

**City of Minden
Minden, Louisiana**

**Annual Financial Report
As of and for the Year Ended September 30, 2025**

City of Minden
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and the City Council
City of Minden
Minden, Louisiana

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Minden, Louisiana, as of and for the year ended September 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.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the City of Minden, Louisiana, as of September 30, 2025, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Government Activities, Business-Type Activities, Each Major Fund and Aggregate Remaining Fund Information

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Minden, Louisiana, as of September 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.

We did not audit the financial statements of the City of Minden, Pension (and Other Employee Benefit Trust) Fund, which represents 66% of the assets of the fiduciary funds as of September 30, 2025. Those statements were audited by another auditor whose reports have been furnished to us, and our opinions, insofar as it relates to the amount included for City of Minden, Pension (and Other Employee Benefit Trust) Fund is based solely on the reports of the other auditor.

Basis for Adverse and Unmodified Opinions

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

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the City's legally separate component units, City Court of Minden and Minden City Marshal. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. The effects of not including the City's legally separate component units on the aggregate discretely presented component units and the aggregate remaining fund information has not been determined.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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.

Emphasis of Matters

As disclosed in Note 20 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 101 - *Compensated Absences*. This statement provides guidance to enhance accounting changes and error corrections to provide more understandable, reliable, consistent, and comparable information for making decisions or assessing accountability. The adoption of this standard had no impact on the City's financial statements or notes to the financial statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the Budgetary Comparison Schedules, and notes to the required supplementary information, as listed in the table of contents, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Minden's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by Title 2, *U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information, as listed in the table of contents, 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 GAAS. In our opinion, the accompanying supplementary information, as listed in the table of contents, and the Schedule of Expenditures of

Federal Awards, as required by Title 2, *U. S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is fairly stated, 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, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



ALLEN, GREEN & WILLIAMSON, LLP
Monroe, Louisiana
June 25, 2026

REQUIRED SUPPLEMENTARY INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

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City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

Our discussion and analysis of the City of Minden, Louisiana's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the City's financial statements, which begin on page 21.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$44.5 million.
- During the year, the revenues of the City's governmental activities exceeded expenses by \$1 million dollars before transfers. Last year, expenses exceeded revenues by \$.5 million.
- The City's total revenues were \$.7 million more than prior year. A \$.1 million decrease occurred in the business-type activities and by a \$.8 million increase in governmental activities.
- The total cost of all of the City's programs was approximately \$44.8 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 23-25) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 28. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the City as a Whole

Our analysis of the City as a whole begins on page 13. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. You can think of the City's net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the City's financial health, or *financial position*.

Over time, *increases or decreases* in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the *overall health* of the City.

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including the police, fire, public works, parks and recreation, sanitation and health, highway and streets, economic development, and general administration. Property taxes, sales taxes, franchise fees, and state and federal grants finance most of these activities.
- **Business-type activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer, and electrical systems are reported here.

Reporting the City's Most Significant Funds

The City's financial statements of the major funds begins on page 27. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes other funds to help it control and manage money for particular purposes (like street improvements) or to show that it is meeting legal responsibilities for using certain taxes, grants and other money (like sales taxes restricted for specific use). The City's two kinds of funds –*governmental* and *proprietary* use different accounting approaches.

- *Governmental funds* – Most of the City's basic services are reported in governmental funds which focus on how money flows into and out of those funds and the balances left at year-end that are nonspendable, restricted, committed, assigned or unassigned. These classifications of fund balance show the nature and extent of constraints placed on the City's fund balances by law, creditors, City council, and the City's annually adopted budget. Unassigned fund balance is available for spending for any purpose. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.
- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

The City as Trustee

The City is the trustee, or fiduciary, for the Police Bond fund and the Pension Benefit Trust fund. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on page 36. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

THE CITY AS A WHOLE

The City's *combined* net position increased by \$.7million. In contrast, last year's net position increased by \$5.4 million. Looking at net position and net expenses of governmental and business-type activities separately, however, provides more detail. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

(Table 1)
Net Position
September 30

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	\$ 15,832,427	\$ 14,975,541	\$ 12,673,695	\$ 16,202,024	\$ 28,506,122	\$ 31,177,565
Capital assets	27,053,894	27,347,560	15,728,061	15,385,029	42,781,955	42,732,589
Total assets	42,886,321	42,323,101	28,401,756	31,587,053	71,288,077	73,910,154
Total deferred outflows of resources	3,230,248	4,447,078	184,641	174,673	3,414,889	4,621,751
Liabilities						
Current and other liabilities	2,088,446	4,087,252	3,395,029	3,015,284	5,483,475	7,102,536
Long-term liabilities	18,272,664	20,380,241	3,232,398	3,700,241	21,505,062	24,080,482
Total liabilities	20,361,110	24,467,493	6,627,427	6,715,525	26,988,537	31,183,018
Total deferred inflows of resources	3,053,906	3,436,497	207,148	207,795	3,261,054	3,644,292
Net Position						
Net investment in capital assets	24,953,366	25,669,858	14,850,187	14,417,357	39,803,553	40,087,215
Restricted	7,165,242	6,666,698	-	-	7,165,242	6,666,698
Unrestricted	(9,417,055)	(13,470,367)	6,901,635	10,421,049	(2,515,420)	(3,049,318)
Total net position	\$ 22,701,553	\$ 18,866,189	\$ 21,751,822	\$ 24,838,406	\$ 44,453,375	\$ 43,704,595

The largest portion of the City of Minden's net position totaling approximately \$40.0 million reflects its investment in capital assets (e.g. land, buildings, streets, drainage, machinery and equipment) less any related debt used to acquire those assets that are still outstanding. The City of Minden uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Minden's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

Governmental Activities – Net Position

Revenue of the governmental activities exceeded the expenses by \$1 million. The governmental activities were funded with transfers of \$2.8 million from the City's business type activities. The net position of governmental activities increased by \$3.8 million.

The restricted net position of the governmental activities represents the portion of net position that is not available to finance the day-to-day operations. The use of restricted assets is subject to constraints established by a voter-approved city ordinance. Restricted net position increased by \$.5 million to a total of \$7.2 million, a majority of which is available to finance specific funding for sewer and recreational activities.

Business-type Activities – Net Position

There was a \$3.1 million decrease in the total net position of the business-type activities. Before transferring \$2.8 million (net) to the governmental activities, the business type activities reported a \$.3 million loss.

Our analysis that follows separately considers the operations of governmental and business-type activities.

Governmental activities

The total revenues for governmental activities increased by \$.8 million when compared to prior year revenues, with largest increase in grants and contributions not restricted to a program.

Overall governmental expenses were \$.7 million less than last year's expenses. Largest increases in public works of .8 million and culture and recreation of .2 million.

Business-type activities

This year, expenses exceeded revenue for business-type activities by \$.2 million before transfers. Last year, the surplus was \$5.9 million before transfers.

When compared to last year's revenues, the total business-type revenues were \$.2 million more. The decrease in the capital grants and contributions; offset by charges for electrical services.

The Utility fund transferred approximately \$5.7 million to the City's General fund. The Utility fund received \$1.6 million from the Sales Tax - Sewerage fund to help cover sewer program expenses.

The total cost of the business type activities programs was approximately \$26.2 million, with 75% of the cost occurring within the electric department. The overall cost of these programs increased by approximately \$6.0 million. Increases of expenses were for each function.

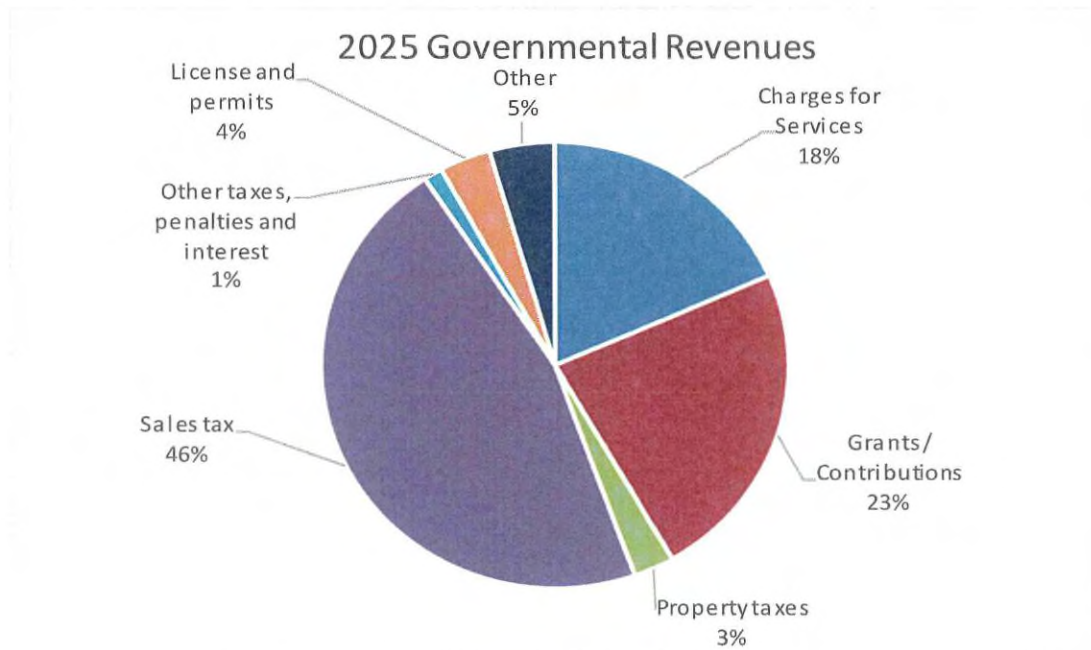
City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

(Table 2)
Changes in Net Position
or the Year Ended September 30

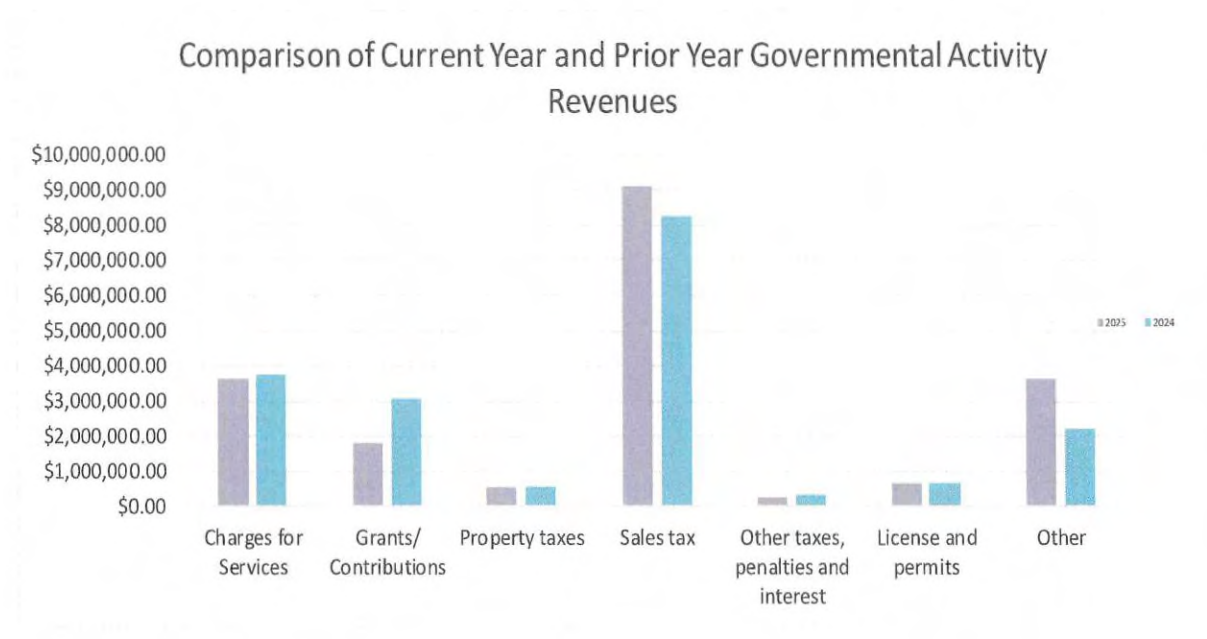
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues						
Charges for services	\$ 3,624,259	\$ 3,757,757	\$ 25,062,041	\$ 23,864,423	\$ 28,686,300	\$ 27,622,180
Operating grants and contributions	544,396	511,942	-	-	544,396	511,942
Capital grants and contributions	1,258,832	2,550,469	163,468	1,158,000	1,422,300	3,708,469
General revenues						
Property taxes	550,079	543,119	-	-	550,079	543,119
Sales tax	9,081,121	8,240,388	-	-	9,081,121	8,240,388
Other taxes, penalties and interest	254,692	317,976	-	-	254,692	317,976
License and permits	696,342	677,157	-	-	696,342	677,157
Grants and contributions not restricted to a program	2,780,279	1,179,900	50,912	-	2,831,191	1,179,900
Earnings on investments	340,592	483,141	327,817	341,156	668,409	824,297
Miscellaneous	535,673	572,822	314,132	681,766	849,805	1,254,588
Total Revenues	19,666,265	18,834,671	25,918,370	26,045,345	45,584,635	44,880,016
Functions/Program Expenses:						
Governmental activities						
General and administrative	3,048,115	3,623,197	-	-	3,048,115	3,623,197
Police department	5,309,939	5,708,784	-	-	5,309,939	5,708,784
Fire department	2,145,825	2,366,814	-	-	2,145,825	2,366,814
Street department	2,301,840	2,849,259	-	-	2,301,840	2,849,259
Health and welfare	1,143,133	1,078,364	-	-	1,143,133	1,078,364
Culture and recreation	2,525,745	2,324,881	-	-	2,525,745	2,324,881
Public Works	2,116,355	1,321,582	-	-	2,116,355	1,321,582
Interest expense	80,058	52,330	-	-	80,058	52,330
Business-type activities						
Water enterprise	-	-	2,903,502	2,423,409	2,903,502	2,423,409
Sewer enterprise	-	-	2,043,218	1,916,490	2,043,218	1,916,490
Electric	-	-	19,585,752	14,515,156	19,585,752	14,515,156
Other	-	-	1,632,373	1,293,941	1,632,373	1,293,941
Total Functions/Program Expenses	18,671,010	19,325,211	26,164,845	20,148,996	44,835,855	39,474,207
Increase (decrease) in net position						
before transfers	995,255	(490,540)	(246,475)	5,896,349	748,780	5,405,809
Transfers	2,840,109	2,739,971	(2,840,109)	(2,739,971)	-	-
Increase (decrease) in net position	3,835,364	2,249,431	(3,086,584)	3,156,378	748,780	5,405,809
Net position - beginning	18,866,189	16,568,877	24,838,406	21,729,909	43,704,595	38,298,786
Change within the financial reporting entity (fund moved from enterprise to special revenue)	-	47,881	-	(47,881)	-	-
Net position - beginning	18,866,189	16,616,758	24,838,406	21,682,028	43,704,595	38,298,786
Net position - ending	\$ 22,701,553	\$ 18,866,189	\$ 21,751,822	\$ 24,838,406	\$ 44,453,375	\$ 43,704,595

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

The following chart displays the various types of governmental revenues and their respective percentage of total governmental revenues received as of September 30, 2025:

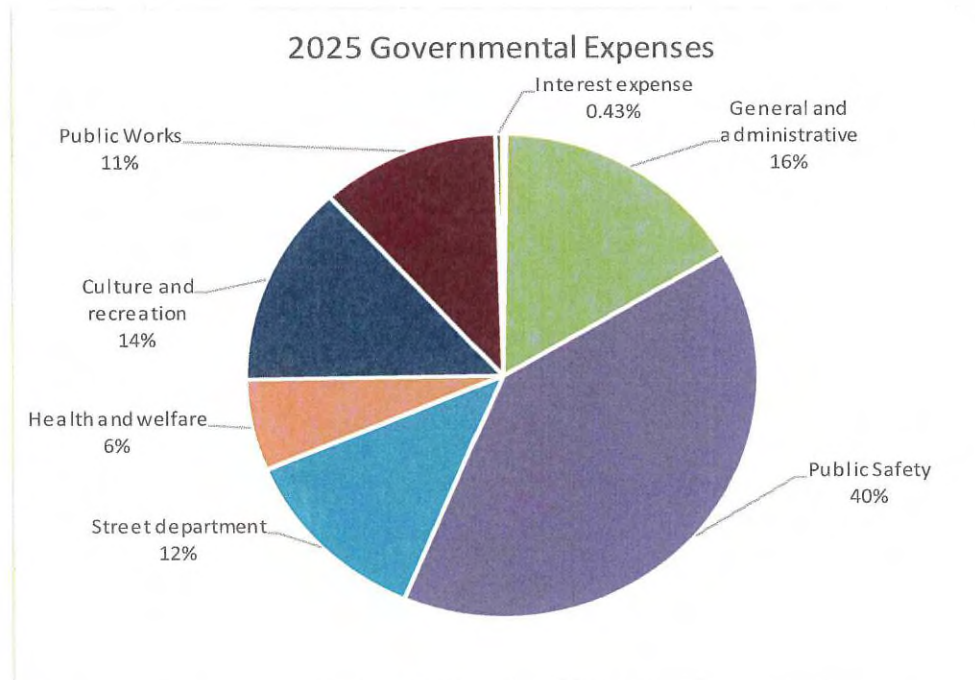


The chart below compares governmental revenues of the current year to the prior year.



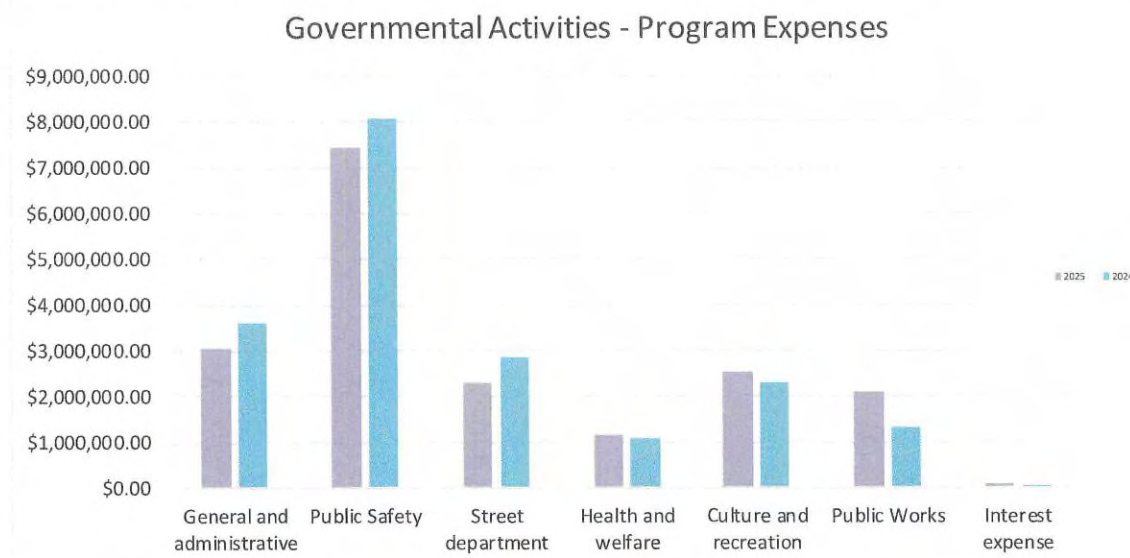
City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

The following chart displays the various types of governmental activity expenses and their respective percentage of total governmental expense received as of September 30, 2025:



The City's largest program expenses during the current year were public safety and general and administrative, which are 40% and 16% of the total governmental-type program expense in the current year, respectively.

The chart below compares program expenses of the current year to the prior year.



City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

THE CITY'S FUNDS

Governmental funds – The focus of the City of Minden's governmental funds is to provide information on near-term inflow, outflows, and balances of spendable resources. Such information is useful in assessing the City of Minden's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year.

As the City completed the year, its governmental funds (as presented in the balance sheet on page 28) reported a combined fund balance of \$13.7 million, increasing by \$2.9 million.

As previously mentioned, City revenues increased \$.8 million from the prior year. The Police Department worked more hours of STEP leading to more income to be collected. The intergovernmental revenues increased by \$3.4 million due to having to spend the American Rescue Plan money before the deadline to do so.

City expenditures decreased from \$23.6 million to \$21.4 million. The largest decrease in expenditures was for capital outlay with airport improvements being completed in prior year. The Police Department and Fire Department had to complete additional training due to insurance requirements. To prevent non-renewal of insurance we complied to these request. In addition to this, the departments are fully staffed versus in the past years expenses were based off of not being fully staffed.

The overall governmental funds reported a deficiency of revenues over expenditures of \$1.8 million, which was funded by transfers from the Utility proprietary fund.

The General fund expenditures exceeded its revenues by \$13.4 million. This deficit was funded primarily by transfers of \$4.8 million from the Utility fund, \$4.4 million from the surplus in the Sales Tax fund, \$2.3 million from the Sales Tax Sewerage fund and \$1 million from the STEP Program. Based off of recommendations to spend some of the reserve money in all of these accounts, we approved more expenses than usual to deplete some of these funds to complete more projects to benefit the citizens.

The Sales Tax fund revenues exceeded its expenditures by \$4.4 million. This excess was a result of increase in sales tax due to continued economic growth in the City.

The Sewerage Sales Tax fund revenues exceeded its expenditures by \$4.5 million. This excess was a result of increase in sales tax due to continued economic growth in the City.

Proprietary funds – The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Sewer Plant Sales Tax fund transferred in approximately \$1.6 million to the Utility fund. Those resources are restricted to assist funding the costs of sewerage activities.

The Utility fund transferred approximately \$5.7 million to the General fund.

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the City Council amended the budget three times. Amendments were made to increase the overall revenue and also increase expenditures in different departments. Actual expenditures were \$.3 million less than budgeted at year end and no additional budget amendment was necessary.

These amendments were made to complete the purchase of new land to expand the City of Minden's infrastructure for the Recreation Enhancement, allocate the American Rescue Plan funds to meet spending/allocation deadlines, purchase new credit card machines for the Utility Department, renovate the Civic Center and Community House, allocate money for water projects, and the repair the plumbing due to old infrastructure causing damage within the City Hall.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of September 30, 2025, the City had \$42.8 million invested in capital assets including police and fire equipment, buildings, park facilities, water, sewer and electric lines. This amount represents an increase of approximately \$49 thousand in investments in capital assets.

City of Minden's Capital Assets at Year-end

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 2,658,529	\$ 2,058,529	\$ 322,342	\$ 322,342	\$ 2,980,871	\$ 2,380,871
Construction in progress	3,608,269	3,972,666	386,834	1,377,890	3,995,103	5,350,556
Infrastructure	7,661,127	7,661,127	-	-	7,661,127	7,661,127
Buildings	18,141,047	17,784,003	18,506,767	17,281,667	36,647,814	35,065,670
Land improvements other than buildings	11,590,096	11,590,096	37,778,435	36,378,072	49,368,531	47,968,168
Equipment	10,150,234	10,052,237	10,013,351	9,915,940	20,163,585	19,968,177
Leased equipment - intangible asset	1,254,153	915,313	320,504	325,641	1,574,657	1,240,954
Total capital assets	<u>55,063,455</u>	<u>54,033,971</u>	<u>67,328,233</u>	<u>65,601,552</u>	<u>122,391,688</u>	<u>119,635,523</u>
Accumulated depreciation/amortization	(28,009,561)	(26,686,411)	(51,600,172)	(50,216,523)	(79,609,733)	(76,902,934)
Net capital assets	<u>\$27,053,894</u>	<u>\$27,347,560</u>	<u>\$15,728,061</u>	<u>\$15,385,029</u>	<u>\$42,781,955</u>	<u>\$42,732,589</u>

Major construction projects undertaken by the City include the following:

Airport box hangers
Public works building
Animal control facility
Shreveport Road water main improvements

Only bridges owned by the City are capitalized as infrastructure. The City has elected to report its system of streets under the modified approach. Neither their historical cost nor related depreciation has been reported in the financial statements. There were no significant changes in the assessed condition of infrastructure assets eligible under the modified approach. The current assessed condition of roads is above the condition level the City has established.

City of Minden
Management's Discussion and Analysis (MD&A)
September 30, 2025

Debt

At the end of the fiscal year, the City had \$2.5 million in debt outstanding versus \$2.4 million last year. The outstanding debt consisted of:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Notes Payable	\$ 979,863	\$ 929,901	\$ 578,243	\$ 691,713	\$ 1,558,106	\$ 1,621,614
Leased equipment	724,016	568,074	206,441	215,990	930,457	784,064
Total Debt	<u>\$ 1,703,879</u>	<u>\$ 1,497,975</u>	<u>\$ 784,684</u>	<u>\$ 907,703</u>	<u>\$ 2,488,563</u>	<u>\$ 2,405,678</u>

More detailed information about the City's long-term liabilities is presented in Note 12 to the financial statements.

COMPONENT UNITS

The City has chosen not to include the following component units in the basic financial statements: City Court of Minden and Minden City Marshal. Separate financial statements for each of these component units can be obtained by contacting each component unit.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Budget figures for the new fiscal year are based on efforts to stimulate the economy through the increase of economic development activities. In reference to sales tax collections, a conservative budget proposal was applied. The City will maintain the high service levels for fiscal year 2025/2026 without any major rate and service fee increases in the near future. Personnel expenditures continue to rise.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the City Clerk's office at 520 Broadway, Minden, Louisiana.

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

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CITY OF MINDEN

STATEMENT OF NET POSITION
September 30, 2025

			Statement A
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT
ASSETS			
Cash and cash equivalents	\$ 9,689,672	\$ 1,778,778	\$ 11,468,450
Investments	3,487,195	5,281,958	8,769,153
Restricted assets:			
Cash and cash equivalents	-	749,233	749,233
Investments	-	193	193
Receivables, net	1,513,986	3,498,083	5,012,069
Internal balances	1,079,696	(1,079,696)	-
Inventory	25,422	2,372,513	2,397,935
Prepaid items	36,456	72,633	109,089
Capital assets:			
Land and construction in progress	6,266,798	709,176	6,975,974
Depreciable assets, net of depreciation/ amortization	20,787,096	15,018,885	35,805,981
TOTAL ASSETS	42,886,321	28,401,756	71,288,077
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	1,344,409	184,641	1,529,050
Deferred outflows related to OPEB	1,885,839	-	1,885,839
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,230,248	184,641	3,414,889
LIABILITIES			
Accounts and other payables	2,085,375	2,523,442	4,608,817
Interest payable	3,071	21,684	24,755
Deposits payable from restricted assets	-	849,903	849,903
Noncurrent liabilities:			
Due within one year: Notes, leases, OPEB and compensated absences	1,341,984	463,218	1,805,202
Due in more than one year			
Notes, leases, compensated absences	1,206,786	494,593	1,701,379
OPEB liability	8,925,815	-	8,925,815
Net pension liability	6,798,079	2,274,587	9,072,666
TOTAL LIABILITIES	20,361,110	6,627,427	26,988,537
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	1,443,215	207,148	1,650,363
Deferred inflows related to OPEB	1,610,691	-	1,610,691
TOTAL DEFERRED INFLOWS OF RESOURCES	3,053,906	207,148	3,261,054
NET POSITION			
Net investment in capital assets	24,953,366	14,850,187	39,803,553
Restricted for:			
Sewerage and recreational facilities related debt service	5,840,648	-	5,840,648
Economic development	1,188,255	-	1,188,255
Public safety	103,245	-	103,245
Grants	33,094	-	33,094
Unrestricted	(9,417,055)	6,901,635	(2,515,420)
TOTAL NET POSITION	\$ 22,701,553	\$ 21,751,822	\$ 44,453,375

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<i>Governmental activities:</i>				
General and administrative	\$ 3,048,115	\$ 282,652	\$ 70,000	\$ -
Police department	5,309,939	1,667,583	362,350	-
Fire department	2,145,825	-	77,756	-
Street department	2,301,840	-	26,845	40,000
Sanitation and health	1,143,133	1,099,973	-	-
Parks and recreation	2,525,745	140,473	7,095	-
Public works	2,116,355	433,578	350	1,218,832
Interest expense	80,058	-	-	-
Total Governmental Activities	18,671,010	3,624,259	544,396	1,258,832
<i>Business-type activities:</i>				
Water activities	2,903,502	3,131,393	-	-
Sewer activities	2,043,218	1,995,361	-	163,468
Electric activities	19,585,752	19,208,184	-	-
Other	1,632,373	727,103	-	-
Total Business-Type Activities	26,164,845	25,062,041	-	163,468
Total Primary Government	\$ 44,835,855	\$ 28,686,300	\$ 544,396	\$ 1,422,300

General Revenues and transfers:

General revenues:

Property taxes levied for general purposes

Sales and use tax revenue

Franchise taxes

Licenses and permits

Grants and contributions not restricted to a specific program

Earnings on investments

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position

Net position - beginning

Net position - ending

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement B

PRIMARY GOVERNMENT		
NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		
Governmental Activities	Business-Type Activities	TOTAL
\$ (2,695,463)	\$ -	\$ (2,695,463)
(3,280,006)	-	(3,280,006)
(2,068,069)	-	(2,068,069)
(2,234,995)	-	(2,234,995)
(43,160)	-	(43,160)
(2,378,177)	-	(2,378,177)
(463,595)	-	(463,595)
(80,058)	-	(80,058)
(13,243,523)	-	(13,243,523)
-	227,891	227,891
-	115,611	115,611
-	(377,568)	(377,568)
-	(905,270)	(905,270)
-	(939,336)	(939,336)
(13,243,523)	(939,336)	(14,182,859)
550,079	-	550,079
9,081,121	-	9,081,121
254,692	-	254,692
696,342	-	696,342
2,780,279	50,912	2,831,191
340,592	327,817	668,409
535,673	314,132	849,805
2,840,109	(2,840,109)	-
17,078,887	(2,147,248)	14,931,639
3,835,364	(3,086,584)	748,780
18,866,189	24,838,406	43,704,595
\$ 22,701,553	\$ 21,751,822	\$ 44,453,375

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BASIC FINANCIAL STATEMENTS:

FUND FINANCIAL STATEMENTS (FFS)

CITY OF MINDEN

GOVERNMENTAL FUNDS

Balance Sheet

September 30, 2025

Statement C

	SPECIAL REVENUE					TOTAL
	GENERAL	SALES TAX	SEWERAGE SALES TAX	ARPA	NONMAJOR GOVERNMENTAL	
ASSETS:						
Cash and cash equivalents	\$ 1,771,163	\$ 3,541,072	\$ 2,976,927	\$ 97,789	\$ 1,302,721	\$ 9,689,672
Investments	789,440	208,871	2,488,884	-	-	3,487,195
Receivables	631,475	374,837	374,837	-	132,837	1,513,986
Interfund receivables	1,229,662	-	-	38,074	-	1,267,736
Inventory	25,422	-	-	-	-	25,422
TOTAL ASSETS	4,447,162	4,124,780	5,840,648	135,863	1,435,558	15,984,011
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts and other payables	2,052,150	-	-	18,503	14,722	2,085,375
Interfund payables	-	-	-	84,266	103,774	188,040
TOTAL LIABILITIES	2,052,150	-	-	102,769	118,496	2,273,415
FUND BALANCES:						
Nonspendable	25,422	-	-	-	-	25,422
Restricted	-	-	5,840,648	33,094	1,291,500	7,165,242
Assigned	-	4,124,780	-	-	25,562	4,150,342
Unassigned	2,369,590	-	-	-	-	2,369,590
TOTAL FUND BALANCES	2,395,012	4,124,780	5,840,648	33,094	1,317,062	13,710,596
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,447,162	\$ 4,124,780	\$ 5,840,648	\$ 135,863	\$ 1,435,558	\$ 15,984,011

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

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

Statement D

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$ 13,710,596
--	---------------

The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the City as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 55,063,455	
Accumulated depreciation	<u>(28,009,561)</u>	27,053,894

Other assets used in governmental activities that are not financial resources and, therefore are not reported in the fund financial statements

Prepaid assets	36,456
----------------	--------

Deferred outflows of resources are not available to pay current period expenditures and deferred inflows of resources are not due and payable in the current period, therefore, neither are reported in the governmental funds.

Deferred outflows related to pensions	1,344,409	
Deferred outflows related to OPEB	1,885,839	
Deferred inflows related to pensions	(1,443,215)	
Deferred inflows related to OPEB	<u>(1,610,691)</u>	176,342

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Balances at September 30, 2025 are:

Accrued interest payable	3,071	
Notes payable	979,863	
Leases payable	724,016	
Compensated absences payable	465,870	
Net pension liability	6,798,079	
OPEB liability	<u>9,304,836</u>	<u>(18,275,735)</u>

Net position - governmental activities	<u>\$ 22,701,553</u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended September 30, 2025

Statement E

	GENERAL	SPECIAL REVENUE			NONMAJOR GOVERNMENTAL	TOTAL
		SALES TAX	SEWERAGE SALES TAX	ARPA		
REVENUES						
Local sources:						
Taxes:						
Ad valorem	\$ 550,079	\$ -	\$ -	\$ -	\$ -	\$ 550,079
Sales and use	-	4,434,162	4,434,163	-	212,796	9,081,121
Other taxes, penalties, and interest	635,385	-	-	-	-	635,385
Licenses and permits	869,670	-	-	-	-	869,670
Intergovernmental revenues	327,109	-	-	-	-	327,109
Fees, charges and commissions for services	1,790,502	-	-	-	-	1,790,502
Use of money and property	77,051	69,695	139,351	35,706	18,789	340,592
Fines and forfeitures	172,731	-	-	-	1,323,021	1,495,752
Miscellaneous revenues	143,792	-	-	-	851	144,643
State sources	1,426,754	-	-	-	-	1,426,754
Federal sources	225,428	-	-	2,779,230	-	3,004,658
TOTAL REVENUES	6,218,501	4,503,857	4,573,514	2,814,936	1,555,457	19,666,265
EXPENDITURES						
Current:						
General and administrative	4,730,980	85,081	78,156	-	12,909	4,907,126
Police department	5,050,851	-	-	-	601,024	5,651,875
Fire department	2,312,824	-	-	-	-	2,312,824
Street department	2,546,070	-	-	-	-	2,546,070
Sanitation and health	128,528	-	-	206,347	-	334,875
Parks and recreation	2,348,405	-	-	-	-	2,348,405
Public works	486,437	-	-	-	-	486,437
Capital outlay	2,037,091	-	-	805,903	-	2,842,994
TOTAL EXPENDITURES	19,641,186	85,081	78,156	1,012,250	613,933	21,430,606
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(13,422,685)	4,418,776	4,495,358	1,802,686	941,524	(1,764,341)
OTHER FINANCING SOURCES (USES)						
Transfers in	14,855,418	-	-	-	-	14,855,418
Transfers out	-	(4,055,000)	(4,055,000)	(1,993,450)	(686,759)	(10,790,209)
Notes issued	150,337	-	-	-	-	150,337
Leases (as lessee)	404,487	-	-	-	-	404,487
TOTAL OTHER FINANCING SOURCES (USES)	15,410,242	(4,055,000)	(4,055,000)	(1,993,450)	(686,759)	4,620,033
Net Change in Fund Balances	1,987,557	363,776	440,358	(190,764)	254,765	2,855,692
FUND BALANCES - BEGINNING	407,455	3,761,004	5,400,290	223,858	1,062,297	10,854,904
FUND BALANCES - ENDING	\$ 2,395,012	\$ 4,124,780	\$ 5,840,648	\$ 33,094	\$ 1,317,062	\$ 13,710,596

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

GOVERNMENTAL FUNDS

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

Statement F

Amounts reported for governmental activities in the Statement of Activities are different because:

Total net change in fund balances - governmental funds	\$ 2,855,692
--	--------------

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:

Capital outlays	\$ 2,527,225	
Depreciation/amortization expense	<u>(1,719,554)</u>	
		807,671

The net effect of transfer of lease from business- type activities to governmental activities.	9,434
--	-------

The net effect of transfer of capital asset to business-type activities.	(1,225,100)
--	-------------

The recognition of pension and OPEB expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the governmental funds are the amounts actually paid.	1,416,038
--	-----------

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	463,249
--	---------

In the Statement of Activities, certain operating expenses - compensated absences (vacation leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	63,204
--	--------

Debt proceeds are reported as financing sources in the 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.	(554,824)
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Change in net position of governmental activities	<u><u>\$ 3,835,364</u></u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN
PROPRIETARY FUND TYPE - ENTERPRISE FUND
Statement of Net Position
September 30, 2025

	Statement G
	UTILITY FUND
ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 1,778,778
Investments	5,281,958
Restricted assets:	
Cash and cash equivalents - customer deposits	749,233
Investments	193
Receivables, net	3,498,083
Inventory	2,372,513
Prepaid items	72,633
Total current assets	<u>13,753,391</u>
NONCURRENT ASSETS:	
Capital Assets:	
Land and construction in progress	709,176
Depreciable assets, net of depreciation	15,018,885
Total noncurrent assets	<u>15,728,061</u>
TOTAL ASSETS	<u>29,481,452</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow related to pensions	184,641
Total deferred outflows of resources	<u>184,641</u>
LIABILITIES	
CURRENT LIABILITIES :	
Accounts and other payables	2,523,442
Interfund payables	1,079,696
Interest payable	21,684
Customer deposits payable - restricted assets	849,903
Compensated absences	132,136
Note obligations	267,483
Lease obligations	63,599
Total current liabilities	<u>4,937,943</u>
NONCURRENT LIABILITIES:	
Compensated absences	40,991
Note obligations	310,760
Lease obligations	142,842
Net pension liability	2,274,587
Total noncurrent liabilities	<u>2,769,180</u>
TOTAL LIABILITIES	<u>7,707,123</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow related to pensions	207,148
Total deferred inflows of resources	<u>207,148</u>
NET POSITION	
Net investment in capital assets	14,850,187
Unrestricted	6,901,635
TOTAL NET POSITION	<u>\$ 21,751,822</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

PROPRIETARY FUND TYPE - ENTERPRISE FUND

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

Statement H

UTILITY
FUND

OPERATING REVENUES

Charges for services:

Electric

\$ 19,225,453

Sewerage

1,995,361

Water

3,131,136

Penalties/service charges

727,103

Bad debt expense

9,240

Other operating revenue

582,572

Total operating revenues

25,670,865

OPERATING EXPENSES

Purchase of power

16,424,338

Personnel services

2,572,522

Materials and supplies

570,940

Insurance claims and expenses

845,429

Repairs and maintenance

2,280,458

Other services and charges

1,917,892

Depreciation/amortization

1,537,379

Total operating expenses

26,148,958

OPERATING INCOME (LOSS)

(478,093)

NONOPERATING REVENUES/EXPENSES

Interest income

256,745

Interest expense & other charges

(25,127)

Total nonoperating revenues (expenses)

231,618

Income (Loss) before capital contributions and transfers

(246,475)

CAPITAL CONTRIBUTIONS AND TRANSFERS

Capital Contributions

1,225,100

Transfers in

1,603,048

Transfers out

(5,668,257)

Total capital contributions and transfers

(2,840,109)

CHANGE IN NET POSITION

(3,086,584)

NET POSITION - BEGINNING

24,838,406

NET POSITION - ENDING

\$ 21,751,822

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows

For the Year Ended September 30, 2025

Statement I

	UTILITY FUND
CASH FLOW (USES) FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 25,268,162
Receipts from other operating activities	582,572
Payments to employees	(2,843,730)
Payments to others	(21,788,746)
Net cash provided by (used for) operating activities	1,218,258
CASH FLOW (USES) FROM INVESTING ACTIVITIES	
Redemption (purchase) of certificate of deposit	(206,710)
Earnings on investments	49,425
Net cash provided by (used for) investing activities	(157,285)
CASH FLOW (USES) FROM NONCAPITAL FINANCING ACTIVITIES	
Grants and contributions	331,060
Transfers in	3,066,825
Transfers out	(5,278,818)
Net cash provided by (used for) noncapital financing activities	(1,880,933)
CASH FLOW (USES) FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(470,395)
Lease payments	(63,362)
Principal payment on notes payable	(229,536)
Interest paid on debt	(25,127)
Net cash provided by (used for) capital and related financing activities	(788,420)
Net increase (decrease) in cash and cash equivalents	(1,608,380)
CASH AND CASH EQUIVALENTS - BEGINNING	4,136,391
CASH AND CASH EQUIVALENTS - ENDING	2,528,011
RECONCILIATION TO BALANCE SHEET	
Cash	1,778,778
Restricted assets - cash	749,233
	\$ 2,528,011

(CONTINUED)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Cash Flows

For the Year Ended September 30, 2025

Statement I

UTILITY
FUND

RECONCILIATION OF OPERATING INCOME (LOSS) TO
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	\$ (478,093)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation/amortization	1,537,379
(Increase) decrease in operating accounts receivable	160,187
(Increase) decrease in inventory	(25,521)
(Increase) decrease in deferred outflows	(9,968)
Increase (decrease) in operating accounts and other payables	360,063
Increase (decrease) in compensated absences	12,311
Increase (decrease) in liabilities payable from restricted assets	19,682
Increase (decrease) in deferred inflows	(647)
Increase (decrease) in net pension liability	(357,135)
Net cash provided by (used for) operating activities	\$ 1,218,258

NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES

Notes payables agreement	\$ 254,866
Purchase of capital equipment	(254,866)
Lease payables agreement	53,813
Purchase of capital equipment	(53,813)

(CONCLUDED)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

FIDUCIARY FUNDS

Statement of Fiduciary Net Position

September 30, 2025

Statement J

	PENSION (AND OTHER EMPLOYEE BENEFIT)		
	TRUST FUND 3/31/2025	CUSTODIAL FUND POLICE BOND FUND	
ASSETS			
Cash and cash equivalents	\$ 618,379	\$ 343,672	
Receivables -other	-	17,554	
Receivables - refund	83,983	-	
Total assets	702,362	361,226	
LIABILITIES			
Claims payable	94,164	-	
Claims incurred but not reported	208,032	-	
Due to local governments	-	141,389	
Total liabilities	302,196	141,389	
NET POSITION (DEFICIT)			
Restricted for:			
Employee benefits	400,166	-	
Bond return	-	219,837	
Total net position (deficit)	\$ 400,166	\$ 219,837	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

CITY OF MINDEN

FIDUCIARY FUNDS

**Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2025**

Statement K

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND 3/31/2025	CUSTODIAL FUND POLICE BOND FUND
ADDITIONS		
Contributions:		
Sponsor contributions	\$ 2,430,690	\$ -
Participants contributions	540,421	-
Retiree contributions	262,177	-
Bail bonds and fines	<u>-</u>	<u>339,298</u>
Total contributions	<u>3,233,288</u>	<u>339,298</u>
Total additions	<u>3,233,288</u>	<u>339,298</u>
DEDUCTIONS		
Benefits paid to participants	1,775,609	-
Payments for insurance premiums	765,773	-
Administrative expenses	25,951	1,476
Return of bail bonds	-	42,625
Distribution to government agencies	-	257,717
Bank charges	<u>-</u>	<u>196</u>
Total deductions	<u>2,567,333</u>	<u>302,014</u>
Net increase (decrease) in fiduciary net position	665,955	37,284
Net Position (deficit), beginning	<u>(265,789)</u>	<u>182,553</u>
Net Position (deficit), ending	<u>\$ 400,166</u>	<u>\$ 219,837</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

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City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Minden, Louisiana (the City) was incorporated in 1928 under the provisions of Act No. 226 of the 1928 Special Acts of Louisiana Legislature. The City is located in the Parish of Webster in the northwest corner of the State of Louisiana. Elected officials of the City of Minden are a mayor, five (5) aldermen, and a chief of police, all of whom serve four-year terms. The affairs of the City are conducted and managed by the mayor and board of aldermen, referred to as "The Council." The City provides a full range of municipal services as authorized by its charter. These include public safety (police and fire), street, water, electric, sewerage, sanitation and health, zoning and general administrative services.

The accompanying financial statements of the City of Minden have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus* 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 described below.

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the City to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations that are fiscally dependent on the City and there is a potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the aforementioned criteria, the City has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
City Court of Minden	December 31	2 and 3
Minden City Marshal	December 31	2 and 3

The City has chosen not to include the component units listed above in the basic financial statements; however, these are necessary in order for the City to be reporting in conformity with GAAP. Separate financial statements for each of these component units can be obtained by contacting the component unit. If these component units were included, it would be through discrete presentation.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

The financial activity of the Minden Historic Downtown Development District Commission is reported within the City's General fund. The Commission is not reported as a component unit of the City because they do not have separate corporate powers that would distinguish them as being legally separate from the primary government, primarily due to the fact that the Commission does not have the right to buy, sell, lease and mortgage property in its own name. Furthermore, it was determined that the City holds the Commission's corporate powers.

B. Basic Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police and fire protection, streets, sanitation and health, parks and recreation, public works, and general administrative services are classified as governmental activities. The City's electric, water and sewer services are classified as business-type activities.

Government-wide Financial Statements In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

Program revenues Program revenues included in the Statement of Activities include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported separately in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

C. Funds

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

The emphasis in fund financial statements is on the major funds in either the governmental and business-type activities categories. Nonmajor funds by category are summarized into a single column.

The following fund types are used by the City:

1. Governmental funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The City reports the following governmental funds:

- a. 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.
- b. Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- c. Debt service funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for principal and interest.
- d. Capital project fund is used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

The municipality reports the following major governmental funds:

The General fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Sales Tax fund accounts for the receipt and use of the municipality's one percent (1%) sales and use tax under the provisions of the sales and use tax ordinance effective August 1, 1967.

The Sewerage Sales Tax Fund accounts for the receipt and use of the municipality's one percent (1%) sales and use tax under the provisions of the sales and use tax ordinance effective December 1, 1984. By special election held April 15, 2000, the City rededicated and renewed the levy of this one percent (1%) sales and use tax.

ARPA accounts for grant funding from the Coronavirus State Local Fiscal Recovery Fund authorized by American Rescue Plan Act of 2021.

2. Proprietary funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

The municipality reports the following major proprietary fund:

The Utility Fund is used to account for electric, water and sewer service operations that are financed and operated in a manner similar to private business enterprise. 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

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

recovered primarily through user charges, or where the governing body has decided the periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

3. Fiduciary funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support City programs. Fiduciary reporting focus is on net position and changes in net position and are reported using the accrual basis of accounting. The City reports the following fiduciary funds:

- a. Pension (and Other Employee Benefit) Trust Fund is used to report resources and activities when the City is acting as a trustee for individuals. The Pension Trust Fund is used to account for medical, dental, vision, life and accidental death benefits covering substantially all employees.
- b. Custodial funds are used to report fiduciary activities that are not required to be reported in pension trust funds, investment trust funds, or private-purpose trust funds. The custodial fund includes the Police Bond fund which accounts for fines and bonds held by the City for individuals and other governments.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other revenues are recognized when earned, and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Revenues from expenditure-driven grants are considered to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable. Capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

Revenues

- Ad valorem taxes (property) are recorded in the year they are assessed. Property taxes are assessed on a calendar-year basis and become due on the date November 15 of each year and become delinquent on December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.
- Sales taxes are recognized when received by the City's collections agent, the Webster Parish Sales & Use Tax Commission.
- Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year end.)
- Fines, forfeitures, licenses and permits are considered measurable and available when they are collected.
- Interest income on investments is recorded when earned and the income is available.
- Substantially all other revenue items are recorded when they are considered to be measurable and available to the City.

Other Financing Sources (Uses)

Sales of fixed assets, increases in capital lease purchases, and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

E. Deposits and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits, those investments with original maturities of 90 days or less. Under state law, the City may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statements of cash flows, cash and cash equivalents include cash, demand deposits, and certificates of deposit with an original maturity of less than 90 days. Cash and cash equivalents are stated at cost.

Louisiana Revised Statutes and the City's investment policy govern the types of allowable securities to be purchased by the municipality. The City of Minden is authorized to invest in the following types of investments:

- 1) Direct U.S. Treasury obligations, the principal and interest of which are fully guaranteed by the U.S. government.
- 2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U.S.
- 3) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U.S. government instrumentalities which are federally sponsored.
- 4) Bonds, debentures, notes or other evidence of indebtedness issued by the State of Louisiana or any of its political subdivisions.
- 5) Collateralized mortgage obligations which have not been stripped into interest only or principal only obligations
- 6) Time certificates of deposit of state banks organized under the laws of Louisiana, or national banks having their principal offices in the state of Louisiana.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

F. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, ad valorem taxes, franchise taxes, and grants. Business-type activities report utilities as their major receivable. An allowance for uncollectible receivables is maintained, however, if amounts become uncollectible, in the opinion of management, they are charged to operations at that time.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, grants and other intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned and only if paid within 30 days, when considered both measurable and available.

G. Elimination and Reclassification

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds." While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported as gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's utility fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

H. Inventories and Prepaid Items

Inventory items are valued using the weighted average method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide financial statements.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

Inventories in each fund are generally composed of the following items:

- General Fund - Gasoline
- Utility Fund - Electric, water and sewer repair and maintenance items

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available (except for intangible right-to-use assets, the measurement is discussed in L.). Donated assets are recorded as capital assets at their acquisition value at the date of donation. The municipality maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land and system of streets, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Roads, bridges, and infrastructure	25-50 years
Land improvements	10-30 years
Buildings and building improvements	10-40 years
Furniture and fixtures	5-15 years
Vehicles	5-10 years
Equipment	5-15 years

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Infrastructure being reported on includes bridges owned by the City during the current year. Of the remaining infrastructure, neither the historical cost nor related depreciation has historically been reported in the financial statements. The City has elected to report its system of streets under the modified approach as permitted by the Governmental Accounting Standards Board's Statement 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category.

The Statement of Net Position reports the City's proportionate share of the deferred outflows of resources related to pensions and other post-employment benefits. See Note 10 and Note 11 for more information.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The City has two items that qualify for reporting in this category. The Statement of Net Position reports the City's proportionate share of the deferred inflows of resources related to pensions and other post-employment benefits. See Note 10 and Note 11 for more information.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

The governmental funds balance sheet reports unavailable revenues from amounts which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

K. Compensated Absences

The City's policy regarding vacation time permits full-time employees to accumulate earned but unused vacation leave. The only provision for vested benefits is that municipal employees, with the exception of employees of the police and fire department who are covered by Civil Service requirements, may carry forward no more than the maximum accruable amount for any vacation year. All employees do not have the option of foregoing vacation and being paid in lieu thereof.

The City's policy regarding sick time permits full-time employees to accrue sick leave at the rate of eighty (80) hours per year, effective on the first day of full-time employment. Sick time may be carried over from year to year. Upon retirement, the employee will be reimbursed for fifty (50) percent of his/her accrued sick leave at his/her regular hourly rate of pay. Total reimbursement cannot exceed 500 hours. All sick leave hours used in the two years prior to retirement date will be deducted from the fifty (50) percent accrual prior to reimbursement. There is no provision for reimbursement of accrued sick leave for termination other than retirement.

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled upon separation from employment. Based on the criteria listed, vacation and sick leave qualify for liability recognition. The liability for compensated absences is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary-related benefits, where applicable. For governmental fund financial statements, the current portion of this debt is the amount that is normally expected to be paid using expendable available financial resources. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Lease Liability

The City of Minden is a lessee for noncancellable leases of vehicles and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of the lease, the City initially measures the lease liability at the present value of payments expected during the lease term. 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 indirect costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premium and discounts, as well as issuance costs related to prepaid insurance, are deferred and amortized over the life of the bonds using the effective interest method.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at issuance, except for those related to prepaid insurance, which are recorded as prepaids in the Statement of Net Position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payment of principal and interest are reported as debt service expenditures.

N. Defining Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are from charges for electrical, water and sewerage services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

O. Restricted Net Position

For the government-wide Statement of Net Position, net position is reported as restricted if either of the following conditions exists:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.
- Restrictions are imposed by law through constitutional provision or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

The government-wide statement of net position reports \$6,666,698 of restricted net position, of which \$6,377,172 is restricted by enabling legislation.

P. Fund Equity of Fund Financial Statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used. In the fund financial statements, fund balances are classified as follows:

- a. Nonspendable fund balance - amounts that are not in a spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories.
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance - amounts constrained to specific purposes determined by the City itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest-level action to remove or change the constraint. The City Council

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

establishes (and modified or rescinds) fund balance commitments by passage of an ordinance or resolution.

- d. Assigned fund balance - amounts that the City intends to use for a specific purpose, intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City's policy does not address assignment of fund balance. Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose.
- e. Unassigned fund balance - amounts that are available for any purpose, positive amounts are reported only in the General fund. The City has not adopted a policy to maintain the General fund's unassigned fund balance above a certain minimum level.

The City reduces committed amounts, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The City considers restricted amounts to have been spent when an expenditure has incurred for purposes for which both restricted and unrestricted fund balance are available.

Q. Estimates

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

R. Pension plans

The City is a participating employer in several cost-sharing, multiple employer, defined benefit pension plans as described in Note 10. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plans fiduciary net position have been determined on the accrual basis, which is the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget Information

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

- a) The City Clerk prepares a proposed budget and submits same to the Mayor and the Council no later than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At that 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 an ordinance 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

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

or involving increases or decreases in expenditures resulting from revenues exceeding of failing to meet amounts estimated require the approval of the Council.

- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for the General and Special Revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts, as originally adopted are amended from time to time by the Council.

Excess of Expenditures over Appropriations in Individual Funds

The following individual funds had actual expenditures over budgeted expenditures for the year-ended September 30, 2025.

Fund	Budget	Actual	Variance
Sales Tax	\$ 4,105,000	\$ 4,140,081	\$ (35,081)
Sewerage Sales Tax	4,105,000	4,133,156	(28,156)
Drug Task Force	10,000	11,134	(1,134)

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash and cash equivalents consist of the following at September 30, 2025:

Petty Cash	\$ 4,181
Demand deposits	11,443,821
LAMP	1,113,353
Total	<u>\$ 12,561,355</u>

Deposits

Deposits are stated at cost, which approximates fair market value. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of September 30, 2025, the City's had a bank balance, including its custodial fund and certificates of deposits, total of \$20,242,633, in which \$14,176,637 was exposed to custodial credit risk. Of the amount exposed to custodial credit risk, \$14,176,637 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name. Even though the pledged securities are considered uncollateralized under the provisions of GASB, Louisiana Revised Statue 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell 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's policy does not address custodial credit risk.

Interest Rate Risk: The City's policy does not address interest rate risk.

Louisiana Asset Management Pool, Inc. (LAMP)

At September 30, 2025, the City had \$1,113,353 invested in LAMP. Louisiana Asset Management Pool, Inc. (LAMP) is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

City of Minden
Notes to the Financial Statements
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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 investments. 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.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79.

The following facts are relevant for investment pools:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

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.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: 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 60 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.

Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value 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 pool shares. LAMP, Inc. 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. An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130 or contact the LAMP administrative office at 800-249-5267.

Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

The City's has the following recurring fair value measurement as of September 30, 2025:

Description of Investment	Fair Value	Governmental Activities	Business-Type Activities	Fair Market Value Hierarchy	Credit Risk (Moody's)	Interest Rate Risk
U.S. Treasury Notes	\$ 4,078,792	\$ 208,871	\$ 3,869,921	Level 1	Aaa	0-3 years
Certificates of Deposit	4,690,554	3,278,324	1,412,230			
Total investments	<u>\$ 8,769,346</u>	<u>\$ 3,487,195</u>	<u>\$ 5,282,151</u>			

Interest Rate Risk: The City's policy does not address interest rate risk.

Credit Risk: The City's policy does not address credit risk.

Custodial Credit Risk-Investments: For an investment, this is the risk that, in the event of the failure of the counter party, 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's investment of \$4,078,792 are registered in the City's name held by the trust departments of the financial institutions. Certificates of deposit of \$4,690,554 are held at the local bank in the City's name. The City's policy does not address custodial credit risk.

NOTE 4 - AD VALOREM TAXES The City levies property taxes on real and business property located within the City's boundaries. Property taxes are levied by the City on property values assessed by the Webster Parish Tax Assessor and approved by the state of Louisiana Tax Commission. The Webster Parish Tax Assessor prepares tax statements for the City. Ad valorem taxes were levied in October 2024 with a due date and collection date of December 31, 2024 and a lien date of January 1, 2025.

The following is a summary of authorized and levied property taxes:

	<u>Maximum Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund Operations	5.46	5.05	Statutory
Downtown Development District	2.00	1.89	2030

NOTE 5 - SALES TAXES

1% Sales and Use Tax - The City was authorized to levy and collect one percent (1%) sales and use tax by special election held May 23, 1967.

The revenues derived therefrom were authorized to be used for "the purpose of opening, constructing, paving, resurfacing, improving and/or maintaining streets, alleys, sidewalks and bridges: constructing, acquiring, extending, improving, renovating and/or maintaining street lighting facilities, water-works, sewers and sewerage disposal works, garbage collection and waste disposal facilities, police department stations and equipment, public buildings and/or fire department stations and equipment, including fire engines, public parks and recreational facilities, airport facilities, and parking facilities; and purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works, building, improvements and facilities, and such tax to be subject to funding into bonds by the City in the manner authorized."

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

For the year ended September 30, 2025, the Sales Tax fund made operating transfers to other funds which were used for purposes for which the imposition of the tax was authorized were as follows:

	<u>General Fund</u>
Transfers to	\$4,055,000

1% Sales and Use Tax- Sewerage Improvements - The City was authorized to levy and collect one percent (1%) sales and use tax by special election held September 29, 1984.

The revenues derived therefrom were authorized to be used for “the purpose of constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal facilities and fund the proceeds of the tax into bonds to be issued in series from time to time for the purpose of constructing, acquiring and improving sewers and sewerage disposal facilities and the council shall annually budget the amount of said net proceeds of the tax required to pay principal and interest and reserve requirements on all bonds payable from the tax and the amount required for extending, improving, operating and maintaining sewers and sewerage disposal facilities and use the excess over said requirements to pay said bonds in full prior to their stated maturity and when provisions shall have been made for the payment of all said bonds in full the authority to levy the tax shall terminate.”

By a special election held April 15, 2000, the City rededicated and renewed the levy of a one percent (1%) sales and use tax, which originally authorized at an election held on September 29, 1984.

The revenues derived therefrom were authorized to be used for “the purpose of acquiring, constructing, improving, maintaining, equipping and operating sewerage, sewage disposal facilities and recreational facilities, including the acquisition of sites therefore, and authority to fund the sales tax into bonds by the City in the manner authorized.”

For the year ended September 30, 2025 the Sewerage Sales Tax fund made operating transfers to other funds which were used for purposes for which the imposition of the tax was authorized were as follows:

	<u>General Fund</u>	<u>Utility Fund</u>	<u>Total</u>
Transfers to	\$2,451,952	\$1,603,048	\$4,055,000

2% Sales and Use Tax - Minden Economic Development Districts No. 1, No. 2, No. 3, and No. 4 – Effective January 1, 2017, Ordinances No. 1070, 1071, 1072 and 1073 were adopted by the City Council establishing the Minden Economic Development Districts No. 1, No. 2, No. 3, and No. 4. The Districts are considered tax increment financial districts (TIF) whereby a baseline of specific revenue collected in a specific area was determined and any revenues collected in the Districts over and above the baseline should be accounted for in the district. According to Ordinances No. 1078, 1079, 1080 and 1081, dated November 7, 2016, the initial baseline collection was designated zero. The City of Minden levied an additional two (2%) sales tax and 2 % hotel occupancy tax for taxpayers located inside the city limits of Minden and inside on the of the four Development Districts. The full amount of such additional sales tax is designated as the sales tax increments which will be determined and used to finance economic development projects.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 6 - RECEIVABLES The following is a summary of receivables at September 30, 2025:

Class of Receivables	General	Sales Tax	Sewerage Sales Tax	Nonmajor Governmental	Total
<u>Governmental Activities:</u>					
Governmental Funds:					
Taxes:					
Sales & use	\$ -	\$ 374,837	\$ 374,837	\$ 16,262	\$ 765,936
Intergovernmental	334,187	-	-	116,575	450,762
Other	297,288	-	-	-	297,288
Total Governmental Funds	<u>\$ 631,475</u>	<u>\$ 374,837</u>	<u>\$ 374,837</u>	<u>\$ 132,837</u>	<u>\$1,513,986</u>

Class of Receivables	Utility Fund
<u>Business-type Activities:</u>	
Proprietary Funds:	
Intergovernmental	\$ 93,190
Utility user fees	3,929,544
Less allowance for doubtful accounts	(524,651)
Total Proprietary net receivables	<u>\$ 3,498,083</u>

Revenues of the Utility Fund, an enterprise fund, are reported net of uncollectable amounts. There were no uncollectable amounts related to utility sales in the fiscal year.

NOTE 7 - INTERFUND TRANSACTIONS/BALANCES Individual balances due from/to other funds at September 30, 2025, are as follows:

Receivable	Payable			
	ARPA	Nonmajor Governmental	Utility Fund	Total
General Fund	\$ 84,266	\$ 103,774	\$ 1,041,622	\$ 1,229,662
ARPA Fund	-	-	38,074	38,074
Total	<u>\$ 84,266</u>	<u>\$ 103,774</u>	<u>\$ 1,079,696</u>	<u>\$ 1,267,736</u>

The interfund balances resulted from fund reimbursements and transfers not made before year-end.

Transfers during the year were as follows:

Transfer In	Transfer Out					
	Sales Tax	Sewerage Sales Tax	ARPA	Nonmajor Governmental	Utility Fund	Total
General Fund	\$ 4,055,000	\$ 2,451,952	\$ 1,993,450	\$ 686,759	\$ 5,668,257	\$ 14,855,418
Utility Fund	-	1,603,048	-	-	-	1,603,048
Total	\$ 4,055,000	\$ 4,055,000	\$ 1,993,450	\$ 686,759	\$ 5,668,257	\$ 16,458,466

The City transferred money from the Sales Tax -Sewerage to cover costs of recreation activities within the General fund, and to cover costs of the sewer system within the Utility fund. The Utility and Sales Tax fund made transfers to supplement costs within the General fund. The STEP fund transferred money to repay costs of the program.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 8- CAPITAL ASSETS The changes in capital assets for the year ended September 30, 2025 are as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 2,058,529	\$ 600,000	\$ -	\$ 2,658,529
Construction in progress	3,972,666	1,217,747	1,582,144	3,608,269
Total capital assets, not being depreciated	<u>6,031,195</u>	<u>1,817,747</u>	<u>1,582,144</u>	<u>6,266,798</u>
Depreciable/amortizable assets:				
Infrastructure	7,661,127	-	-	7,661,127
Buildings	17,784,003	357,044	-	18,141,047
Land improvements other than buildings	11,590,096	-	-	11,590,096
Equipment	10,052,237	443,791	345,794	10,150,234
Leased equipment (intangible asset)	915,313	404,288	65,448	1,254,153
Total capital assets, being depreciated/amortized	<u>48,002,776</u>	<u>1,205,123</u>	<u>411,242</u>	<u>48,796,657</u>
Less: accumulated depreciation				
Infrastructure	(4,399,945)	(231,467)	-	(4,631,412)
Buildings	(9,348,888)	(402,964)	-	(9,751,852)
Land improvements other than buildings	(4,881,587)	(448,665)	-	(5,330,252)
Equipment	(7,708,752)	(402,950)	345,794	(7,765,908)
Less: accumulated amortization				
Leased equipment	(347,239)	(248,346)	65,448	(530,137)
Total accumulated depreciation/amortization	<u>(26,686,411)</u>	<u>(1,734,392)</u>	<u>411,242</u>	<u>(28,009,561)</u>
Depreciable/amortizable capital assets, net	<u>21,316,365</u>	<u>(529,269)</u>	<u>-</u>	<u>20,787,096</u>
Total capital assets, net	<u>\$ 27,347,560</u>	<u>\$ 1,288,478</u>	<u>\$ 1,582,144</u>	<u>\$ 27,053,894</u>

Depreciation/amortization expense was charged to governmental activities as follows:

General and administrative	\$ 152,564
Police department	250,711
Fire department	97,762
Street department	291,315
Sanitation and health	6,201
Parks and recreation	350,244
Public works	570,757
Total depreciation/amortization expense	<u>\$ 1,719,554</u>
Accumulated depreciation of transferred asset	<u>14,838</u>
Total accumulated depreciation/amortization	<u>\$ 1,734,392</u>

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

	Balance Beginning	Additions	Deletions	Ending Balance
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 322,342	\$ -	\$ -	\$ 322,342
Construction in progress	1,377,890	409,307	1,400,363	386,834
Total capital assets, not being depreciated	1,700,232	409,307	1,400,363	709,176
Depreciable/amortizable assets:				
Buildings	17,281,667	1,225,100	-	18,506,767
Land improvements other than buildings	36,378,072	1,400,363	-	37,778,435
Equipment	9,915,940	315,954	218,543	10,013,351
Leased equipment (intangible asset)	325,641	53,813	58,950	320,504
Total capital assets, being depreciated/amortized	63,901,320	2,995,230	277,493	66,619,057
Less: accumulated depreciation				
Buildings	(15,485,309)	(376,284)	-	(15,861,593)
Land improvements other than buildings	(26,097,331)	(845,502)	-	(26,942,833)
Equipment	(8,524,232)	(252,231)	94,780	(8,681,683)
Less: accumulated amortization				
Leased equipment	(109,651)	(63,362)	58,950	(114,063)
Total accumulated depreciation/amortization	(50,216,523)	(1,537,379)	153,730	(51,600,172)
Depreciable/amortizable capital assets, net	13,684,797	1,457,851	123,763	15,018,885
Total capital assets, net	\$ 15,385,029	\$ 1,867,158	\$ 1,524,126	\$ 15,728,061

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

Water	\$ 389,671
Sewer	582,729
Electric	500,137
Other	64,842
Total	<u>\$ 1,537,379</u>

During the year, a dump truck purchased for \$138,800 originally recorded in the proprietary funds was transferred to governmental funds.

Transfer of completed construction projects in fiscal year 2025 from governmental activities to business-type activities include additions to:

- Utilities Fund – The completion of Public Works Buildings 1 and 2 totaling \$1,225,100.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 9 - ACCOUNTS AND OTHER PAYABLES The accounts and other payables at fiscal year ended September 30, 2025 are as follows:

Class of Payables	Governmental Activities		Nonmajor Governmental	Business-type Activities	
	General	ARPA		Utility Fund	Total
Accounts Payable	\$ 1,622,926	\$ -	\$ 14,722	\$ 2,403,546	\$4,041,194
Retainage Payable	135,952	18,503	-	-	154,455
Wages Payable	293,272	-	-	119,896	413,168
Net Total payable	<u>\$ 2,052,150</u>	<u>\$ 18,503</u>	<u>\$ 14,722</u>	<u>\$ 2,523,442</u>	<u>\$4,608,817</u>

NOTE 10 - PENSION PLANS

The City is a participating employer in three statewide, public employee retirement systems, Municipal Employees Retirement System (MERS), Municipal Police Employees Retirement System (MPERS), and the Firefighter's Retirement System (FRS). All of these plans have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contributions rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each plan issues a public report that includes financial statements and required supplementary information. Copies of these reports for MERS, MPERS, and FRS may be obtained at www.mersla.com, www.lampers.org, and www.ffret.com, respectively.

General Information about the Pension Plans

Plan Descriptions/Benefits Provided:

Municipal Employees' Retirement System: MERS provides retirement, disability, and survivor's benefits to employees of all incorporated villages, towns, and cities within the state which do not have their own retirement plan and which elect to become members of the Plan.

Membership in MERS is mandatory for any permanent employee working at least 35 hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the Plan with exceptions as outlined in the statutes. Benefit provisions are authorized within Act 356 of the 1954 regular session and amended by LRS 11:1756-11:1785.

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he/she has been a member of MERS and has 25 years of creditable service at any age or has 10 years of creditable service and is age 60. A member is eligible for early retirement after he has been a member of MERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three percent of the member's monthly average final compensation multiplied by his years of creditable service.

Membership Commencing January 1, 2013: A member is eligible for regular retirement after he/she has been a member of MERS and has 7 years of creditable service at age 67, 10 years of creditable service at age 62, or has 30 years of creditable service at age 55. A member is eligible for early retirement after he/she has been a member of the

City of Minden
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Plan for 25 years of creditable service at any age, with an actuarially reduced benefit. Benefit rates are three percent of the member's final average compensation multiplied by his/her years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. Any city marshal or deputy city marshal receives an additional regular retirement benefit.

Upon death of an active contributing member with five or more years of creditable service, not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes.

Cost of Living Adjustments

MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the Plan to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Deferred Retirement Option Plan

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his/her account balance in that fund, or any other method of payment if approved by the board of trustees. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in the Plan.

Disability Benefits

A member shall be eligible to retire and receive a disability benefit if he/she has at least five years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the state medical disability board. Upon retirement caused by disability, a member shall be paid a disability benefit equal to the lesser of forty-five percent of his/her final average compensation or three percent of his/her final average compensation multiplied by his/her years of creditable service whichever is greater or an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

Municipal Police Employees' Retirement System: MPERS provides retirement, disability, and survivor's benefits to municipal police officers.

Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233.

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For the Year Ended September 30, 2025

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children.

Membership Commencing January 1, 2013: A member's eligibility for regular retirement, early retirement, disability and survivor benefits are based on hazardous duty and nonhazardous sub duty plans. Under the hazardous duty sub-plan, a member is eligible for regular retirement after he/she has been a member of the Plan and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the non-hazardous duty sub-plan, a member is eligible for regular retirement after he has been a member of the Plan and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub-plans, a member is eligible for early retirement after he has been a member of the Plan for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under hazardous and non-hazardous duty sub-plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the Plan provides for surviving spouses and minor children.

Cost of Living Adjustments

MPERS's Board of Trustees are authorized by State statutes to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

Deferred Retirement Option Plan

MPERS members are eligible to elect to enter the deferred retirement option plan (DROP) when he/she is eligible for regular retirement based on the member's plan participation. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period the participant may receive benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership in the retirement plan shall resume and upon later termination, the member shall receive additional retirement benefit based on the additional service.

Initial Benefit Option Plan

In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The

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Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly benefit for life. Interest is computed on the balance based on the same criteria as DROP.

Firefighters Retirement System: FRS provides retirement, disability, and survivor's benefits to full-time firefighters.

Membership in FRS is a condition for employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana. Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272.

A member is eligible for regular retirement after he has been a member of FRS and has 20 years of creditable service and is age 50, has 12 years creditable service and is age 55, or 25 years of service at any age. Benefit rates are three and one-third percent of average final compensation based on 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. Upon death of an active contributing member, the plan provides for surviving spouses and minor children.

Cost of Living Adjustments

FRS's Board of Trustees are authorized by State statutes to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

Deferred Retirement Option Plan

After completing 20 years of creditable service and age 50 or 25 years at any age, a member may elect to participate in the DROP for up to 36 months. Upon commencement of participation in the DROP, the employee and employer contributions cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period the participant may receive benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership in the retirement plan shall resume. No payments may be made from the DROP account until the participant retires.

Initial Benefit Option Plan

In 1999, the State Legislature authorized FRS to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as a DROP account.

Disability Benefits

A member shall be eligible to retire and receive a disability benefit if he/she has been officially certified as disabled by the state medical disability board. Any member totally disabled from injury received in the line of duty, shall be paid, on a monthly basis, an annual pension of 60% of the average final compensation being received at the time of disability. Any member who has become disabled or incapacitated because of continued illness or as a result of any

City of Minden
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injury received, even though not in the line of duty, and who has five years of creditable service, but is not eligible for retirement under the provisions of LRS. 11:2256 may apply for retirement under the provisions of LRS 11:2258 and shall be retired on 75% of the retirement salary to which he/she would be entitled under LRS 11:2256 if he/she were otherwise eligible thereunder or 25% of the member's average salary, whichever is greater.

Employer Contributions

Each year the Louisiana Public Employee Retirement System Actuary Committee approves the contribution rates for employees and employers needed to fund 100% of the annual required contribution for both the current and unfunded portions of the net pension liability as required by state law for each state-sponsored retirement system plan. The City pays 100% of the required annual contribution, as determined by eligible active employee wages, and contributions are funded from the same sources the related salaries are paid.

The contribution requirements of plan members and the City are established and may be amended by state statute. According to state statute, contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City and retirement plans have different fiscal year ends and the following is a synopsis based on the City and plans' fiscal years.

The City's employee and employer contribution rates for fiscal year 2025 are as follows:

	<u>Oct 1, 2024 to June 30, 2025</u>		<u>July 1, 2025 to Sept 30, 2025</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
MERS	10.00%	29.50%	10.00%	28.00%
MPERS				
Members hired prior to 1/1/2013	10.00%	35.60%	10.00%	33.48%
Hazardous Duty Members hired after 1/1/2013	10.00%	35.60%	10.00%	33.48%
Non Hazardous Duty Members hired after 1/1/2013	8.00%	35.60%	8.00%	33.48%
Member whose earnable compensation is less than poverty guidelines	7.50%	38.10%	7.50%	38.10%
FRS				
Members above the poverty line	10.00%	33.25%	10.00%	33.25%
Members below the poverty line	8.00%	35.25%	8.00%	35.25%

Contributions to the plans based on the City's and plan's fiscal year are as follows:

	<u>Employer Contributions</u>	
	<u>City's Fiscal Year</u>	<u>Plan's Fiscal Year</u>
	<u>Oct 1, 2024 to Sept 30, 2025</u>	<u>July 1, 2024 to June 30, 2025</u>
MERS	\$ 1,181,053	\$ 1,171,885
MPERS	622,981	635,104
FRS	286,293	279,362

Non-employer Contributions

MERS receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes except for Orleans, per state statute. The Plan also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income of \$171,687 are used as additional employer contributions and considered support from non-employer contributing entities.

City of Minden
Notes to the Financial Statements
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MPERS and FRS receive insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of \$141,086 for MPERS and \$95,030 for FRS were recognized as revenue during the fiscal year.

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

At September 30, 2025, the City reported liabilities of \$4,638,228, \$3,285,175 and \$1,149,263 for its proportionate share of the MERS, MPERS, and FRS, respectively, Net Pension Liability (NPL). This liability will be liquidated by the General fund and proprietary fund. The NPL was measured as of June 30, 2025, and the total pension liabilities used to calculate the NPL was determined by actuarial valuations as of that date. The City's proportions of the NPL were based on an allocation method based on employer's contribution to the respective retirement plans during the plan year ended June 30, 2025, as compared to the total of all employers' contributions to the respective retirement plans during the plan year ended 2025.

As of June 30, 2025, the most recent measurement date, the City's proportions and the changes in proportion from the prior measurement date were as follows:

<u>System</u>	<u>City's Proportion</u>	<u>Change in Proportion</u>
MERS	2.02346%	0.02853%
MPERS	0.47569%	-0.03614%
FRS	0.27285%	-0.02214%

For the year ended September 30, 2025, the City recognized a total pension expense for state sponsored plans of \$563,024 total or \$180,782 for MERS, \$350,368 for MPERS and \$31,874 for FRS. The City reported deferred outflows of resources and deferred inflows of resources related to pensions as components of unrestricted net position from the following sources:

Governmental Activities:

	<u>Deferred Outflows</u>				<u>Deferred Inflows</u>			
	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 5,372	\$ 159,287	\$ 147,173	\$ 311,832	\$ 39,413	\$ 86,914	\$ 20,734	\$ 147,061
Changes of assumptions	-	-	52,398	52,398	8,564	150,882	-	159,446
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	152,397	258,776	214,763	625,936
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,969	388,539	172,469	588,977	14,884	234,172	261,716	510,772
Employer contributions subsequent to the measurement date	158,529	154,946	77,727	391,202	-	-	-	-
Total	<u>\$ 191,870</u>	<u>\$ 702,772</u>	<u>\$ 449,767</u>	<u>\$ 1,344,409</u>	<u>\$ 215,258</u>	<u>\$ 730,744</u>	<u>\$ 497,213</u>	<u>\$ 1,443,215</u>

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Business-Type Activities:

	Deferred Outflows				Deferred Inflows			
	MERS	MPERS	FRS	Total	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ 5,170	\$ -	\$ -	\$ 5,170	\$ 37,928	\$ -	\$ -	\$ 37,928
Changes of assumptions	-	-	-	-	8,242	-	-	8,242
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	146,655	-	-	146,655
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,915	-	-	26,915	14,323	-	-	14,323
Employer contributions subsequent to the measurement date	152,556	-	-	152,556	-	-	-	-
Total	<u>\$ 184,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 184,641</u>	<u>\$ 207,148</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,148</u>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of each plan's NPL in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Governmental Activities:

	MERS	MPERS	FRS	Total
2026	\$ 142,056	\$ 456,787	\$ 73,005	\$ 671,848
2027	(140,491)	(234,777)	(132,538)	(507,806)
2028	(127,761)	(296,523)	(71,585)	(495,869)
2029	(55,721)	(108,405)	(10,888)	(175,014)
2030	-	-	20,828	20,828
2031	-	-	(3,995)	(3,995)
Total	<u>\$ (181,917)</u>	<u>\$ (182,918)</u>	<u>\$ (125,173)</u>	<u>\$ (490,008)</u>

Business-Type Activities:

	MERS	MPERS	FRS	Total
2026	\$ 136,704	\$ -	\$ -	\$ 136,704
2027	(135,197)	-	-	(135,197)
2028	(122,947)	-	-	(122,947)
2029	(53,623)	-	-	(53,623)
Total	<u>\$ (175,063)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (175,063)</u>

City of Minden
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Actuarial Assumptions. The NPL was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net pension. The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

	MERS	MPERS	FRS
Valuation Date	June 30, 2025	June 30, 2025	June 30, 2025
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	4 years	7 years, closed period
Investment Rate of Return	6.85%, net of investment exp.	6.75%, net of investment exp.	6.90%, net of investment exp.
Inflation Rate	2.50% per annum	2.50% per annum	2.50% per annum
Mortality - Non-disabled	PubG-2010(B) Healthy Retiree Table set equal to 115% for males & 120% for females, each adjusted using their respective male & female MP2021 scales. PubG-2010(B) Employee Table set equal to 115% for males & 120% for females, each adjusted using their respective male & female MP2021 scales	Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees (base table multiplied by 125% for males & for females using the full generational MP2021 scale)	Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Employees (base table multiplied by 110% for males & for females using the full generational MP2021 scale)
Mortality - Disabled	PubNS-2010(B) Disabled Retiree Table set equal to 115% for males & 120% for females with the full generational MP2021 scale	Pub-2016 Public Retirement Plans Mortality Table Total Dataset for Safety Disabled Retirees (base table multiplied by 125% for males & for females using the full generational MP2021 scale)	Pub-2016 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 110% for males & for females using the full generational MP2021 scale)
Termination, Disability, Retirement	2018-2023 experience study	2019-2024 experience study	2014-2019 experience study
Salary Increases	1 to 2 years of service - 9.0%, more than 2 years of service - 4.4%	1 to 2 years of service - 13%, above 2 years - 4.75%	14.50% in the first two years of service and 5.0% with 3 or more years of service; includes inflation and merit increases
Cost of Living Adjustments	Not substantively automatic	Not substantively automatic	Not substantively automatic

The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for each plan in the following table:

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	Target Allocation	LT Expected Real Rate of Return
MERS (arithmetic)		
Public equity	53.00%	2.31%
Public fixed income	29.00%	1.26%
Alternatives	18.00%	0.78%
Total	100.00%	4.35%
Inflation		2.50%
Expected arithmetic nominal return		6.85%
MPERS (arithmetic)		
Equity	51.00%	3.20%
Fixed Income	35.00%	1.21%
Alternative	14.00%	1.04%
Total	100.00%	5.45%
Inflation		2.67%
Expected arithmetic nominal return		8.12%
FRS (arithmetic)		
Equity	52.00%	6.47%
Fixed Income	32.00%	1.76%
Alternatives	16.00%	7.82%
Multi-Asset Strategies	0.00%	0.00%
Total	100.00%	16.04%

Discount Rate. The discount rate used to measure the total pension liability was 6.85% for MERS, 6.75% for MPERS and 6.90% for FRS. No change in discount rate from prior years. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PERSAC taking into consideration the recommendation of each plan's actuary. Based on those assumptions, each plan's fiduciary net position 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.

Sensitivity of the proportionate share of the NPL to changes in the discount rate. The following presents the City's proportionate share of the NPL for all plans using the current discount rate as well as what the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
MERS	\$ 7,608,078	\$ 4,638,228	\$ 2,132,296
MPERS	5,388,804	3,285,175	1,523,466
FRS	2,217,524	1,149,263	258,764

Pension plan fiduciary net position. Detailed information about each plan's fiduciary net position is available in the separately issued financial report referenced above.

Payables to the Pension Plan. At September 30, 2025, the City had payables of \$65,210, \$53,232 and \$30,186 to MERS, MPERS, and FRS, respectively, for the September 2025 employee and employer legally required contributions.

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NOTE 11 - OTHER POST- EMPLOYMENT BENEFITS

Plan Description - The City provides post-employment benefits for eligible participants enrolled in the City of Minden health insurance program through the City of Minden, Employee Benefit Plan & Trust. This plan is a single employer defined benefit plan and the City maintains the authority to establish and amend plan benefit provisions and determine the contribution rates of the City and plan members. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Although the plan has a trust the amounts set aside in the trust are to pay current premiums and claims, on a “pay as you go” basis and are not set aside as assets accumulated to fund the OPEB obligation as actuarially determined. The plan provides medical, dental, vision, life ad accidental benefits. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The benefits are provided in the form of:

- An implicit rate subsidy where retirees receive health insurance coverage by paying a combined retiree/active rate.
- An explicit subsidy where the City provides a health premium subsidy to eligible retirees.

Funding Policy - Retiree contributions are based on the total years that the retiree has provided services to the City. Retiree with less than 25 years of service receive a subsidy equal to 50% of the full premium. Retirees with more than 25 years of service receive a subsidy equal to 60% of the full premium. The plan is currently financed on a “pay-as-you-go” basis.

Employees Covered by Benefit Terms - At September 30, 2024 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	61
Active employees	106
Total	<u>167</u>

Total OPEB Liability - The City’s total OPEB liability of \$9,304,836 was measured as of September 30, 2025 and was determined by an actuarial valuation as of September 30, 2024. The liability will be funded through the General Fund.

The total OPEB liability is based on census information as of September 30, 2024 and benefit payments and salary information as of September 30, 2025. There have been no significant changes between the valuation date and the fiscal year end.

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Actuarial Assumptions and Other Inputs – The total OPEB liability for the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Individual entry age normal cost - Level percentage of projected salary
Inflation	2.50%
Discount rate	4.06% Municipal Bond 20 Year High Grade Rate Index
Healthcare cost trend rate	Level 4.50% trend rate
Mortality	RPH-2014 Total Table with Projection MP-2021
Turnover	Termination rates from the Louisiana Municipal Employees Retirement System ("MERS") actuarial valuation report were used for non-public safety employees; termination rates from the Louisiana Municipal Police Employees Retirement System ("MPERS") actuarial valuation report were used for police employees and from the Louisiana Fireman Retirement System ("FRS") actuarial valuation report for fire employees.
Retirement rates	Same source for termination rates used for retirement rates.
Salary increases	3.50%

Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at September 30, 2024	\$ 9,073,018
Changes for the year:	
Service cost	240,408
Interest	370,431
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	<u>(379,021)</u>
Net changes	<u>231,818</u>
Balance at September 30, 2025	<u><u>\$ 9,304,836</u></u>

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Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the City calculated using the discount rate of 4.06% (1.56% real rate of return plus 2.50% inflation), as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease (3.06%)	Discount Rate (4.06%)	1% Increase (5.06%)
Total OPEB liability	\$ 10,591,030	\$ 9,304,836	\$ 8,255,183

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rate.

	1% Decrease (3.50%)	Healthcare Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB liability	\$ 8,226,884	\$ 9,304,836	\$ 10,650,406

OPEB Expense and Deferred Outflows/ Inflows Related to OPEB – For the year ended September 30, 2025, the City recognized OPEB expense of \$122,536. At September 30, 2025, the City reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,366,812	\$ (172,881)
Changes in assumptions	519,027	(1,437,810)
Total deferrals	<u>\$ 1,885,839</u>	<u>\$ (1,610,691)</u>

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

2026	\$ (574,045)
2027	(14,623)
2028	221,384
2029	414,469
2030	227,963

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NOTE 12 - LONG-TERM DEBT

During the year ended September 30, 2025, the following changes occurred in governmental activities long-term debt:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Notes payable	\$ 929,900	\$ 289,137	\$ 239,174	\$ 979,863	\$ 278,186
Leases	568,074	404,487	248,545	724,016	218,907
Compensated absences *	529,074	-	63,204	465,870	465,870
Net pension liability	9,280,174	(525,572)	1,956,523	6,798,079	-
OPEB Liability	9,073,018	610,839	379,021	9,304,836	379,021
Total	<u>\$ 20,380,240</u>	<u>\$ 778,891</u>	<u>\$ 2,886,467</u>	<u>\$ 18,272,664</u>	<u>\$ 1,341,984</u>

* Change in compensated absence liability is net for the year.

During the year ended September 30, 2025, the following changes occurred in business-type activities long-term debt:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Notes payable	\$ 691,713	\$ 254,866	\$ 368,336	\$ 578,243	\$ 267,483
Leases	215,990	53,813	63,362	206,441	63,599
Compensated absences *	160,816	12,311	-	173,127	132,136
Net pension liability	2,631,722	180,496	537,631	2,274,587	-
Total	<u>\$ 3,700,241</u>	<u>\$ 501,486</u>	<u>\$ 969,329</u>	<u>\$ 3,232,398</u>	<u>\$ 463,218</u>

* Change in compensated absence liability is net for the year.

Notes Payable

On January 6, 2016, the City entered into an agreement to purchase the equipment for its city-wide water and electric meter project. The cost of the project was \$1,700,000 and the terms of the agreement require the City to make ten payments of \$203,536. Interest accrues at a rate of 3.417%.

On February 4, 2019, the City entered into an agreement to purchase a multi-purpose excavator and aerial bucket truck. The cost of the equipment was \$549,486 and the terms of the agreement require the City to make one payment of \$57,700 and nine payments of \$68,354. Interest accrues at a rate of 4.289%.

On February 22, 2022, the City entered into an agreement to purchase a tractor with boom mower. The cost of the equipment was \$150,782 and the terms of the agreement require the City to make five payments of \$30,157. Interest accrues at a rate of 3.30%.

On February 22, 2022, the City entered into an agreement to purchase a bucket truck and trailer. The cost of the equipment was \$158,032 and the terms of the agreement require the City to make seven payments of \$22,576. Interest accrues at a rate of 3.10%.

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On September 15, 2022, the City entered into an agreement to purchase a street sweeper. The cost of the equipment was \$274,974 and the terms of the agreement require the City to make one payment of \$41,381 and six payments of \$45,123. Interest accrues at a rate of 4.40%.

On October 15, 2023, the City entered into an agreement to purchase a heavy rescue truck for the fire department. The cost of the equipment was \$315,000 and the terms of the agreement require the City to make five payments of \$74,110. Interest accrues at a rate of 5.67%.

On December 29, 2023, the City entered into an agreement to purchase SCBA air packs for the fire department. The cost of the equipment was \$286,935 and the terms of the agreement require the City to make five payments of \$68,968. Interest accrues at a rate of 6.458%.

On June 12, 2024, the City entered into an agreement to purchase a dump truck. The cost of the equipment was \$138,800 and the terms of the agreement require the City to make five payments of \$33,229. Interest accrues at a rate of 6.31%.

On December 20, 2024, the City entered into an agreement to purchase an aerial bucket truck. The cost of the equipment was \$254,866 and the terms of the agreement require the City to make seven payments of \$46,298. Interest accrues at a rate of 6.395%.

On January 24, 2025, the City entered into an agreement to purchase a track loader (skid steer) and accessories. The cost of the equipment was \$150,337 and the terms of the agreement require the City to make five payments of \$35,839. Interest accrues at a rate of 6.154%.

Notes payable are due as follows:

Governmental activities:

Year	Principal	Interest	Total Payment
2026	\$ 278,187	\$ 54,829	\$ 333,016
2027	262,765	40,094	302,859
2028	277,304	25,556	302,860
2029	127,846	10,192	138,038
2030	33,761	2,078	35,839
	<u>\$ 979,863</u>	<u>\$ 132,749</u>	<u>\$ 1,112,612</u>

Business-type activities:

Year	Principal	Interest	Total Payment
2026	\$ 267,483	\$ 27,692	\$ 295,175
2027	74,088	17,550	91,638
2028	77,684	13,953	91,637
2029	36,131	10,167	46,298
2030	38,442	7,857	46,299
2031 +	84,415	8,181	92,596
	<u>\$ 578,243</u>	<u>\$ 85,400</u>	<u>\$ 663,643</u>

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

Lease Liability

During the current fiscal year, an additional net \$155,942 and \$(9,549) was added to the lease liability for governmental activities and business-type activities, respectively, resulting in an ending balance of \$724,016 for governmental activities and \$206,441 for business-type activities. All leases are four to five years long with required monthly payments and imputed interest rate of 3.1%. The leased assets (vehicles/copiers) have a four to five year estimated useful life. The value of the leased vehicles and copiers (intangible asset) as of the end of the current fiscal year was \$1,254,153 and \$320,504 for governmental activities and business-type activities, respectively, and had accumulated amortization of \$530,137 for governmental activities and \$114,063 for business-type activities.

The City records items under leases as an asset and an obligation in the accompanying financial statements.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2025 are as follows:

Governmental activities:

Year	Principal	Interest	Total Payment
2026	\$ 218,907	\$ 19,235	\$ 238,142
2027	207,792	12,667	220,459
2028	155,167	6,915	162,082
2029	117,505	2,566	120,071
2030	24,645	184	24,829
	<u>\$ 724,016</u>	<u>\$ 41,567</u>	<u>\$ 765,583</u>

Business-type activities:

Year	Principal	Interest	Total Payment
2026	\$ 63,599	\$ 5,497	\$ 69,096
2027	58,634	3,572	62,206
2028	53,737	1,822	55,559
2029	21,881	555	22,436
2030	8,590	111	8,701
	<u>\$ 206,441</u>	<u>\$ 11,557</u>	<u>\$ 217,998</u>

NOTE 13 - ON-BEHALF SUPPLEMENTAL PAY

Certain employees meeting statutory qualifications in the police, fire and marshal departments receive supplemental pay directly from the State of Louisiana. This supplemental pay in the amount of \$341,940 is recognized as intergovernmental revenue and police, fire and ward marshal expenditures. Of the \$341,940 recognized, the State paid \$220,800 to City police officers, \$99,540 to City firemen, and \$21,600 to Ward Marshal.

NOTE 14 - CONTRACTUAL SERVICE AGREEMENT

The City has an agreement with Republic Services, a private company, to provide sanitation services to the City. These services include residential garbage and recyclable item pick-up and the disposal of such waste, with fees based on the number of pick-ups per week and the type of collection (curbside or backyard). The City then charges a monthly fee for sanitation services to individual customers on their utility bill.

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 15 - JOINTLY GOVERNED ORGANIZATION

On March 11, 1992, the Webster Parish Sales & Use Tax Commission was formed under joint agreement of the City of Minden, the City of Springhill, the Town of Cotton Valley, the Town of Cullen, the Town of Sarepta, the Town of Sibley, the Village of Dixie Inn, the Webster Parish School Board and the Webster Parish Police Jury. The agreement established a joint commission for the purpose of providing a single collection agency within the boundaries of Webster Parish. The Commission is comprised of members from each of the taxing governments. Sales taxes were collected by the Commission and distributed to the City. The Commission issues an audited financial report which can be obtained by contacting the Webster Parish Sales & Use Tax Commission.

NOTE 16 - LITIGATIONS AND CONTINGENCIES

Contingencies: The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

Litigations: Various lawsuits are pending against the City of Minden. Attorneys of the City are of the opinion that any judgement rendered in favor of the plaintiff will not materially affect the financial position of the City at September 30, 2025 mainly because they will likely be paid by the City's insurance carrier.

NOTE 17 - RISK MANAGEMENT The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and automobile liability for which the City carries commercial insurance. The City currently has commercial insurance with deductibles from \$5,000 to \$50,000 and coverage limits from \$100,000 (employee fidelity) to \$43,906,662 (fire and extended coverage). Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 18 - TAX ABATEMENTS

The State of Louisiana offers several programs that provide tax abatements within the City including the Industrial Tax Exemption Program (ITEP). Louisiana's ITEP has a ten-year industrial exemption law that provides any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities is eligible to receive exemption on buildings and equipment from the state, parish and local property taxes for a period up to ten years. The exemption is for the "contract" value of buildings or equipment used by the business. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value.

The amount of tax abatement under this program during the fiscal year ended September 30, 2025 by authorized millage is as follows:

<u>Tax Code</u>	<u>Millage</u>	<u>Assessed Value lost to ITEP</u>	<u>Estimated tax lost to ITEP</u>
General corporate purposes	5.05	\$164,931	\$833

City of Minden
Notes to the Financial Statements
For the Year Ended September 30, 2025

NOTE 19 - FUND BALANCE CLASSIFICATION DETAILS

The following are details of the fund balance classification at September 30, 2025:

	General	Sales Tax	Sewerage Sales Tax	ARPA	Nonmajor Governmental	Total
Nonspendable	\$ 25,422	\$ -	\$ -	\$ -	\$ -	\$ 25,422
Restricted for:						
Sewer/recreation projects	-	-	5,840,648	-	-	5,840,648
Economic development	-	-	-	-	1,188,255	1,188,255
Public safety	-	-	-	-	103,245	103,245
Grants	-	-	-	33,094	-	33,094
Assigned						
Construction/maintenance	-	4,124,780	-	-	-	4,124,780
Street improvements	-	-	-	-	25,562	25,562
Unassigned	2,369,590	-	-	-	-	2,369,590
Total	<u>\$ 2,395,012</u>	<u>\$ 4,124,780</u>	<u>\$ 5,840,648</u>	<u>\$ 33,094</u>	<u>\$ 1,317,062</u>	<u>\$ 13,710,596</u>

NOTE 20 - NEW GASB STANDARD

In the current fiscal year, the City implemented Statement No. 101 – *Compensated Absences*. This statement provides guidance to enhance accounting changes and error corrections to provide more understandable, reliable, consistent, and comparable information for making decisions or assessing accountability. The adoption of this standard had no impact on the City's financial statements or notes to the financial statements.

NOTE 21- SUBSEQUENT EVENT

On October 21, 2025, the City issued \$9,935,000 of sales tax revenue bonds. The City plans to use proceeds from bond sales for improvements to the recreation complex.

REQUIRED SUPPLEMENTARY INFORMATION

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

Exhibit 1-1

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last Ten Years

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability 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 (MERS)					
2025	2.023461%	\$ 4,638,228	\$ 4,154,655	111.64%	83.47%
2024	1.994934%	5,613,742	3,997,919	140.42%	79.05%
2023	2.007108%	7,335,706	3,980,943	184.27%	72.46%
2022	2.159135%	8,967,393	4,089,924	219.26%	67.87%
2021	2.005344%	5,577,871	3,923,808	142.15%	77.82%
2020	2.007504%	8,679,263	3,833,529	226.40%	64.52%
2019	1.987815%	8,306,408	3,654,490	227.29%	64.68%
2018	1.949277%	8,071,328	3,558,828	226.80%	63.94%
2017	2.046000%	8,549,240	3,712,308	230.29%	62.49%
2016	2.113222%	8,611,486	3,775,921	228.06%	62.11%
Municipal Police Employees' Retirement System (MPERS)					
2025	0.475692%	\$ 3,285,175	\$ 1,784,000	184.15%	81.94%
2024	0.511833%	4,637,186	1,804,303	257.01%	75.84%
2023	0.449578%	4,749,778	1,523,340	311.80%	71.30%
2022	0.388893%	3,975,177	1,200,564	331.11%	70.80%
2021	0.388528%	2,069,627	1,184,504	174.73%	84.09%
2020	0.359675%	3,324,235	1,076,075	308.92%	70.94%
2019	0.355512%	3,228,644	1,110,228	290.81%	71.01%
2018	0.382525%	3,233,890	1,128,882	286.47%	71.89%
2017	0.387770%	3,385,396	1,128,637	299.95%	70.08%
2016	0.445268%	4,173,416	1,294,652	322.36%	66.04%
Firefighters' Retirement System (FRS)					
2025	0.272849%	\$ 1,149,263	\$ 840,186	136.79%	86.96%
2024	0.294991%	1,660,968	847,381	196.01%	81.68%
2023	0.277327%	1,810,060	744,877	243.00%	77.69%
2022	0.241575%	1,703,416	625,498	272.33%	74.68%
2021	0.257333%	911,950	645,465	141.29%	86.78%
2020	0.317894%	2,203,498	791,430	278.42%	72.61%
2019	0.348884%	2,184,680	843,209	259.09%	73.96%
2018	0.339869%	1,954,953	809,175	241.60%	74.76%
2017	0.300465%	1,722,220	701,544	245.49%	73.55%
2016	0.282144%	1,845,477	895,307	206.13%	68.16%

Notes:

The amounts presented have a measurement date of June 30th of the fiscal year.

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

Exhibit 1-2

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLANS
Last Ten Years

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
Municipal Employees' Retirement System (MERS)					
2025	\$ 1,181,053	\$ 1,181,053	\$ -	\$ 4,244,907	27.82%
2024	1,161,460	1,161,460	-	3,991,087	29.10%
2023	1,182,142	1,182,142	-	4,007,257	29.50%
2022	1,188,561	1,188,561	-	4,029,945	29.49%
2021	1,183,380	1,183,380	-	4,011,454	29.50%
2020	1,125,234	1,125,234	-	3,990,328	28.20%
2019	976,716	976,716	-	3,698,240	26.41%
2018	897,155	897,155	-	3,556,680	25.22%
2017	853,862	853,862	-	3,680,679	23.20%
2016	746,485	746,485	-	3,650,165	20.45%
Municipal Police Employees' Retirement System (MPERS)					
2025	\$ 622,981	\$ 622,981	\$ -	\$ 1,768,613	35.22%
2024	610,774	610,774	-	1,777,193	34.37%
2023	540,364	540,364	-	1,686,291	32.04%
2022	370,117	370,117	-	1,227,278	30.16%
2021	389,410	389,410	-	1,190,293	32.72%
2020	392,746	392,746	-	1,143,607	34.34%
2019	341,311	341,311	-	1,056,663	32.30%
2018	356,430	356,430	-	1,146,021	31.10%
2017	343,511	343,511	-	1,089,842	31.52%
2016	376,862	376,862	-	1,254,048	30.05%
Firefighters' Retirement System (FRS)					
2025	\$ 286,293	\$ 286,293	\$ -	\$ 861,051	33.25%
2024	279,394	279,394	-	840,282	33.25%
2023	262,866	262,866	-	790,575	33.25%
2022	212,740	212,740	-	635,305	33.49%
2021	211,686	211,686	-	648,650	32.63%
2020	220,477	220,477	-	768,038	28.71%
2019	223,321	223,321	-	833,918	26.78%
2018	218,989	218,989	-	826,374	26.50%
2017	185,554	185,554	-	726,019	25.56%
2016	231,949	231,949	-	981,338	23.64%

Notes:

The amounts presented were determined as of the fiscal year end.

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

Notes to Required Supplementary Information for Pensions

Changes in benefit terms: No changes noted for any plans.

Changes of assumptions:

The following schedule provides changes in actuarial assumptions for Municipal Employee's Retirement System (MERS):

Valuation Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Investment Rate of Return	6.85%, net of investment exp.	6.85%, net of investment exp.	6.85%, net of investment exp.	6.85%, net of investment exp.	6.85%, net of investment exp.	6.95%, net of investment exp.	7.00%, net of investment exp.	7.275%, net of investment exp.	7.40%, net of investment exp.	7.50%, net of investment exp.
Inflation Rate	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.60% per annum	2.775% per annum	2.875% per annum
Mortality-Non-Disabled	PubG-2010(B) Healthy Retiree Table set equal to 115% for males & females, each adjusted using their respective male & female MP2021 scales. PubG-2010(B) Employee Table set equal to 115% for males & 120% for females, each adjusted using their respective male & female MP2021 scales.	PubG-2010(B) Healthy Retiree Table set equal to 115% for males & females, each adjusted using their respective male & female MP2021 scales. PubG-2010(B) Employee Table set equal to 115% for males & 120% for females, each adjusted using their respective male & female MP2021 scales.	PubG-2010(B) Healthy Retiree Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales. PubG-2010(B) Employee Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales	PubG-2010(B) Healthy Retiree Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales. PubG-2010(B) Employee Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales	PubG-2010(B) Healthy Retiree Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales. PubG-2010(B) Employee Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales	PubG-2010(B) Healthy Retiree Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales. PubG-2010(B) Employee Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales	PubG-2010(B) Healthy Retiree Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales. PubG-2010(B) Employee Table set equal to 120% for males & females, each adjusted using their respective male & female MP2018 scales	RP-2000 Healthy Annuitant Sex Distinct Mortality Table (set forward 2 years for males & 1 year for females) projected to 2028 using Scale AA; RP-2000 Employee Sex Distinct Table (set back 2 years for both males and females)	RP-2000 Healthy Annuitant Sex Distinct Mortality Table (set forward 2 years for males & 1 year for females) projected to 2028 using Scale AA; RP-2000 Employee Sex Distinct Table (set back 2 years for both males and females)	RP-2000 Healthy Annuitant Sex Distinct Mortality Table (set forward 2 years for males & 1 year for females) projected to 2028 using Scale AA; RP-2000 Employee Sex Distinct Table (set back 2 years for both males and females)
Mortality-Disabled	PubNS-2010(B) Disabled Retiree Table set equal to 115% for males & 120% for females with the full generational MP2021 scale.	PubNS-2010(B) Disabled Retiree Table set equal to 115% for males & 120% for females with the full generational MP2021 scale.	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males & females with the full generational MP2018 scale	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males & females with the full generational MP2018 scale	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males & females with the full generational MP2018 scale	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males & females with the full generational MP2018 scale	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males & females with the full generational MP2018 scale	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)
Termination, Disability, Retirement	2018-2023 experience study	2018-2023 experience study	2013-2018 experience study	2013-2018 experience study	2013-2018 experience study	2013-2018 experience study	2013-2018 experience study	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study
Salary Increases	1 to 2 years of service - 9.0%, more than 2 years of service - 4.4%	1 to 2 years of service - 9.0%, more than 2 years of service - 4.4%	1 to 4 years of service - 6.4%, more than 4 years of service - 4.5%	1 to 4 years of service - 6.4%, more than 4 years of service - 4.5%	1 to 4 years of service - 6.4%, more than 4 years of service - 4.5%	1 to 4 years of service - 6.4%, more than 4 years of service - 4.5%	1 to 4 years of service - 6.4%, more than 4 years of service - 4.5%	5.0%	5.0%	5.0%

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

Notes to Required Supplementary Information for Pensions

The following schedule provides changes in actuarial assumptions for Municipal Police Employee's Retirement System (MPERS):

Valuation Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Investment Rate of Return	6.75%, net of investment exp.	6.75%, net of investment exp.	6.75%, net of investment exp.	6.75%, net of investment exp.	6.75%, net of investment exp.	6.95%, net of investment exp.	7.125%, net of investment exp.	7.20%, net of investment exp.	7.325%, net of investment exp.	7.50%, net of investment exp.
Inflation Rate	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.60% per annum	2.70% per annum	2.875% per annum
Mortality-Non-Disabled	Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 125% for males and 125% for females using the full generational MP2021 scale) for healthy annuitants & beneficiaries and employees	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 115% for males and 125% for females using the full generational MP2019 scale) for healthy annuitants & beneficiaries and employees	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 115% for males and 125% for females using the full generational MP2019 scale) for healthy annuitants & beneficiaries and employees	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 115% for males and 125% for females using the full generational MP2019 scale) for healthy annuitants & beneficiaries and employees	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 115% for males and 125% for females using the full generational MP2019 scale) for healthy annuitants & beneficiaries and employees	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 115% for males and 125% for females using the full generational MP2019 scale) for healthy annuitants & beneficiaries and employees	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA (set back 1 year for females) for healthy annuitants & beneficiaries. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA (set back 1 year for females) for healthy annuitants & beneficiaries. RP-2000 Employee Table (set back 4 years for males and 3 years for females for active members	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA (set back 1 year for females) for healthy annuitants & beneficiaries. RP-2000 Employee Table (set back 4 years for males and 3 years for females for active members	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2020 by Scale AA (set back 1 year for females) for healthy annuitants & beneficiaries. RP-2000 Employee Table (set back 4 years for males and 3 years for females for active members
Mortality-Disabled	Pub-2016 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 125% for males and 125% for females using the full generational MP2021 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	RP-2000 Disabled Lives Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Table (set back 5 years for males and 3 years for females)
Termination, Disability, Retirement	2019-2024 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study
Salary Increases	1 to 2 years of service - 13.00%, Above 2 years - 4.75%	1 to 2 years of service - 12.30%, Above 2 years - 4.70%	1 to 2 years of service - 12.30%, Above 2 years - 4.70%	1 to 2 years of service - 12.30%, Above 2 years - 4.70%	1 to 2 years of service - 12.30%, Above 2 years - 4.70%	1 to 2 years of service - 12.30%, Above 2 years - 4.70%	1 to 2 years of service - 9.75%, 3 to 23 years of service - 4.75%, Over 23 years of service - 4.25%	1 to 2 years of service - 9.75%, 3 to 23 years of service - 4.75%, Over 23 years of service - 4.25%	1 to 2 years of service - 9.75%, 3 to 23 years of service - 4.75%, Over 23 years of service - 4.25%	1 to 2 years of service - 9.75%, 3 to 23 years of service - 4.75%, Over 23 years of service - 4.25%

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

Notes to Required Supplementary Information for Pensions

The following schedule provides changes in actuarial assumptions for Firefighter's Retirement System (FRS):

Valuation Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Investment Rate of Return	6.90%, net of investment exp.	6.90%, net of investment exp.	6.90%, net of investment exp.	6.90%, net of investment exp.	6.90%, net of investment exp.	7.00%, net of investment exp.	7.15%, net of investment exp.	7.30%, net of investment exp.	7.40%, net of investment exp.	7.50%, net of investment exp.
Inflation Rate	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.50% per annum	2.70% per annum	2.775% per annum	2.880% per annum
Mortality-Non-Disabled	Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 110% for males and 110% for females using the full generational MP2021 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for employees & Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality
Mortality-Disabled	Pub-2016 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 110% for males and 110% for females using the full generational MP2021 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees (base table multiplied by 105% for males and 115% for females using the full generational MP2019 scale)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females)
Termination, Disability, Retirement	2019-2024 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2014-2019 experience study	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study
Salary Increases	14.50% in the first two years of service and 5.00% with 3 or more years of service; includes inflation and merit increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases	Vary from 14.75% in the first 2 years of service to 4.5% after 25 years	Vary from 15% in the first 2 years of service to 4.75% after 25 years	Vary from 15% in the first 2 years of service to 4.75% after 25 years	Vary from 15% in the first 2 years of service to 4.75% after 25 years

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

EXHIBIT 2

SCHEDULE OF CHANGES IN THE
TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Eight Fiscal Years

Total OPEB Liability	2018	2019	2020	2021	2022	2023	2024	2025
Service cost	\$ 353,798	\$ 368,162	\$ 368,162	\$ 329,097	\$ 329,097	\$ 183,285	\$ 183,285	\$ 240,408
Interest	408,348	424,844	346,592	190,896	195,701	286,717	295,744	370,431
Differences between expected and actual experience	-	-	(348,122)	-	(350,889)	-	1,967,610	-
Changes of assumptions	-	2,102,952	(4,570,456)	-	(2,416,748)	-	747,167	-
Benefit payments	(382,425)	(357,986)	(302,616)	(302,616)	(310,315)	(286,317)	(275,187)	(379,021)
Net change in total OPEB liability	379,721	2,537,972	(4,506,440)	217,377	(2,553,154)	183,685	2,918,619	231,818
Total OPEB liability - beginning	9,895,238	10,274,959	12,812,931	8,306,491	8,523,868	5,970,714	6,154,399	9,073,018
Total OPEB liability - ending	\$ 10,274,959	\$ 12,812,931	\$ 8,306,491	\$ 8,523,868	\$ 5,970,714	\$ 6,154,399	\$ 9,073,018	\$ 9,304,836
Covered payroll	\$ 4,940,521	\$ 4,940,521	\$ 4,698,323	\$ 4,698,323	\$ 4,979,067	\$ 4,979,067	\$ 4,872,343	\$ 4,872,343
Total OPEB liability as a percentage of covered-employee payroll	207.97%	259.34%	176.80%	181.42%	119.92%	123.61%	186.21%	190.97%

Notes to Schedule:

Changes of Assumptions:

<u>Discount Rates:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	4.06%	2.66%	2.25%	2.25%	2.27%	2.27%	1.56%	1.56%

Healthcare cost trend rates:

2018 and 2019: Level 5.0% annual trend rate

2020, 2021 2022, 2023, 2024 and 2025: Level 4.5% annual trend rate

Mortality Rates:

2018 and 2019: RPH-2014 Total Table with Projection MP-2018

2020 and 2021: RPH-2014 Total Table with Projection MP-2019

2022, 2023, 2024 and 2025: RPH-2014 Total Table with Projection MP-2021

No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

City of Minden
Required Supplementary Information
As of and for the Year Ended September 30, 2025

EXHIBIT 3

CONDITION RATING OF THE CITY'S STREET SYSTEM

	2020	2021	2022	2023	2024	2025
Number of Streets	327	326	326	326	326	326
Percentage of streets in good or better condition	66.36%	66.26%	66.56%	68.10%	68.40%	69.02%
Percentage of streets in substandard condition	33.64%	33.74%	33.44%	31.90%	31.60%	30.98%
Comparison of needed to actual maintenance/preservation:						
Needed as of 1/1 (date of assessment)	\$ 7,790,674	\$ 7,596,165	\$ 6,994,710	\$ 7,259,793	\$ 7,029,554	\$ 7,152,584
Actual cost of improvements incurred as of 9/30	\$ 589,454	\$ 369,730	\$ 1,509,484	\$ 1,618,209	\$ 1,454,061	\$ 1,496,419

The condition of road pavement is measured by the City using a pavement management system which rates the condition of the pavement surfaces using a 1-5 rating scale assessing the following distress factors:

- Base failure
- Surface wear
- Effects of outside construction contractors which may cause damage to streets during various projects
- Evidence of potholes

The system is based on a condition rating system from 1 to 5. The rating scale used to classify roads is good or better condition (4-5), fair condition (3), and substandard condition (1-2). Roads which are rated 1 are considered highest priority for improvements. It is the City's policy to maintain at least 65% of its street system at a good or better condition level.

The City's condition assessment is determined every two years as the pavement conditions are monitored throughout this time.

City of Minden

Budgetary Comparison Schedules

Major Funds with Legally Adopted Annual Budget

General Fund - is the general operating fund of the City. It accounts for all financial resources, except those required to be accounted for in other funds.

Sales Tax Fund - accounts for the receipt and use of the municipality's one percent (1%) sales and use tax under the provisions of the sales and use tax ordinance effective August 1, 1967.

Sewerage Sales Tax Fund -accounts for the receipt and use of the municipality's one percent (1%) sales and use tax under the provisions of the sales and use tax ordinance effective December 1, 1984. By special election held April 15, 2000, the City rededicated and renewed the levy of this one percent (1%) sales and use tax.

ARPA - accounts for grant funding from the Coronavirus State Local Fiscal Recovery Fund authorized by American Rescue Plan Act of 2021.

CITY OF MINDEN
GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

Exhibit 4-1

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	BUDGETARY	WITH FINAL
			BASIS	BUDGET
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,059,414	\$ 1,059,414	\$ 407,455	\$ (651,959)
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	569,000	569,000	550,079	(18,921)
Other taxes, penalties, and interest	771,200	771,200	635,385	(135,815)
Licenses and permits	771,500	771,500	869,670	98,170
Intergovernmental revenues	2,643,190	1,966,500	1,979,291	12,791
Fees, charges and commissions for services	1,698,050	1,698,050	1,790,502	92,452
Use of money and property	60,000	60,000	77,051	17,051
Fines and forfeitures	110,000	110,000	172,731	62,731
Miscellaneous revenues	206,550	206,550	143,792	(62,758)
Transfers in from other funds	11,472,871	13,836,486	14,855,418	1,018,932
Note proceeds	-	-	150,337	150,337
Leases (as lessee)	-	-	404,487	404,487
Amounts available for appropriations	19,361,775	21,048,700	22,036,198	987,498
Charges to appropriations (outflows)				
Current:				
General and administrative	4,504,427	4,682,427	4,730,980	(48,553)
Police department	4,586,258	4,933,710	5,050,851	(117,141)
Fire department	2,319,279	2,319,279	2,312,824	6,455
Street department	3,084,100	2,911,057	2,546,070	364,987
Sanitation and health	103,932	103,932	128,528	(24,596)
Parks and recreation	2,477,882	2,477,882	2,348,405	129,477
Public works	612,824	612,824	486,437	126,387
Capital outlay	779,275	1,883,076	2,037,091	(154,015)
Total charges to appropriations	18,467,977	19,924,187	19,641,186	283,001
BUDGETARY FUND BALANCES, ENDING	\$ 893,798	\$ 1,124,513	\$ 2,395,012	\$ 1,270,499

See accompanying notes to budgetary comparison schedule.

CITY OF MINDEN

**SALES TAX
Budgetary Comparison Schedule
For the Year Ended September 30, 2025**

Exhibit 4-2

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	BUDGETARY	WITH FINAL
			BASIS	BUDGET
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,761,004	\$ 3,761,004	\$ 3,761,004	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales and use	4,025,000	4,025,000	4,434,162	409,162
Use of money and property	30,000	30,000	-	(30,000)
Use of money and property	-	-	69,695	69,695
Amounts available for appropriations	<u>7,816,004</u>	<u>7,816,004</u>	<u>8,264,861</u>	<u>448,857</u>
Charges to appropriations (outflows)				
Current:				
General and administrative	50,000	50,000	85,081	(35,081)
Transfers to other funds	<u>4,005,000</u>	<u>4,055,000</u>	<u>4,055,000</u>	<u>-</u>
Total charges to appropriations	<u>4,055,000</u>	<u>4,105,000</u>	<u>4,140,081</u>	<u>(35,081)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,761,004</u>	<u>\$ 3,711,004</u>	<u>\$ 4,124,780</u>	<u>\$ 413,776</u>

See accompanying notes to budgetary comparison schedule.

CITY OF MINDEN

**SEWERAGE SALES TAX
Budgetary Comparison Schedule
For the Year Ended September 30, 2025**

Exhibit 4-3

	BUDGETED AMOUNTS		ACTUAL BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 5,400,290	\$ 5,400,290	\$ 5,400,290	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales and use	4,025,000	4,025,000	4,434,163	409,163
Use of money and property	60,875	60,875	139,351	78,476
Amounts available for appropriations	9,486,165	9,486,165	9,973,804	487,639
Charges to appropriations (outflows)				
Current:				
General and administrative	50,000	50,000	78,156	(28,156)
Transfers to other funds	4,005,000	4,055,000	4,055,000	-
Total charges to appropriations	4,055,000	4,105,000	4,133,156	(28,156)
BUDGETARY FUND BALANCES, ENDING	\$ 5,431,165	\$ 5,381,165	\$ 5,840,648	\$ 459,483

See accompanying notes to budgetary comparison schedule.

CITY OF MINDEN

**ARPA
Budgetary Comparison Schedule
For the Year Ended September 30, 2025**

Exhibit 4-4

	BUDGETED AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	BUDGETARY BASIS	WITH FINAL BUDGET
BUDGETARY FUND BALANCES, BEGINNING	\$ 3,500,000	\$ 3,500,000	\$ 223,858	\$ (3,276,142)
Resources (inflows)				
Local sources:				
Use of money and property	60,000	12,000	35,706	23,706
Federal sources			2,779,230	2,779,230
	<u>3,560,000</u>	<u>3,512,000</u>	<u>3,038,794</u>	<u>(473,206)</u>
Amounts available for appropriations				
Charges to appropriations (outflows)				
Current:				
Sanitation and health	400,000	294,759	206,347	88,412
Parks and recreation	850,000	-	-	-
Public works	1,130,000	-	-	-
Capital outlay	1,180,000	905,971	805,903	100,068
Transfers to other funds	-	1,993,450	1,993,450	-
	<u>3,560,000</u>	<u>3,194,180</u>	<u>3,005,700</u>	<u>188,480</u>
Total charges to appropriations				
BUDGETARY FUND BALANCES, ENDING	\$ -	\$ 317,820	\$ 33,094	\$ (284,726)

See accompanying notes to budgetary comparison schedule.

City of Minden

Notes to the Budgetary Comparison Schedules For the Year Ended September 30, 2025

Note A. BUDGET PRACTICES A preliminary budget for the ensuing year is prepared by the clerk in August. The proposed budget is reviewed by the mayor and the City Council and made available to the public. During a September meeting of the City Council, the City holds a public hearing on the proposed budget in order to receive comments from citizens. Changes are made to the proposed budget based on the public hearing and the desires of the City Council as a whole. The budget is then adopted during a September meeting, and notice is published in the official journal.

During the year, the City Council receives monthly budget comparison statements which are used as a tool to control the operations of the City. The City Clerk presents necessary budget amendments to the Council when he determines that actual operations are differing materially from those anticipated in the original budget. The Council in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in the City's minutes published in the official journal.

The budget is established and controlled by the mayor and Council members at the functional level of expenditure. Unexpended appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the mayor and the Council members. The City does not use encumbrance accounting in its accounting system.

All governmental funds' budgets are prepared on the modified accrual basis of accounting in accordance with GAAP.

Appropriations (unexpended budget balances) lapse at year end.

Note B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGETED APPROPRIATIONS The following individual funds had actual expenditures over budgeted expenditures for the year ended September 30, 2025:

Fund	Budget	Actual	Variance
Sales Tax	\$ 4,105,000	\$ 4,140,081	\$ (35,081)
Sewerage Sales Tax	4,105,000	4,133,156	(28,156)

Note C. BUDGET TO GAAP RECONCILIATION Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures:

	GENERAL	SALES TAX	SEWERAGE SALES TAX	ARPA
<u>Sources/inflows of resources:</u>				
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 22,036,198	\$ 8,264,861	\$ 9,973,804	\$ 3,038,794
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(407,455)	(3,761,004)	(5,400,290)	(223,858)
Transfers in are shown as resources (inflows) for budgetary purposes but as other financing sources for reporting purposes	(14,855,418)	-	-	-
Note/lease proceeds and insurance recoveries are shown as resources (inflows) for budgetary purposes but as other financing sources for reporting purposes	(554,824)	-	-	-
Total revenues as reported on the Statement of Revenues, Expenditures, and changes in Fund Balances - Governmental Funds	<u>\$ 6,218,501</u>	<u>\$ 4,503,857</u>	<u>\$ 4,573,514</u>	<u>\$ 2,814,936</u>
<u>Uses/outflows of resources:</u>				
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 19,641,186	\$ 4,140,081	\$ 4,133,156	\$ 3,005,700
Transfers to other funds classified and expenditures for budgetary purposes and as an operating transfer for financial reporting	-	(4,055,000)	(4,055,000)	(1,993,450)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 19,641,186</u>	<u>\$ 85,081</u>	<u>\$ 78,156</u>	<u>\$ 1,012,250</u>

SUPPLEMENTARY INFORMATION

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS -
BY FUND TYPE**

CITY OF MINDEN

NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
September 30, 2025

Exhibit 5

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS CAPITAL IMPROVEMENTS STREET FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 1,277,159	\$ 25,562	\$ 1,302,721
Receivables	<u>132,837</u>	<u>-</u>	<u>132,837</u>
 TOTAL ASSETS	 <u>1,409,996</u>	 <u>25,562</u>	 <u>1,435,558</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts and other payables	14,722	-	14,722
Interfund payables	<u>103,774</u>	<u>-</u>	<u>103,774</u>
 TOTAL LIABILITIES	 <u>118,496</u>	 <u>-</u>	 <u>118,496</u>
FUND BALANCES:			
Restricted	1,291,500	-	1,291,500
Assigned	<u>-</u>	<u>25,562</u>	<u>25,562</u>
 TOTAL FUND BALANCES	 <u>1,291,500</u>	 <u>25,562</u>	 <u>1,317,062</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 1,409,996</u>	 <u>\$ 25,562</u>	 <u>\$ 1,435,558</u>

CITY OF MINDEN

NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended September 30, 2025

Exhibit 6

	<u>CAPITAL PROJECTS</u>		
	<u>SPECIAL</u>	<u>CAPITAL</u>	
	<u>REVENUE</u>	<u>IMPROVEMENTS</u>	
		<u>STREET</u>	
		<u>FUND</u>	<u>TOTAL</u>
REVENUES			
Local sources:			
Taxes:			
Sales and use	\$ 212,796	\$ -	\$ 212,796
Use of money and property	12,974	5,815	18,789
Fines and forfeitures	1,323,021	-	1,323,021
Miscellaneous revenues	851	-	851
	<u>1,549,642</u>	<u>5,815</u>	<u>1,555,457</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
General and administrative	12,909	-	12,909
Police Department	601,024	-	601,024
	<u>613,933</u>	<u>-</u>	<u>613,933</u>
TOTAL EXPENDITURES			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	935,709	5,815	941,524
OTHER FINANCING SOURCES (USES)			
Transfers out	(686,759)	-	(686,759)
	<u>(686,759)</u>	<u>-</u>	<u>(686,759)</u>
TOTAL OTHER FINANCING SOURCES (USES)			
Net Change in Fund Balances	248,950	5,815	254,765
FUND BALANCES - BEGINNING	<u>1,042,550</u>	<u>19,747</u>	<u>1,062,297</u>
FUND BALANCES - ENDING	<u>\$ 1,291,500</u>	<u>\$ 25,562</u>	<u>\$ 1,317,062</u>

City of Minden
Nonmajor Special Revenue Funds

DRUG TASK FORCE FUND This fund is used to account for activities to combat drug activities within the City. Funding is provided through fines and miscellaneous sources.

TIF District #1 This fund is used to account for economic development in the associated district. Funding is provided through sales tax within the district.

TIF District #2 This fund is used to account for economic development in the associated district. Funding is provided through sales tax within the district.

TIF District #3 This fund is used to account for economic development in the associated district. Funding is provided through sales tax within the district.

TIF District #4 This fund is used to account for economic development in the associated district. Funding is provided through sales tax within the district.

STEP This fund is used to account for the Selective Traffic Enforcement Program to enforce highway safety laws. Funding is provided by fines for traffic violations.

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
September 30, 2025

Exhibit 7

	DRUG TASK FORCE FUND	TIF DISTRICT #1	TIF DISTRICT #2	TIF DISTRICT #3	TIF DISTRICT #4	STEP	TOTAL
ASSETS:							
Cash and cash equivalents	\$ 10,347	\$ 110,491	\$ 989,472	\$ 57,425	\$ 14,605	\$ 94,819	\$ 1,277,159
Receivables	-	3,872	10,724	1,506	160	116,575	132,837
TOTAL ASSETS	<u>10,347</u>	<u>114,363</u>	<u>1,000,196</u>	<u>58,931</u>	<u>14,765</u>	<u>211,394</u>	<u>1,409,996</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts and other payables	-	-	-	-	-	14,722	14,722
Interfund payables	-	-	-	-	-	103,774	103,774
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,496</u>	<u>118,496</u>
FUND BALANCES:							
Restricted	<u>10,347</u>	<u>114,363</u>	<u>1,000,196</u>	<u>58,931</u>	<u>14,765</u>	<u>92,898</u>	<u>1,291,500</u>
TOTAL FUND BALANCES	<u>10,347</u>	<u>114,363</u>	<u>1,000,196</u>	<u>58,931</u>	<u>14,765</u>	<u>92,898</u>	<u>1,291,500</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,347</u>	<u>\$ 114,363</u>	<u>\$ 1,000,196</u>	<u>\$ 58,931</u>	<u>\$ 14,765</u>	<u>\$ 211,394</u>	<u>\$ 1,409,996</u>

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended September 30, 2025

Exhibit 8

	DRUG TASK FORCE FUND	TIF DISTRICT #1	TIF DISTRICT #2	TIF DISTRICT #3	TIF DISTRICT #4	STEP	TOTAL
REVENUES							
Local sources:							
Taxes:							
Sales and use	\$ -	\$ 40,345	\$ 138,208	\$ 32,076	\$ 2,167	\$ -	\$ 212,796
Use of money and property	-	925	9,071	399	133	2,446	12,974
Fines and forfeitures	10,832	-	-	-	-	1,312,189	1,323,021
Miscellaneous revenues	-	-	-	-	-	851	851
TOTAL REVENUES	10,832	41,270	147,279	32,475	2,300	1,315,486	1,549,642
EXPENDITURES							
Current:							
General and administrative	-	9,537	1,935	449	30	958	12,909
Police department	11,134	-	-	-	-	589,890	601,024
TOTAL EXPENDITURES	11,134	9,537	1,935	449	30	590,848	613,933
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(302)	31,733	145,344	32,026	2,270	724,638	935,709
OTHER FINANCING SOURCES (USES)							
Transfers out	-	-	-	-	-	(686,759)	(686,759)
Net Change in Fund Balances	(302)	31,733	145,344	32,026	2,270	37,879	248,950
FUND BALANCES - BEGINNING	10,649	82,630	854,852	26,905	12,495	55,019	1,042,550
FUND BALANCES - ENDING	\$ 10,347	\$ 114,363	\$ 1,000,196	\$ 58,931	\$ 14,765	\$ 92,898	\$ 1,291,500

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUND
DRUG TASK FORCE FUND

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025

Exhibit 9-1

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local sources:				
Fines and forfeitures	\$ 8,000	\$ 10,000	\$ 10,832	\$ 832
TOTAL REVENUES	8,000	10,000	10,832	832
EXPENDITURES				
Current:				
Police department	8,000	10,000	11,134	(1,134)
TOTAL EXPENDITURES	8,000	10,000	11,134	(1,134)
Net Change in Fund Balances	-	-	(302)	(302)
FUND BALANCES - BEGINNING	-	10,649	10,649	-
FUND BALANCES - ENDING	\$ -	\$ 10,649	\$ 10,347	\$ (302)

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUND

TIF DISTRICT #1

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025

Exhibit 9-2

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local sources:				
Taxes:				
Sales and use	\$ 22,000	\$ 22,000	\$ 40,345	\$ 18,345
Use of money and property	500	500	925	425
TOTAL REVENUES	22,500	22,500	41,270	18,770
EXPENDITURES				
Current:				
General and administrative	10,350	10,350	9,537	813
TOTAL EXPENDITURES	10,350	10,350	9,537	813
Net Change in Fund Balances	12,150	12,150	31,733	19,583
FUND BALANCES - BEGINNING	82,630	82,630	82,630	-
FUND BALANCES - ENDING	\$ 94,780	\$ 94,780	\$ 114,363	\$ 19,583

CITY OF MINDEN

**NONMAJOR SPECIAL REVENUE FUND
TIF DISTRICT #2**

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025**

Exhibit 9-3

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local sources:				
Taxes:				
Sales and use	\$ 136,000	\$ 126,000	\$ 138,208	\$ 12,208
Use of money and property	7,000	7,000	9,071	2,071
TOTAL REVENUES	143,000	133,000	147,279	14,279
EXPENDITURES				
Current:				
General and administrative	2,000	2,000	1,935	65
TOTAL EXPENDITURES	2,000	2,000	1,935	65
Net Change in Fund Balances	141,000	131,000	145,344	14,344
FUND BALANCES - BEGINNING	854,852	854,852	854,852	-
FUND BALANCES - ENDING	\$ 995,852	\$ 985,852	\$ 1,000,196	\$ 14,344

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUND

TIF DISTRICT #3

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025

Exhibit 9-4

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local sources:				
Taxes:				
Sales and use	\$ 7,500	\$ 7,800	\$ 32,076	\$ 24,276
Use of money and property	150	150	399	249
TOTAL REVENUES	7,650	7,950	32,475	24,525
EXPENDITURES				
Current:				
General and administrative	150	450	449	1
TOTAL EXPENDITURES	150	450	449	1
Net Change in Fund Balances	7,500	7,500	32,026	24,526
FUND BALANCES - BEGINNING	26,905	26,905	26,905	-
FUND BALANCES - ENDING	\$ 34,405	\$ 34,405	\$ 58,931	\$ 24,526

CITY OF MINDEN

NONMAJOR SPECIAL REVENUE FUND
TIF DISTRICT #4

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025

Exhibit 9-5

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Local sources:				
Taxes:				
Sales and use	\$ 2,000	\$ 2,000	\$ 2,167	\$ 167
Use of money and property	120	120	133	13
TOTAL REVENUES	2,120	2,120	2,300	180
EXPENDITURES				
Current:				
General and administrative	35	35	30	5
TOTAL EXPENDITURES	35	35	30	5
Net Change in Fund Balances	2,085	2,085	2,270	185
FUND BALANCES - BEGINNING	12,495	12,495	12,495	-
FUND BALANCES - ENDING	\$ 14,580	\$ 14,580	\$ 14,765	\$ 185

CITY OF MINDEN

**NONMAJOR SPECIAL REVENUE FUND
STEP**

**Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the Year Ended September 30, 2025**

Exhibit 9-6

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Local sources:				
Use of money and property	\$ 1,590	\$ 1,619	\$ 2,446	\$ 827
Fines and forfeitures	1,150,000	1,230,083	1,312,189	82,106
Miscellaneous revenues	-	-	851	851
Transfers from other funds	210,210	204,066	-	(204,066)
TOTAL REVENUES	<u>1,361,800</u>	<u>1,435,768</u>	<u>1,315,486</u>	<u>(120,282)</u>
EXPENDITURES				
Current:				
General and administrative	-	-	958	(958)
Police department	369,670	568,882	589,890	(21,008)
Transfers to other funds	803,130	867,066	686,759	180,307
TOTAL EXPENDITURES	<u>1,172,800</u>	<u>1,435,948</u>	<u>1,277,607</u>	<u>158,341</u>
Net Change in Fund Balances	189,000	(180)	37,879	38,059
FUND BALANCES, BEGINNING	<u>55,019</u>	<u>55,019</u>	<u>55,019</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 244,019</u>	<u>\$ 54,839</u>	<u>\$ 92,898</u>	<u>\$ 38,059</u>

City of Minden

Exhibit 10

**Schedule of Compensation Paid to Council Members
For the Year Ended September 30, 2025**

The City of Minden paid the following amounts for compensation to the members of the City Council as of September 30, 2025:

<u>Council Member</u>	<u>District</u>	<u>Compensation</u>	<u>Car Allowance</u>
Carlton "Buddy" Myles	District A	\$ 13,104	\$ 1,200
Levon "Charlie" Thomas	District B	13,104	1,200
Latasha Anderson Mitchell	District C	13,104	1,200
Michael Roy	District D	13,104	1,200
Andy Pendergrass	District E	13,104	1,200
Total		<u>\$ 65,520</u>	<u>\$ 6,000</u>

**Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended September 30, 2025**

Nicholas "Nick" Cox, Mayor

Purpose	Amount
Salary	\$ 87,360
Benefits-Retirement	24,226
Benefits-Insurance	31,314
Benefits-Medicare	1,136
Vehicle provided by government	11,489
Travel	3,693
Total	<u>\$ 159,218</u>

City of Minden

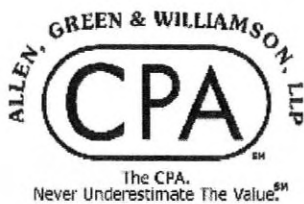
Exhibit 12

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 03/31/25	Second Six Month Period Ended 09/30/25
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 329,914	\$ 330,462
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	699,066	719,750
Criminal Fines - Other	130,893	113,011
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	1,430	1,797
Interest Earnings on Collected Balances	412	449
Subtotal Collections	831,801	835,007
Less: Disbursements To Governments & Nonprofits: (<i>Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.</i>)		
<i>Minden City Court; Criminal Court Costs/Fees</i>	43,263	52,104
<i>Minden City Court; Civil Fees</i>	134,562	107,255
<i>Minden City Marshal; Civil Fees</i>	87,820	83,040
Less: Amounts Retained by Collecting Agency		
City of Minden- Civil Fees	470,499	442,124
City of Minden- Criminal Fines- Other	81,773	71,444
Service/Collection Fees	1,015	1,615
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Other Disbursements to Individuals (additional detail is not required)	12,321	30,304
Subtotal Disbursements/Retainage	831,253	787,886
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	\$ 330,462	\$ 377,583

**OTHER REPORTS REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***



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Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

To the Honorable Mayor and City Council
City of Minden
Minden, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Minden as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2026. We issued an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

Our report includes a reference to the other auditor who audited the financial statements of the City of Minden's Pension and Other Employee Benefit Trust Plan, as described in our report on City of Minden's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs* as item 2025-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying *Schedule of Findings and Questioned Costs* as item 2025-002.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Responses* and *Corrective Action Plan for Current Year Findings and Questioned Costs*. The City'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.

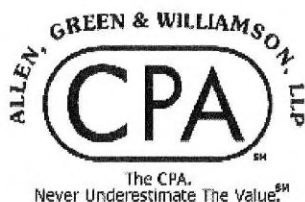
Purpose of This Report

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP
Monroe, Louisiana
June 25, 2026



ALLEN, GREEN & WILLIAMSON, LLP

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Report on Compliance For Each Major Federal Program And Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Honorable Mayor and City Council
City of Minden
Minden, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Minden's compliance with the types of compliance requirements identified as a subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 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'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 GAAS, *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 judgement 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the 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 the 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 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.

Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP
Monroe, Louisiana
June 25, 2026

City of Minden
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass-Through Grant Number	Grant Identification Number	Federal Expenditures
United States Department of Transportation				
Direct Program:				
Airport Improvement Program	20.106	N/A	3-22-0032-018-2025	\$ 157,928
Delta Regional Authority				
Direct Program:				
State Economic Development Assistance Grant	90.200	N/A	DRA23-LA175-BILSPG	67,500
United States Department of the Treasury				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	SLT-6416	2,779,230
TOTAL FEDERAL AWARDS				\$ 3,004,658

The accompanying notes are an integral part of this schedule.

City of Minden
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

NOTE 1 - BASIS OF PRESENTATION The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of City of Minden under programs of the federal government for the year ended September 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). The City's reporting entity is defined in Note 1 of the Notes to the financial statements of the City's Annual Financial Report. 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 of Minden.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 of the Notes to the financial statements of the City's Annual Financial Report. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the City financial statements as follows:

Governmental Funds:

Major Funds:

General Fund

ARPA

Total

Federal Sources

\$ 225,428

2,779,230

\$ 3,004,658

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

PART I - Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was an adverse opinion on the aggregate discretely presented component units and an unmodified opinion on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.
- ii. There was one significant deficiency required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. The audit disclosed one instance of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

Audit of Federal Awards

- iv. There were no significant deficiencies identified that is required to be disclosed by the Uniform Guidance (2 CFR 200).
- v. The type of report the auditor issued on compliance of major federal awards was unmodified.
- vi. The audit disclosed no findings which the auditor is required to report under the Uniform Guidance.
- vii. The major federal awards are:
 - AL #21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in the Uniform Guidance was \$1,000,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance.

City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **2025-001** **Controls over Financial Reporting**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Good internal controls over financial reporting require that accounting records contain up-to-date, accurate and complete information to ensure that the financials are accurate at year-end.

Condition found: Internal controls were not in place or were not followed.

Our tests revealed:

- Allowance for doubtful accounts was not reconciled at year end.
- Adjusting journal entries were provided after trial balance was submitted to record accounts payable and to reconcile interfund activities.

Context: This finding appears to be recurring.

Possible asserted effect (cause effect):

Cause: Lack of procedures for year-end accruals and reconciliation.

Effect: The City's controls over financial reporting may not correctly report expenses and revenue for current fiscal year in a timely manner.

Recommendations to prevent future occurrences: The City should establish quality control procedures to reconcile balance sheet accounts at year end including inventory and ensure all expenses and revenue have been recorded in the correct accounting period.

Origination date and prior year reference (if applicable): This finding originated in fiscal year ended September 30, 2018.

View of responsible official: See corrective action plan for current year findings and responses.

Reference # and title: **2025-002** **Late Submission of Audit Report to the Legislative Auditor**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: R.S. 24:513 A (5)(a)(i) requires that "...audits shall be completed within six months of the close of the entity's fiscal year." The City's audit report should be submitted to the Louisiana Legislative Auditor by March 31st each year.

Condition found: Due to the condition of the financial records, the City needed additional time to complete the fiscal year end process. Therefore, the City's audit report for the fiscal year ending September 30, 2025 was not completed within the six-month deadline as required by R.S. 24:513 A (5)(a)(i).

City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

Context: This finding is an isolated incident.

Possible asserted effect (cause effect):

Cause: Balance sheet accounts were not reconciled at year end.

Effect: Timely financial information is not provided to stakeholders.

Recommendations to prevent future occurrences: The City should strive to file the annual audit report by the six-month due date.

Origination date and prior year reference (if applicable): This finding originated in fiscal year ended September 30, 2025.

View of responsible official: See corrective action plan for current year findings and responses.

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OTHER INFORMATION



**Schedule of Prior Year Findings and Responses
For the Year Ended September 30, 2025**

Reference # and title: **2024-001** **Controls over Financial Reporting**

Condition found: Internal controls were not in place or were not followed.

Our tests revealed:

- Lack of reconciliation for airport fuel inventory.
- Balance sheet accounts were not reconciled at year end.
- Accounts payable and retainage payable for three construction invoices were not recorded at year end.

Corrective action taken: See finding 2025-001.

Reference # and title: **2024-002** **Condition Rating for Street System**

Condition found: Streets that were in good or better condition were 68.40% of total streets as compared to standard set forth by City council of 75%.

Corrective action taken: Following a review of the street condition grading system, the Mayor and the City Council re-evaluated the performance benchmark used to measure street conditions throughout the City. As a result, the benchmark was revised from requiring 75% of the streets to be maintained in good or better condition to 65% of streets maintained in good or better condition.

This revised benchmark was formally adopted by the Mayor and City Council on September 9, 2025, and will be used for future performance measurements and reporting purposes.

Finding considered cleared.

Reference # and title: **2024-003** **Airport Improvement Program – Reporting**

Condition found: The City did not submit the required annual report for the open grant.

Corrective action taken: KSA, the engineers used by the City of Minden Airport, was unaware that the annual report for the grant was required to be submitted within 90 days following the end of the federal government fiscal year. KSA had mistakenly interpreted the reporting deadline as the end of the calendar year than the applicable grant reporting requirement.

Once the correct report deadline was identified, KSA implemented procedures to ensure compliance with grant requirements. The required report was submitted timely during the current year and KSA will continue to monitor and adhere to all grant reporting deadlines going forward. In addition, the City will maintain oversight of grant reporting requirements to help ensure timely submission of future reports.

Finding considered cleared.

If any further questions need to be answered, please feel free to contact me.

Thank you,

A handwritten signature in cursive script that reads "Nicholas A. Cox". The signature is written in dark ink and is positioned above the printed name.

Nicholas A. Cox, Mayor



**Corrective Action Plan for Current Year Findings and Responses
For the Year Ended September 30, 2025**

Reference # and title: **2025-001** **Controls over Financial Reporting**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Good internal controls over financial reporting require that accounting records contain up-to-date, accurate and complete information to ensure that the financials are accurate at year-end.

Condition found: Internal controls were not in place or were not followed.

Our tests revealed:

- Allowance for doubtful accounts was not reconciled at year end.
- Adjusting journal entries were provided after trial balance was submitted to record accounts payable and to reconcile interfund activities.

Corrective action planned: Management acknowledges this finding. During the audit period, staffing shortages within the Accounting Department resulting from employee retirements and the onboarding and training of new personnel contributed to delays in completing certain year-end processes.

To address the issue, the City Clerk and City Clerk Office Manager will assume responsibility for overseeing and monitoring the year-end closing process. Going forward, upon completion of the September and October reconciliations, management will begin preparing and closing the fiscal year records to ensure adequate time is available to complete all year-end tasks and prepare for the annual financial audit. Management believes these measures will improve timeliness and strengthen oversight of the year-end financial reporting process.

Person responsible for corrective action:

Nick Cox, Mayor
City of Minden
520 Broadway
Minden, Louisiana 71058

Telephone: (318) 377-2144
Fax: (318) 371-4200

Anticipated completion date:

Before end of FY (September 30, 2026)

Reference # and title: **2025-002** **Late Submission of Audit Report to the Legislative Auditor**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: R.S. 24:513 A (5)(a)(i) requires that "...audits shall be completed within six months of the close of the entity's fiscal year." The City's audit report should be submitted to the Louisiana Legislative Auditor by March 31st each year.

Condition found: Due to the condition of the financial records, the City needed additional time to complete the fiscal year end process. Therefore, the City's audit report for the fiscal year ending September 30, 2025, was not completed within the six-month deadline as required by R.S. 24:513 A (5)(a)(i).

Corrective action planned: Management acknowledges this finding. The City of Minden utilizes a third-party CPA firm to assist with preparation of year-end schedules and supporting documentation required for the annual financial audit. During the audit period, certain information was not completed and provided within the time frame necessary to ensure timely submission of the audit report.

To address the immediate need, the City Clerk and City Clerk Office Manager obtained and reviewed prior year workpapers and were able to compile much of the required information internally. Through this process, management gained the knowledge necessary to prepare these schedules in-house when needed.

Going forward, the City Clerk and City Clerk Office Manager will assume a more active role in the preparation and review of year-end audit schedules. Additionally, coordination and scheduling with the City's third-party CPA firm will begin shortly after fiscal-year end to establish clear deadlines and ensure sufficient time is available for both parties to complete all required work prior to the audit. Management believes these measures will improve the timeliness of audit preparation and prevent future delays.

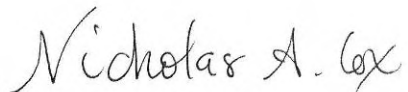
Person responsible for corrective action:

Nick Cox, Mayor
City of Minden
520 Broadway
Minden, Louisiana 71058

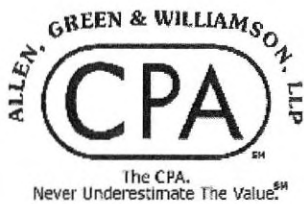
Telephone: (318) 377-2144
Fax: (318) 371-4200

Anticipated completion date: June 30, 2026

Thank you,

A handwritten signature in black ink that reads "Nicholas A. Cox". The signature is written in a cursive, flowing style.

Nicholas A. Cox, Mayor



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Margie Williamson, CPA
Jennie Henry, CPA, CFE

Supervisor: Sandra Harper, CPA, CFE

Tax Senior: John Forsell, CPA

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Management Letter

To the Honorable Mayor and City Council
City of Minden
Minden, Louisiana

In planning and performing our audit of financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Minden as of and for the year ended September 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified a certain matter involving internal control and other operational matters that is presented for your consideration. This letter does not affect our report dated March 31, 2026, on the financial statements of the City. We will review the status of this comment during our next audit engagement. Our comment and recommendation, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comment is summarized as follows:

2025-M1 **Timeclock System**

Comment: The Electric Line Crew, Police and Fire Departments are the remaining departments that are still keeping track of work hours with manual spreadsheets instead of using the timeclock system..

Recommendation: All employees should use the timeclock system to record work, vacation and sick time. This ensures that employees record accurate hours for the time they have worked, and an accurate balance of time available for vacation and sick days. Manual spreadsheets can easily be manipulated to pay hours that are not actually worked, resulting in costly expenses to the City. This will provide the City with a central repository with an accurate system of record to monitor work time by department and function.

Management's response: The City of Minden placed all departments on time clocks, with the exceptions of the police department and the fire department. The line crew was placed on the time clock system effective April 30th, 2026. The City plans to have the remaining departments on time clocks once upgrades are made so that the needs of these departments are met.

We believe that the implementation of these recommendations will provide the City with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

Also included are management's responses to our current year management letter items. We have performed no audit procedures to verify the content of the responses.

This report is intended solely for the information and use of the City Council, management, others within the entity, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP
Monroe, Louisiana
June 25, 2026

City of Minden
Status of Prior Year Management Letter Items
For the Year Ended September 30, 2025

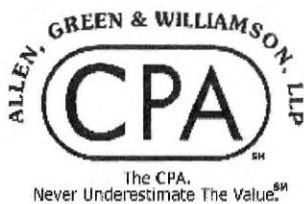
2024-M1 **Timeclock System**

Comment: The Electric Line Crew, Police and Fire Departments are the remaining departments that are still keeping track of work hours with manual spreadsheets instead of using the timeclock system. During the fiscal year the Water, Wastewater and Steam Production Plant began using the timeclock system..

Recommendation: All employees should use the timeclock system to record work, vacation and sick time. This ensures that employees record accurate hours for the time they have worked, and an accurate balance of time available for vacation and sick days. Manual spreadsheets can easily be manipulated to pay hours that are not actually worked, resulting in costly expenses to the City. This will provide the City with a central repository with an accurate system of record to monitor work time by department and function.

Management's response: See **2025-M1**.

AGREED-UPON PROCEDURES



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(Retired) 1963 - 2000

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Honorable Mayor and the City Council
City of Minden, Louisiana

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 year ended September 30, 2025. The City of Minden's management is responsible for those C/C areas identified in the SAUPs.

The City 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 year ended September 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:

Board or Finance Committee

1. 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) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Member: American Institute of Certified Public Accountants, Society of Louisiana Certified Public Accountants,
American Institute of Certified Public Accountants Division for CPA Firms,
Government Audit Quality Center
Equal Opportunity Employer

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- 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.

Comment: No exceptions noted.

Bank Reconciliations

- 2. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Comment: Three exceptions noted. On the Payroll, Clearing and Police Bond Fund's March 2025 bank reconciliations, there were multiple outstanding items older than 12 months that had no documentation of being researched.

Management's Response: Management acknowledges this exception. During fiscal year 2025-2026, the Accounting Department began the process of reviewing outstanding checks and remitting eligible unclaimed funds to the State in accordance with applicable unclaimed property requirements.

To prevent future occurrences, outstanding checks will be reviewed and reconciled monthly as part of the bank reconciliation process. Any checks meeting the criteria for unclaimed property reporting will be researched and, when appropriate, remitted to the State in a timely manner. Management believes these procedures will ensure ongoing compliance and resolve this exception going forward.

Payroll and Personnel

- 3. 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.

4. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #3 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 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 agree to the authorized salary/pay rate found within the personnel file.

5. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

6. 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.

Comment: One exception noted where an employee's attendance records were not approved by a supervisor.

Management's Response: Management acknowledges this exception. The City Clerk is currently working with the timekeeping system provider to implement additional system controls that will prevent payroll approval of employee timesheets until supervisory approval has been completed. Currently, the system allows Payroll to approve timesheets after employee approval, even if the supervisor has not yet approved the time record.

This exception resulted from an oversight in the review process and has been addressed with the Payroll Clerk. Until a system-based solution is implemented, management has stressed the importance and requirement of supervisory approval prior to payroll processing and will continue to monitor compliance with established procedures.

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

We are required to be independent of the City 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.

Allen, Green & Williamson, LLP

Allen, Green & Williamson, LLP
Monroe, Louisiana
June 25, 2026