continued)

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

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

	2025				
	Budget		Actual	Variance with	2024 Actual
	Original	Final		Final Budget Positive (Negative)	
Public safety (continued) -					
Claim Payments	-	9,210	9,210	-	44,980
Collection expense	9,600	6,920	28,700	(21,780)	31,007
Contract labor	140,004	135,083	141,660	(6,577)	139,999
Supplies	22,200	17,415	40,861	(23,446)	28,398
Telephone	47,448	63,351	51,977	11,374	56,648
Technology	75,798	74,758	84,810	(10,052)	42,936
Dues and subscriptions	1,249	3,761	5,413	(1,652)	4,986
Legal and professional fees	-	2,611	2,396	215	1,804
Training	3,000	5,299	8,686	(3,387)	9,150
Prisoner expense	6,000	-	-	-	750
Travel and conferences	1,350	1,613	2,077	(464)	1,694
Fuel	52,800	71,904	73,303	(1,399)	60,320
Repairs and maintenance	4,800	42,634	44,479	(1,845)	52,491
Drug testing	1,800	4,873	4,796	77	2,041
Uniforms	5,000	10,692	14,322	(3,630)	9,700
Miscellaneous	5,600	8,153	9,261	(1,108)	36,093
Total public safety	<u>2,041,161</u>	<u>2,229,232</u>	<u>2,173,090</u>	<u>56,142</u>	<u>1,929,993</u>
Public works -					
Salaries	675,572	575,091	575,039	52	572,105
Retirement	89,622	65,736	64,916	820	75,312
Group insurance	123,876	85,399	84,586	813	95,555
Workman's comp	58,928	63,134	61,199	1,935	53,328
Payroll taxes	53,028	43,987	43,948	39	43,117
Contract labor	78,000	66,200	76,860	(10,660)	74,900
Claim payments	-	29,454	29,554	(100)	7,124
Insurance	75,168	69,762	68,419	1,343	85,937
Supplies	51,414	38,969	39,308	(339)	73,327
Storm expenses	-	57,000	56,797	203	-
Legal and professional fees	3,000	2,710	3,214	(504)	4,611
Telephone and postage	11,628	12,593	12,485	108	12,452
Technology	5,986	2,043	1,910	133	2,403
Auto and truck expenses	80,400	74,366	73,083	1,283	83,173
Repairs and maintenance	62,500	78,780	78,140	640	83,692
Street repairs and maintenance	20,000	-	-	-	-
Miscellaneous	2,900	6,212	5,536	676	2,582
Dog pound	14,220	35,550	35,550	-	-
Waste collection	11,712	6,066	5,915	151	8,206
Uniforms	3,500	1,750	2,264	(514)	3,498
Total public works	<u>1,421,454</u>	<u>1,314,802</u>	<u>1,318,723</u>	<u>(3,921)</u>	<u>1,281,322</u>

(continued)

CITY OF ST. MARTINVILLE, LOUISIANA
General Fund

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

	2025		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Budget				
	Original	Final			
Recreation -					
Salaries	185,160	112,645	115,999	(3,354)	119,937
Retirement	17,330	7,309	6,979	330	11,153
Group insurance	17,628	14,525	12,851	1,674	4,811
Payroll taxes	14,534	8,691	9,042	(351)	9,241
Insurance	13,356	22,728	16,305	6,423	26,953
Workman's comp	8,710	9,607	9,422	185	9,117
Auto	-	391	391	-	89
Supplies	29,280	41,714	43,227	(1,513)	33,765
Legal and professional fees	850	1,981	2,249	(268)	850
Claim payments	-	3,257	3,257	-	355
Fuel	4,800	6,465	6,416	49	4,941
Utilities and telephone	8,700	8,754	9,104	(350)	8,527
Repairs and maintenance	1,200	17,420	16,537	883	4,025
Garbage collection	4,800	5,979	5,788	191	4,230
Uniforms	300	788	788	-	271
Travel	300	160	728	(568)	173
Miscellaneous	2,881	6,179	12,490	(6,311)	7,234
Total recreation	<u>309,829</u>	<u>268,593</u>	<u>271,573</u>	<u>(2,980)</u>	<u>245,672</u>
Tourism -					
Salaries	96,864	67,887	67,319	568	55,157
Group insurance	116	724	339	385	133
Payroll taxes	7,462	5,581	5,266	315	4,269
Economic development	2,500	-	688	(688)	1,697
Workman's comp	5,316	3,070	2,677	393	3,097
Supplies	4,990	10,955	12,181	(1,226)	6,298
Repairs and maintenance	1,200	8,681	2,959	5,722	12,456
Utilities and telephone	7,560	6,907	6,389	518	7,556
Miscellaneous	2,672	8,522	8,874	(352)	4,811
Travel and conferences	1,000	-	-	-	1,024
Total tourism	<u>129,680</u>	<u>112,327</u>	<u>106,910</u>	<u>5,417</u>	<u>96,498</u>
Capital outlay	<u>40,000</u>	<u>242,266</u>	<u>346,367</u>	<u>(104,101)</u>	<u>1,292,701</u>
Debt service:					
Principal retirement	83,943	61,895	101,371	(39,476)	85,721
Interest	13,718	8,688	17,847	(9,159)	19,291
Total debt service	<u>97,661</u>	<u>70,583</u>	<u>119,218</u>	<u>(48,635)</u>	<u>105,012</u>
Total expenditures	<u>\$ 5,484,144</u>	<u>\$ 5,666,872</u>	<u>\$ 5,883,322</u>	<u>\$ (216,450)</u>	<u>\$ 6,287,508</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Budget				
	Original	Final			
Revenues:					
Intergovernmental -					
Federal grants	\$ 4,853,000	\$ 200,200	\$ 162,914	\$ (37,286)	\$ -
Miscellaneous	700	515	177	(338)	433
Total revenues	<u>4,853,700</u>	<u>200,715</u>	<u>163,091</u>	<u>(37,624)</u>	<u>433</u>
Expenditures:					
General government -					
Unclaimed grant funds	-	-	-	-	13,543
Repairs and maintenance	200	5,664	48,281	(42,617)	-
Legal and professional fees	-	-	1,136	(1,136)	1,790
	<u>200</u>	<u>5,664</u>	<u>49,417</u>	<u>(43,753)</u>	<u>15,333</u>
Recreation -					
Supplies	-	-	-	-	72
Capital outlay -					
Recreation	410,000	170,000	170,000	-	68,332
Streets and drainage	4,655,686	97,575	116,570	(18,995)	10,020
Total capital outlay	<u>5,065,686</u>	<u>267,575</u>	<u>286,570</u>	<u>(18,995)</u>	<u>78,352</u>
Total expenditures	<u>5,065,886</u>	<u>273,239</u>	<u>335,987</u>	<u>(62,748)</u>	<u>93,757</u>
Deficiency of revenues over expenditures	<u>(212,186)</u>	<u>(72,524)</u>	<u>(172,896)</u>	<u>(100,372)</u>	<u>(93,324)</u>
Other financing sources:					
Transfers in	-	67,375	51,334	(16,041)	-
Total other financing sources	<u>-</u>	<u>67,375</u>	<u>51,334</u>	<u>(16,041)</u>	<u>-</u>
Net change in fund balance	(212,186)	(5,149)	(121,562)	(116,413)	(93,324)
Fund balance, beginning	<u>372,581</u>	<u>372,581</u>	<u>372,581</u>	<u>-</u>	<u>465,905</u>
Fund balance, ending	<u>\$ 160,395</u>	<u>\$ 367,432</u>	<u>\$ 251,019</u>	<u>\$ (116,413)</u>	<u>\$ 372,581</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2025

	Section 8 Fund	2008 Debt Service Fund	Total
ASSETS			
Cash	\$ 34,854	\$ 73,528	\$ 108,382
Due from other funds	-	838	838
Total assets	<u>\$ 34,854</u>	<u>\$ 74,366</u>	<u>\$ 109,220</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 672	\$ 280	\$ 952
Total liabilities	672	280	952
Fund balances:			
Restricted	34,182	74,086	108,268
Total liabilities and fund balances	<u>\$ 34,854</u>	<u>\$ 74,366</u>	<u>\$ 109,220</u>

CITY OF ST. MARTINVILLE, LOUISIANA
Nonmajor Governmental Funds

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

	Section 8 Fund	2008 Debt Service Fund	Total
Revenues:			
Ad valorem taxes	\$ -	\$ 110,945	\$ 110,945
Federal grants	461,164	-	461,164
Miscellaneous	28	21	49
Total revenues	461,192	110,966	572,158
Expenditures:			
Current -			
General government	-	2,050	2,050
Urban redevelopment and housing	479,783	-	479,783
Debt service	-	156,910	156,910
Total expenditures	479,783	158,960	638,743
Excess (deficiency) of revenues over expenditures	(18,591)	(47,994)	(66,585)
Other financing sources:			
Transfers in	-	106,521	106,521
Net changes in fund balances	(18,591)	58,527	39,936
Fund balances, beginning	52,773	15,559	68,332
Fund balances, ending	\$ 34,182	\$ 74,086	\$ 108,268

CITY OF ST. MARTINVILLE, LOUISIANA

LCDBG Improvement Project

Schedule of Net Position

June 30, 2025

Assets:	
Grants receivable	<u>\$ 149,704</u>
Liabilities:	
Contracts payable	149,704
Retainage payable	<u>-</u>
Total liabilities	<u>149,704</u>
Net Position	<u><u>\$ -</u></u>

CITY OF ST. MARTINVILLE, LOUISIANA

LCDBG Improvement Project
Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2025

Revenues - LCDBG program	<u>\$ 149,704</u>
Expenses- Construction	<u>149,704</u>
Change in net position	-
Net position, beginning of year	<u>-</u>
Net position, end of year	<u><u>\$ -</u></u>

CITY OF ST. MARTINVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
June 30, 2025 and 2024

Records maintained by the City indicated the following number of customers were being serviced during the months of June 30, 2025 and 2024:

<u>Department</u>	<u>2025</u>	<u>2024</u>
Electric	2,690	2,715
Water	2,498	2,520
Sewer	2,162	2,183
Garbage	2,110	2,137

**COMPLIANCE,
INTERNAL CONTROL,
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Jason Willis, Mayor
and Members of the City Council
City of St. Martinville, 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 St. Martinville, Louisiana (City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of St. Martinville's basic financial statements and have issued our report thereon dated December 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of St. Martinville's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of St. Martinville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of St. Martinville'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2025-001 through 2025-005 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of St. Martinville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of St. Martinville's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of St. Martinville's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The City of St. Martinville's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 8, 2025

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Jason Willis, Mayor
and Members of the City Council
City of St. Martinville, Louisiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of St. Martinville's (City) 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 the City's major federal program for the year ended June 30, 2025. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of St. Martinville 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 June 30, 2025.

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 the City of St. Martinville 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 the City'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 the City'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 the City of St. Martinville'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 the City'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. We 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 the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances. We obtain an understanding of City'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'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, this report is a matter of public record, and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 8, 2025

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Name	Assistance Listing Number	Pass-through Identifying Number	Federal Expenditures
Indirect Programs:			
United States Department of Treasury Passed through Louisiana Division of Administration COVID-19 Coronavirus State and Local Fiscal Recovery Funds *	21.027	LAWSP10952	\$ <u>496,301</u>
United States Department of Housing and Urban Development- Passed through Local Housing Authorities - Section 8 Housing Choice Vouchers Total Housing Choice Voucher Cluster/ U.S. Department of Housing and Urban Development	14.871	N/A	461,164
Passed through Louisiana Division of Administration Community Development Block Grant	14.228	N/A	<u>147,337</u>
Total United States Department of Housing and Urban Development			<u>608,501</u>
Total indirect programs			<u>1,104,802</u>
Total Federal Awards			<u>\$ 1,104,802</u>

* Indicates major program

CITY OF ST. MARTINVILLE, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of City of St. Martinville (City) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported in accordance with accounting principles generally accepted in the United States of America as applied to governmental units, which is described in Note 1 to the City's basic financial statements for the year ended June 30, 2025. Such expenditures are recognized following the cost principle contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. There were no significant deficiencies in internal control disclosed during the audit of the financial statements. There were five material weaknesses reported.
3. There were no instances of noncompliance material to the financial statements of the City, which would be required to be reported in accordance with *Government Auditing Standards*, disclosed during the audit.
4. There were no significant deficiencies in internal control over the major federal program disclosed during the audit. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award program for the City expresses an unmodified opinion on the major federal program.
6. The audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) reported on this schedule.
7. The following program is considered to be a major program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds (21.027).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The City was determined to not be a low-risk auditee.

Part II Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings -

2025-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The City did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows: "Internal control is a process, effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations."

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
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8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The City was determined to not be a low-risk auditee.

Part II Findings which are required to be reported in accordance with generally accepted *Governmental Auditing Standards*:

A. Internal Control Findings -

2025-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2025

CAUSE: The City does not have a sufficient number of staff performing administrative and financial responsibilities so as to provide segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities, including fraud and/or defalcations, may occur and not be prevented and/or detected.

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTION ACTION PLAN: The City has determined that it is not cost effective to achieve complete segregation of duties within the accounting functions.

2025-002 Application of GAAP

Fiscal year finding initially occurred: 2024

CONDITION: The City should be able to record financial transactions and prepare financial statements in accordance with generally accepted accounting principles (GAAP).

CRITERIA: The City does not have a staff person who has the qualifications and training necessary to apply GAAP in recording the City's financial transactions or preparing its financial statements, including notes.

CAUSE: The City does not have personnel with the qualifications needed to perform this function.

EFFECT: The City's financial transactions and financial statements may not be prepared in accordance with GAAP.

RECOMMENDATION: The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

MANAGEMENT'S CORRECTION ACTION PLAN: The City has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interest of the City to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

2025-003 Inadequate Controls Over Reconciling Accounts

Fiscal year finding initially occurred: 2019

CONDITION: The City does not have adequate procedures in place to reconcile general ledger accounts to appropriate supporting documentation.

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2025

CRITERIA: The City should have control policies and procedures that includes reconciling general ledger accounts to supporting schedules or subsidiary ledgers on a monthly basis.

CAUSE: The lack of formalized policies and procedures has resulted in the omission of monthly reconciliations for general ledger accounts, impacting the accuracy and reliability of financial records.

EFFECT: The general ledger required numerous adjusting journal entries to correct account balances, preventing management from producing accurate monthly financial statements, including budget-to-actual schedules.

RECOMMENDATION: The City should establish policies and procedures to reconcile general ledger accounts to appropriate supporting documentation on a monthly basis. Additionally, monthly financial statements and budget-to-actual schedules should be prepared in order to adequately monitor the operations of the City.

MANAGEMENT'S CORRECTION ACTION PLAN: The City will review its policies and procedures and ensure general ledger accounts are being reconciled to appropriate supporting documentation. The City will produce accurate monthly financial statements and budget-to-actual schedules to effectively monitor the City's operations.

2025-004 Inadequate Controls Over Bank Reconciliations

Fiscal year finding initially occurred: 2019

CONDITION: The City lacks procedures to accurately identify and resolve duplicate disbursements and outstanding deposits that have remained uncleared for several months on bank reconciliations.

CRITERIA: The City should have a control policy in place that allows for the proper reconciliation of all bank accounts.

CAUSE: The City's policies and procedures did not allow for the proper reconciliation of their bank accounts during the fiscal year.

EFFECT: The City's bank reconciliations included deposits and duplicate checks as outstanding items.

RECOMMENDATION: The City should ensure that proper activity is recorded in all bank accounts and that all outstanding items from the previous month and/or unusual reconciling items are researched and corrected as necessary.

MANAGEMENT'S CORRECTION ACTION PLAN: Management will ensure all activity is properly recorded on the general ledger and ensure that all outstanding items are investigated.

CITY OF ST. MARTINVILLE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2025

2025-005 Inadequate Controls Over Customer Deposits

Fiscal year finding initially occurred: 2024

CONDITION: The City is not properly applying customer utility deposits to the final balance owed by customers upon disconnections of services.

CRITERIA: The City should establish and implement policies and procedures to ensure that utility deposits are accurately tracked and applied to customers' accounts upon disconnection of services.

CAUSE: The City lacks sufficient policies and procedures to ensure customer utility deposits are applied to final customer utility bills.

EFFECT: The City has outstanding customer utility deposits that have neither been refunded nor applied to offset remaining accounts receivable balances. Consequently, accounts receivable balances were written off before applying these customer deposits, resulting in an overstatement of the amounts recorded as write-offs. Additionally, the City has remaining deposit balances that are owed for former customers that have not been refunded.

RECOMMENDATION: The City should review their policies and procedures to ensure customer utility deposits are appropriately applied to final customer balances with any remaining amounts either collected or refunded to the customer.

MANAGEMENT'S CORRECTION ACTION PLAN: The City will review their current processes and ensure procedures are in place and followed by utility personnel relative to the cancelation of utility services. Any amounts owed/receivable after applying the customer's deposit will be refunded/collected.

B. Compliance Findings -

There were no finding reported under this section

C. Management Letter -

A management letter was issued related to (1) operating losses experienced in the City's Water and Wastewater Departments, and (2) replacing the City's Utility billing software with a software package which is more user-friendly and compatible with the City's fund accounting software.

Part III Findings and questioned costs for the Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance

A. Internal Control Findings -

There were no findings reported under this section.

B. Compliance Findings -

There were no findings reported under this section.



City of St Martinville

P.O. Box 379
120 New Market St.
St. Martinville, LA 70582
PH:(337)394-2230 - FAX:(337)394-2244

BIRTHPLACE OF ACADIANA

Mayor

Jason Willis

CFO:

Kathryn Bujard

Clerk/Executive Assistant:

Lorrie M. Poirier

District 1

Mike Fuselier

District 2

Carol Frederick

District 3

Jonas Fontenette

District 4

Mayor Pro Tem

Janice Anthony

District 5

Flo Chatman

Corrective Action Plan

June 30, 2025

U.S Department of Treasury

The City of St. Martinville, Louisiana respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit conducted by:

Kolder, Slaven & Company, LLC
183 S. Beadle Road
Lafayette, Louisiana 70508

Audit Period: July 1, 2024 – June 30, 2025

The findings from the June 30, 2025 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS - FINANCIAL STATEMENT AUDIT:

Material Weakness-

Internal Control:

2025-001 Inadequate Segregation of Accounting Functions

Recommendation: The City should establish and monitor mitigating controls over functions that are not completely segregated.

Management's Corrective Action Plan: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties

2025-002 Application of GAAP

Recommendation: The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Management's Corrective Action Plan: The City has determined that it is not cost effective to achieve complete segregation of duties within the accounting functions.

2025-003 Inadequate Controls Over Reconciling Accounts

Recommendation: The City should establish policies and procedures to reconcile general ledger accounts to appropriate supporting documentation on a monthly basis. Additionally, monthly financial statements and budget-to-actual schedules should be prepared in order to adequately monitor the operations of the City.

Managements Corrective Action Plan: The City will review its policies and procedures and ensure general ledger accounts are being reconciled to appropriate supporting documentation. The City will produce accurate monthly financial statements and budget-to-actual schedules to effectively monitor the City's operations.

2025-004 Inadequate Controls Over Bank Reconciliations

Recommendation: The City should ensure that proper activity is recorded in all bank accounts and that all outstanding items from the previous month and/or unusual reconciling items are researched and corrected as necessary.

Corrective Action Plan: Management will ensure all activity is properly recorded on the general ledger and ensure that all outstanding items are investigated.

2025-005 Inadequate Controls Over Customer Deposits

Recommendation: The City should review their policies and procedures to ensure customer utility deposits are appropriately applied to final customer balances with any remaining amounts either collected or refunded to the customer.

Corrective Action Plan: The City will review their current processes and ensure procedures are in place and followed by utility personnel relative to the cancelation of utility services. Any amounts owed/receivable after applying the customer's deposit will be refunded/collected.

Compliance Findings:

There were no findings reported under this section

Management Letter:

A management letter was issued related to (1) operating losses experienced in the City's Water and Wastewater Departments, and (2) replacing the City's Utility billing software with a software package which is more user-friendly and compatible with the City's fund accounting software.

Findings and questioned costs for the Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance

Internal Control Findings -

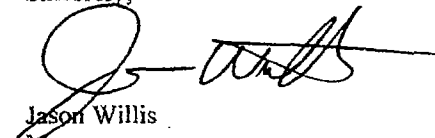
There were no findings reported under this section.

Compliance Findings -

There were no findings reported under this section.

Should any federal or state pass-through grant agencies have questions regarding this plan, please contact Jason Willis, Mayor, at 337-394-2230.

Sincerely,



Jason Willis
Mayor



City of St Martinville

P.O. Box 379
120 New Market St.
St. Martinville, LA 70582
PH:(337)394-2230 - FAX:(337)394-2244

BIRTHPLACE OF ACADIANA

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Lorrie M. Poirier

District 1

Mike Fuselier

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District 5

Flo Chatman

Summary Schedule of Prior Year Findings For the Year Ended June 30, 2025

FINDINGS- FINANCIAL STATEMENT AUDIT:

Internal Control Findings -

Part II Prior Year Audit Finding

A. Internal Control Findings -

2024-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

Condition: The City did not have adequate segregation of functions within the accounting system.

Recommendation: The City should establish and monitor mitigating controls over functions that are not completely segregated.

Current Status: Unresolved. See Finding 2025-001

2024-002 Application of GAAP

Fiscal year finding initially occurred: 2024

Condition: The City should be able to record financial transaction and prepare financial statements in accordance with generally accepted accounting principles (GAAP).

Recommendation: The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Current Status: Unresolved. See Finding 2025-002

2024-003 Inadequate Controls Over Reconciling Accounts

Fiscal year finding initially occurred: 2019

Condition: The City does not have adequate procedures in place to reconcile general ledger accounts to appropriate supporting documentation.

Recommendation: The City should establish policies and procedures to reconcile general ledger accounts to appropriate supporting documentation on a monthly basis. Additionally, monthly financial statements and budget to actuals schedules should be prepared in order to adequately monitor the operations of the City.

Current Status: Unresolved. See Finding 2025-003

2024-004 Inadequate Controls Over Capital Assets

Fiscal year finding initially occurred: 2019

Condition: The City does not have procedures in place to maintain accurate records of their capital assets.

Recommendation: The City should implement policies and procedures relative to capital asset additions and disposals. Additionally, an annual inventory of all capital assets should be conducted prior to the end of the fiscal year.

Current Status: Resolved.

2023-005 Inadequate Controls Over Bank Reconciliations

Fiscal year finding initially occurred: 2019

Condition: The City did not have procedures in place for the proper and timely reconciliation of the City's bank accounts.

Recommendation: The City should ensure that the proper activity is recorded in all bank accounts and complete the reconciliations no later than 60 days after the statement closing date.

Current Status: Unresolved. See Finding 2025-004

2024-006 Inadequate Controls over Traffic Tickets

Fiscal year finding initially occurred: 2021

Condition: Controls over traffic tickets were not adequate. The traffic ticket log was not properly maintained: (1) there was no accounting for the numerical sequence of tickets issued and (2) ticket books were issued to police officers before the previously issued book is accounted for and before all issued citations are received from the police officer. No quarterly audit for traffic citations is being performed by the Municipal Clerk.

Recommendation: Ticket books should be issued in numerical sequence with only one ticket book issued at a time. The Chief should maintain a citation log with all required information to ensure fines are collection; appropriate action is taken for nonpayment; and funds are not misappropriated. A quarterly reconciliation of traffic citations should be performed by the Municipal Clerk.

Current Status: Resolved.

2024-007 Inadequate Controls Over Disbursements of Contracts for Services

Fiscal year finding initially occurred: 2024

Condition: The City did not adhere to the terms and conditions outlined in the service contract. Although the agreement specified monthly payments for services, the City issued advanced payments, later adjusting the payment schedule for the remaining contract months. These advance payments could be considered a violation of Article VII Section 14 of the Louisiana Constitution.

Recommendation: The City should ensure that the terms and conditions of an approved contract by the board are followed and payments should only be made to contractors once services have been received.

Current Status: Resolved.

2024-008 Inadequate Controls Over Utility Disconnects

Fiscal year finding initially occurred: 2024

Condition: The City did not follow its established policies and procedures for utility collections by disconnecting service to customers due to nonpayment of their utility bills. Providing utility services without receiving payment could be considered a violation of Article VII Section 14 of the Louisiana Constitution.

Recommendation: To minimize future write-offs and ensure compliance with Article VII Section 14 of the Louisiana Constitution, the City should enforce compliance with its established utility collection policies and procedures, specifically those governing service disconnections for nonpayment.

Current Status: Resolved.

2024-009 Inadequate Controls Over Utility Billings

Fiscal year finding initially occurred: 2024

Condition: The City is processing customer utility bills that are excessive and do not agree with the customers usage.

Recommendation: To ensure accuracy and accountability, the City should implement policies and procedures that require utility billings to be generated based on actual usage and subject to comprehensive review and approval prior to processing and mailing.

Current Status: Resolved.

2024-010 Inadequate Controls Over Customer Deposits

Fiscal year finding initially occurred: 2024

Condition: The City is not properly applying customer utility deposits to the final balance owed by customers upon disconnections of services.

Recommendation: The City should review their policies and procedures to ensure customer utility deposits are appropriately applied to final customer balances with any remaining amounts either collected or refunded to the customer.

Current Status: Partially resolved. See Finding 2025-005

A. Compliance Findings –

2024-011 Inadequate Controls Over Disbursements of Contracts for Services

Fiscal year finding initially occurred: 2024

Condition: The City did not adhere to the terms and conditions outlined in the service contract. Although the agreement specified monthly payments for services, the City issued advanced payments, later adjusting the payment schedule for the remaining contract months. These advance payments could be considered a violation of Article VII Section 14 of the Louisiana Constitution.

Recommendation: The City should ensure that the terms and conditions of an approved contract by the board are followed and payments should only be made to contractors once services have been received.

Current Status: Resolved.

2024-012 Inadequate Controls Over Utility Disconnects

Fiscal year finding initially occurred: 2024

Condition: The City did not follow its established policies and procedures for utility collections by disconnecting service to customers due to nonpayment of their utility bills. Providing utility services without receiving payment could be considered a violation of Article VII Section 14 of the Louisiana Constitution.

Recommendation: To minimize future write-offs and ensure compliance with Article VII Section 14 of the Louisiana Constitution, the City should enforce compliance with its established utility collection policies and procedures, specifically those governing service disconnections for nonpayment.

Current Status: Resolved.

2024-013 Compliance with Bond Covenants

Condition: The City did not comply with the cash reserve requirement for their Sales Tax Bond, Series 2016.

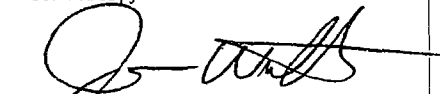
Recommendation: The City should review the requirements of their debt covenants to ensure the appropriate cash reserves are maintained at all times.

Current Status: Resolved.

C. Management Letter –

A management letter was issued related to (1) operating losses experienced in the City's Wastewater Department, and (2) enhancing interdepartmental procedures to facilitate more effective communication between the utility and accounting departments, thereby ensuring accurate recording of billings and collections for the fiscal year ended June 30, 2024.

Sincerely,



Jason Willis
Mayor

CITY OF ST. MARTINVILLE

St. Martinville, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2025

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel

C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

City of St. Martinville
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. City of St. Martinville's management is responsible for those C/C areas identified in the SAUPs.

City of St. Martinville has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds.
 - c) Obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.
 - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Bank Reconciliations

3. Obtain a listing of the entity's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected accounts, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding electronic fund transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #4 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under procedure #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/ officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under procedure #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.
11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #4, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
 - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
 - b) Approved by the required number of authorized signers per the entity's policy.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1g.
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.*

Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #17 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or officials' cumulate leave records, agree the pay rates to the employee's or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.

21. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17 obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Debt Service

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

Fraud Notice

This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
26. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discussed the results with management, and report "We performed the procedure and discussed the results with management."**
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
We performed the procedure and discussed the results with management.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the listing of terminated employees obtained in Payroll and Personnel procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employee/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- a) Completed the training if hired before June 9, 2020; and
- b) Completed the training within 30 days of initial service or employment if hired on or after June 9, 2020.

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.

30. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
31. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Exceptions:

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

Written Policies and Procedures

1. The entity's written policies and procedures do not address the following: (a) Purchasing – how vendors are added to the vendor list; (b) Receipts – management's actions to determine completeness of all collections for each type of revenue or custodial fund addition; (c) Contracting - address standard terms and conditions or the monitoring of contracts; (d) Ethics - a system to monitor possible ethics violations and the requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy; (e) Information Technology/Disaster recovery - identification of critical data, frequency of backups, storage of backups in a separate physical location isolated from the network, periodic testing/ verification that backups can be restored, use of anti-virus software on all systems, timely application of all available system and software patches/updates, and identification of personnel, processes, and tools needed to recover operations after a critical event; (f) Sexual Harassment Prevention – annual reporting.

Board or Finance Committee

2. The City did not provide evidence that the board received written updates on the progress of resolving prior year's findings and recommendations.

Bank Reconciliation

3. Three of the five bank accounts selected for testing did not include evidence the reconciliations were performed within two months; two of the five bank accounts selected for testing did not include evidence of researching outstanding items greater than 12 months; all of the bank accounts selected for testing did not include evidence that a member of management or board member who does not handle cash, post ledger, or issue checks has reviewed each reconciliation within one month.

Collections

4. Three of the ten collections selected for testing did not include prenumbered receipt, could not be traced to deposit slip, and did not include evidence of timely deposit.

Disbursements

5. The entity does not have segregation of duties related to the employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
6. All five disbursements selected for testing lacked evidence of segregation of duties.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards

7. Three of the twelve credit card transactions tested did not have documentation of public purpose and did not have itemized receipts.

Management's Response:

Management concurs with the exceptions noted and is working to address the deficiencies identified.

We were engaged by City of St Martinville to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of City of St Martinville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
October 31, 2025