

**CITY OF LEESVILLE, LOUISIANA**

Financial Report

Year Ended June 30, 2021

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesville, Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Leesville, Louisiana's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesville, Louisiana, as of June 30, 2021, 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.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 54 - 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Leesville, Louisiana's basic financial statements. The combining and comparative statements and various schedules included in other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and comparative statements, judicial system funding schedule, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these combining and comparative statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The prior year comparative information on the combining and comparative statements has been derived from the City of Leesville, Louisiana's 2020 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, were fairly presented in all material respects in relation to the basic financial statements from which they were derived.

The various other schedules included in other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have issued our report dated November 8, 2021, on our consideration of the City of Leesville, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Leesville, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Leesville, Louisiana's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
November 8, 2021

## **BASIC FINANCIAL STATEMENTS**

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



## CITY OF LEESVILLE, LOUISIANA

Statement of Net Position  
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 6,581,889	\$ 214,957	\$ 6,796,846
Receivables, net	693,732	409,203	1,102,935
Due from other governmental agencies	197,535	315,421	512,956
Inventories	205,409	-	205,409
Other assets	64,638	14,557	79,195
Total current assets	<u>7,743,203</u>	<u>954,138</u>	<u>8,697,341</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	461,464	1,649,969	2,111,433
Capital assets:			
Land and construction in progress	640,428	957,087	1,597,515
Capital assets, net	<u>15,254,606</u>	<u>16,659,512</u>	<u>31,914,118</u>
Total noncurrent assets	<u>16,356,498</u>	<u>19,266,568</u>	<u>35,623,066</u>
Total assets	<u>24,099,701</u>	<u>20,220,706</u>	<u>44,320,407</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plans	1,536,650	152,737	1,689,387
OPEB obligation	<u>3,761</u>	<u>877</u>	<u>4,638</u>
Total deferred inflows of resources	<u>1,540,411</u>	<u>153,614</u>	<u>1,694,025</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and other payables	378,869	85,640	464,509
Interest payable	10,793	5,296	16,089
Advance fuel sales	96,553	-	96,553
Internal balances	3,872,655	(3,872,655)	-
Customer deposits payable	-	246,532	246,532
Bonds, notes, and leases due within one year	<u>387,118</u>	<u>522,347</u>	<u>909,465</u>
Total current liabilities	<u>4,745,988</u>	<u>(3,012,840)</u>	<u>1,733,148</u>
Noncurrent liabilities:			
Compensated absences payable	375,980	56,823	432,803
Bonds, notes, and leases due after one year	1,581,061	3,316,269	4,897,330
OPEB obligation payable	1,134,780	264,782	1,399,562
Net pension liability	<u>4,703,552</u>	<u>642,428</u>	<u>5,345,980</u>
Total noncurrent liabilities	<u>7,795,373</u>	<u>4,280,302</u>	<u>12,075,675</u>
Total liabilities	<u>12,541,361</u>	<u>1,267,462</u>	<u>13,808,823</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Plans	808,675	31,012	839,687
OPEB obligation	<u>52,998</u>	<u>12,366</u>	<u>65,364</u>
Total deferred inflows of resources	<u>861,673</u>	<u>43,378</u>	<u>905,051</u>
<b>NET POSITION</b>			
Net investment in capital assets	13,798,788	14,612,124	28,410,912
Restricted for debt service	173,513	-	173,513
Restricted for capital projects	758,001	-	758,001
Restricted for sales tax dedications	1,243,232	-	1,243,232
Unrestricted	<u>(3,736,456)</u>	<u>4,451,356</u>	<u>714,900</u>
Total net position	<u>\$ 12,237,078</u>	<u>\$ 19,063,480</u>	<u>\$ 31,300,558</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2021

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,230,126	\$ 439,030	\$ -	\$ -	\$ (791,096)	\$ -	\$ (791,096)
Public safety	3,624,507	231,008	186,878	-	(3,206,621)	-	(3,206,621)
Public works	1,361,787	-	6,455	18,223	(1,337,109)	-	(1,337,109)
Economic development	550,070	190,678	22,525	998,634	661,767	-	661,767
Culture and recreation	406,125	3,101	-	-	(403,024)	-	(403,024)
Interest on long-term debt	66,383	-	-	-	(66,383)	-	(66,383)
Total governmental activities	7,238,998	863,817	215,858	1,016,857	(5,142,466)	-	(5,142,466)
Business-type activities:							
Sewer	1,153,987	1,116,852	-	421,807	-	384,672	384,672
Water	1,339,844	1,765,575	-	57,038	-	482,769	482,769
Fort Polk Vegetation Control	1,807,879	3,249,340	-	-	-	1,441,461	1,441,461
Total business-type activities	4,301,710	6,131,767	-	478,845	-	2,308,902	2,308,902
Total	\$ 11,540,708	\$ 6,995,584	\$ 215,858	\$ 1,495,702	(5,142,466)	2,308,902	(2,833,564)
General revenues:							
Taxes -							
Ad valorem taxes, levied for general maintenance					429,041	-	429,041
Ad valorem taxes, levied for street improvements					243,324	-	243,324
Ad valorem taxes, levied for sewer system					-	157,061	157,061
Sales and use taxes, levied for public works and recreation					3,711,008	-	3,711,008
Sales and use taxes, levied for public safety					1,827,810	-	1,827,810
Franchise taxes					379,043	-	379,043
Grants and contributions not restricted to specific programs -							
State sources					21,295	-	21,295
Interest and investment earnings					3,658	675	4,333
Nonemployer pension contribution					138,035	17,131	155,166
Miscellaneous					179,225	7,767	186,992
Transfers					600,000	(600,000)	-
Total general revenues and transfers					7,532,439	(417,366)	7,115,073
Change in net position					2,389,973	1,891,536	4,281,509
Net position - beginning					9,847,105	17,171,944	27,019,049
Net position - ending					\$ 12,237,078	\$ 19,063,480	\$ 31,300,558

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTIONS**

### **General Fund**

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

### **Special Revenue Funds**

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

#### **Sales Tax Fund**

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

#### **Public Safety Fund**

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

### **Capital Projects Fund**

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

#### **Airport Construction Fund -**

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

## **MAJOR FUND DESCRIPTIONS (CONTINUED)**

### **Enterprise Funds**

#### **Sewer Fund**

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

#### **Water Fund**

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

#### **Fort Polk Vegetation Control Fund**

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

## CITY OF LEESVILLE, LOUISIANA

Balance Sheet - Governmental Funds  
June 30, 2021

	General	Sales Tax	Public Safety	Airport Construction	Other Governmental	Total
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$ 758,250	\$ 5,813,693	\$ -	\$ -	\$ 9,946	\$ 6,581,889
Receivables -						
Due from other funds	659,515	-	233,019	22,986	534,660	1,450,180
Due from other governmental agencies	77,925	-	-	119,610	-	197,535
Other	109,505	391,432	192,795	-	-	693,732
Prepaid items	25,866	6,142	32,630	-	-	64,638
Inventories	205,409	-	-	-	-	205,409
Restricted cash and interest-bearing deposits	-	-	-	-	461,464	461,464
Total assets	<u>\$ 1,836,470</u>	<u>\$ 6,211,267</u>	<u>\$ 458,444</u>	<u>\$ 142,596</u>	<u>\$ 1,006,070</u>	<u>\$ 9,654,847</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 117,705	\$ 6,206	\$ 6,321	\$ -	\$ -	\$ 130,232
Accrued liabilities	78,131	7,443	43,452	-	-	129,026
Contracts and retainage payable	-	-	-	119,611	-	119,611
Due to other funds	946,877	4,366,072	-	-	9,886	5,322,835
Advance fuel sales	96,553	-	-	-	-	96,553
Total liabilities	<u>1,239,266</u>	<u>4,379,721</u>	<u>49,773</u>	<u>119,611</u>	<u>9,886</u>	<u>5,798,257</u>
<b>Fund balances -</b>						
Nonspendable	231,275	6,142	32,630	-	-	270,047
Restricted for debt service	-	-	-	-	184,306	184,306
Restricted for capital projects	-	-	-	22,985	735,016	758,001
Restricted for sales tax dedications	-	1,243,232	-	-	-	1,243,232
Committed	-	582,172	376,041	-	-	958,213
Unassigned	365,929	-	-	-	76,862	442,791
Total fund balances	<u>597,204</u>	<u>1,831,546</u>	<u>408,671</u>	<u>22,985</u>	<u>996,184</u>	<u>3,856,590</u>
Total liabilities and fund balances	<u>\$ 1,836,470</u>	<u>\$ 6,211,267</u>	<u>\$ 458,444</u>	<u>\$ 142,596</u>	<u>\$ 1,006,070</u>	<u>\$ 9,654,847</u>

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

CITY OF LEESVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2021

Total fund balances for governmental funds at June 30, 2021	\$ 3,856,590
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Total net position reported for governmental activities in the statement of net position is different because:

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

Land	\$ 289,026	
Construction in progress	351,402	
Buildings and improvements, net of \$6,786,884 accumulated depreciation	5,006,332	
Infrastructure, net of \$19,240,404 accumulated depreciation	9,738,737	
Equipment and vehicles, net of \$5,664,865 accumulated depreciation	<u>509,537</u>	15,895,034

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

Pension plans	1,536,650	
Other post employment benefits	<u>3,761</u>	1,540,411

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

Compensated absences	(375,980)	
Bonds payable	(560,000)	
Certificates of indebtedness	(946,000)	
Capital leases	(462,179)	
Accrued interest payable	(10,793)	
Other post employment benefits	(1,134,780)	
Net pension liability	<u>(4,703,552)</u>	(8,193,284)

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

Pension plans	(808,675)	
Other post employment benefits	<u>(52,998)</u>	<u>(861,673)</u>

Total net position of governmental activities at June 30, 2021	<u>\$ 12,237,078</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF LEESVILLE, LOUISIANA  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2021

	General	Sales Tax	Public Safety	Airport Construction	Other Governmental	Total
Revenues:						
Taxes -						
Ad valorem	\$ 429,041	\$ -	\$ -	\$ -	\$ 243,324	\$ 672,365
Sales	-	3,711,008	1,827,810	-	-	5,538,818
Franchise	379,043	-	-	-	-	379,043
Licenses and permits	439,030	-	-	-	-	439,030
Intergovernmental	71,666	-	186,878	995,466	-	1,254,010
Fines and forfeits	-	-	139,384	-	-	139,384
Charges for services	190,678	3,101	91,624	-	-	285,403
Miscellaneous	84,334	51,482	45,624	-	1,443	182,883
Total revenues	<u>1,593,792</u>	<u>3,765,591</u>	<u>2,291,320</u>	<u>995,466</u>	<u>244,767</u>	<u>8,890,936</u>
Expenditures:						
Current:						
General government	964,254	150,999	5,630	-	-	1,120,883
Public safety	-	-	3,322,138	-	-	3,322,138
Public works	921,391	-	-	-	6,738	928,129
Economic development	226,237	-	-	-	-	226,237
Culture and recreation	-	357,022	-	-	-	357,022
Debt service	120,631	7,659	72,778	-	454,683	655,751
Capital outlay	428,412	85,583	37,000	994,558	40,121	1,585,674
Total expenditures	<u>2,660,925</u>	<u>601,263</u>	<u>3,437,546</u>	<u>994,558</u>	<u>501,542</u>	<u>8,195,834</u>
Excess (deficiency) of revenues over expenditures	<u>(1,067,133)</u>	<u>3,164,328</u>	<u>(1,146,226)</u>	<u>908</u>	<u>(256,775)</u>	<u>695,102</u>
Other financing sources (uses):						
Proceeds from capital lease	136,000	-	-	-	-	136,000
Transfers in	1,000,000	-	1,550,000	-	24,659	2,574,659
Transfers out	(6,850)	(1,967,809)	-	-	-	(1,974,659)
Total other financing sources (uses)	<u>1,129,150</u>	<u>(1,967,809)</u>	<u>1,550,000</u>	<u>-</u>	<u>24,659</u>	<u>736,000</u>
Net changes in fund balances	62,017	1,196,519	403,774	908	(232,116)	1,431,102
Fund balances, beginning	<u>535,187</u>	<u>635,027</u>	<u>4,897</u>	<u>22,077</u>	<u>1,228,300</u>	<u>2,425,488</u>
Fund balances, ending	<u>\$ 597,204</u>	<u>\$ 1,831,546</u>	<u>\$ 408,671</u>	<u>\$ 22,985</u>	<u>\$ 996,184</u>	<u>\$ 3,856,590</u>

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



CITY OF LEESVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2021

Total net changes in fund balances for the year ended June 30, 2021 per the statement of revenues, expenditures and changes in fund balances	\$ 1,431,102
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The change in net position reported for governmental activities in the statement of activities is different because:

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

Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balances	\$ 1,526,323	
Depreciation expense for the year ended June 30, 2021	<u>(861,748)</u>	664,575

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

Repayment of long-term debt	450,088
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Some long-term liabilities are not recognized at the fund level because they do not represent a claim on current financial resources. Expenses at the government-wide level are recognized when these liabilities are incurred, while expenditures are recognized at the fund level when cash payments are made. The amounts below represent the difference between the expenses incurred at the government-wide level and the current financial resources expended at the fund level.

Compensated absences	(58,573)	
Accrued interest	3,280	
OPEB obligation	11,512	
Net pension liability	<u>(112,011)</u>	<u>(155,792)</u>

Total changes in net position for the year ended June 30, 2021 per the statement of activities	<u>\$ 2,389,973</u>
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The accompanying notes are an integral part of the basic financial statements.

## CITY OF LEESVILLE, LOUISIANA

Statement of Net Position - Proprietary Funds  
June 30, 2021

	Business -Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 214,957	\$ -	\$ -	\$ 214,957
Receivables:				
Accounts, net	166,396	242,807	-	409,203
Due from other funds	1,335,306	1,672,032	865,317	3,872,655
Due from other governmental agencies	-	55,463	259,958	315,421
Prepaid items	7,424	4,569	2,564	14,557
Total current assets	<u>1,724,083</u>	<u>1,974,871</u>	<u>1,127,839</u>	<u>4,826,793</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	1,649,969	-	1,649,969
Land and construction in progress	629,197	327,890	-	957,087
Capital assets, net of accumulated depreciation	8,501,359	7,524,401	633,752	16,659,512
Total noncurrent assets	<u>9,130,556</u>	<u>9,502,260</u>	<u>633,752</u>	<u>19,266,568</u>
Total assets	<u>10,854,639</u>	<u>11,477,131</u>	<u>1,761,591</u>	<u>24,093,361</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension plans	74,645	50,637	27,455	152,737
OPEB obligation	501	251	125	877
Total deferred inflows of resources	<u>75,146</u>	<u>50,888</u>	<u>27,580</u>	<u>153,614</u>
<b>LIABILITIES</b>				
Current liabilities (payable from current assets):				
Accounts and other payables	30,476	12,977	42,187	85,640
Capital lease	-	-	221,347	221,347
Total	<u>30,476</u>	<u>12,977</u>	<u>263,534</u>	<u>306,987</u>
Current liabilities (payable from restricted assets):				
Customer deposits payable	-	246,532	-	246,532
Revenue bonds	-	301,000	-	301,000
Accrued interest payable	-	5,296	-	5,296
Total	<u>-</u>	<u>552,828</u>	<u>-</u>	<u>552,828</u>
Total current liabilities	<u>30,476</u>	<u>565,805</u>	<u>263,534</u>	<u>859,815</u>
Noncurrent liabilities:				
Compensated absences payable	36,440	15,098	5,285	56,823
OPEB obligation payable	151,304	75,652	37,826	264,782
Net pension liability	335,709	278,862	27,857	642,428
Revenue bonds payable	-	3,085,000	-	3,085,000
Capital lease	-	-	195,820	195,820
Note payable	-	35,449	-	35,449
Total noncurrent liabilities	<u>523,453</u>	<u>3,490,061</u>	<u>266,788</u>	<u>4,280,302</u>
Total liabilities	<u>553,929</u>	<u>4,055,866</u>	<u>530,322</u>	<u>5,140,117</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension plans	15,025	10,034	5,953	31,012
OPEB obligation	7,066	3,533	1,767	12,366
Total deferred inflows of resources	<u>22,091</u>	<u>13,567</u>	<u>7,720</u>	<u>43,378</u>
<b>NET POSITION</b>				
Net investment in capital assets	9,130,556	5,264,983	216,585	14,612,124
Unrestricted	1,223,209	2,193,603	1,034,544	4,451,356
Total net position	<u>\$10,353,765</u>	<u>\$ 7,458,586</u>	<u>\$1,251,129</u>	<u>\$19,063,480</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended June 30, 2021

	Business -Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Operating revenues:				
Charges for services	\$ 1,116,852	\$ 1,765,575	\$ 3,249,340	\$ 6,131,767
Miscellaneous	-	-	435	435
Total operating revenues	<u>1,116,852</u>	<u>1,765,575</u>	<u>3,249,775</u>	<u>6,132,202</u>
Operating expenses:				
Salaries	300,293	187,601	148,473	636,367
Employee benefits	30,464	16,904	17,439	64,807
OPEB expense (benefit)	(1,535)	(1,301)	(383)	(3,219)
Pension expense	46,002	30,375	20,678	97,055
Operating supplies	30,531	176,481	259,771	466,783
Vehicle expense	14,110	25,209	64,314	103,633
Utilities and communications	120,530	144,631	839	266,000
Insurance	58,426	93,732	27,242	179,400
Legal and other professional	10,130	22,210	13,305	45,645
Repairs and maintenance	122,021	121,235	16,247	259,503
Contracted services	-	-	965,727	965,727
Bad debt	9,351	31,310	-	40,661
Miscellaneous	50,442	208	-	50,650
Depreciation	<u>363,210</u>	<u>377,433</u>	<u>162,558</u>	<u>903,201</u>
Total operating expenses	<u>1,153,975</u>	<u>1,226,028</u>	<u>1,696,210</u>	<u>4,076,213</u>
Operating income (loss)	<u>(37,123)</u>	<u>539,547</u>	<u>1,553,565</u>	<u>2,055,989</u>
Nonoperating revenues (expenses):				
Interest income	-	675	-	675
Ad valorem taxes	157,061	-	-	157,061
Nonemployer pension contribution	8,079	5,235	3,817	17,131
Gain (loss) on disposal of assets	-	7,332	(88,847)	(81,515)
Interest expense	<u>(12)</u>	<u>(113,816)</u>	<u>(22,822)</u>	<u>(136,650)</u>
Total nonoperating revenues (expenses)	<u>165,128</u>	<u>(100,574)</u>	<u>(107,852)</u>	<u>(43,298)</u>
Income before contributions and transfers	128,005	438,973	1,445,713	2,012,691
Capital Contributions	421,807	57,038	-	478,845
Transfers out	<u>-</u>	<u>-</u>	<u>(600,000)</u>	<u>(600,000)</u>
Change in net position	549,812	496,011	845,713	1,891,536
Net position, beginning	<u>9,803,953</u>	<u>6,962,575</u>	<u>405,416</u>	<u>17,171,944</u>
Net position, ending	<u>\$ 10,353,765</u>	<u>\$ 7,458,586</u>	<u>\$ 1,251,129</u>	<u>\$ 19,063,480</u>

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

CITY OF LEESVILLE, LOUISIANA

Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Cash flows from operating activities:				
Receipts from customers	\$ 1,106,363	\$ 1,755,755	\$ 3,251,010	\$ 2,862,118
Payments to suppliers	(396,625)	(616,550)	(1,410,634)	(1,013,175)
Payments to employees	(358,951)	(220,467)	(178,470)	(579,418)
Other receipts	-	-	435	-
Net cash provided by operating activities	<u>350,787</u>	<u>918,738</u>	<u>1,662,341</u>	<u>1,269,525</u>
Cash flows from noncapital financing activities:				
Net increase in customer meter deposits	-	8,817	-	8,817
Transfers to other funds	<u>(254,523)</u>	<u>(563,314)</u>	<u>(1,390,784)</u>	<u>(817,837)</u>
Net cash used by noncapital financing activities	<u>(254,523)</u>	<u>(554,497)</u>	<u>(1,390,784)</u>	<u>(809,020)</u>
Cash flows from capital and related financing activities:				
Principal paid on bonds and notes payable	(1,771)	(695,771)	(210,804)	(697,542)
Interest and fiscal charges paid on revenue bonds	(15)	(116,199)	(22,822)	(116,214)
Proceeds from ad valorem taxes	157,061	-	-	157,061
Proceeds from grants	421,807	611,280	-	1,033,087
Insurance proceeds	-	7,332	(88,847)	7,332
Acquisition of property, plant and equipment	<u>(458,389)</u>	<u>(124,418)</u>	<u>50,916</u>	<u>(582,807)</u>
Net cash provided (used) by capital and related financing activities	<u>118,693</u>	<u>(317,776)</u>	<u>(271,557)</u>	<u>(199,083)</u>
Cash flows from investing activities:				
Interest earned	<u>-</u>	<u>675</u>	<u>-</u>	<u>675</u>
Net increase in cash and cash equivalents	214,957	47,140	-	262,097
Cash and cash equivalents, beginning of period	<u>-</u>	<u>1,602,829</u>	<u>-</u>	<u>1,602,829</u>
Cash and cash equivalents, end of period	<u>\$ 214,957</u>	<u>\$ 1,649,969</u>	<u>\$ -</u>	<u>\$ 1,864,926</u>

(continued)

CITY OF LEESVILLE, LOUISIANA

Statement of Cash Flows  
Proprietary Funds (Continued)  
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Sewer	Water	Fort Polk Vegetation Control	Total
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (37,123)	\$ 539,547	\$ 1,553,565	\$ 502,424
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	363,210	377,433	162,558	740,643
Pension expense	13,242	9,139	5,200	22,381
OPEB expense	(1,535)	(768)	(383)	(2,303)
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	(10,489)	(9,820)	1,670	(20,309)
(Increase) decrease in prepaid items	(3,147)	(292)	471	(3,439)
Increase (decrease) in accounts payable	23,790	(698)	(60,827)	23,092
Increase in compensated absences payable	2,839	4,197	87	7,036
Net cash provided by operating activities	<u>\$ 350,787</u>	<u>\$ 918,738</u>	<u>\$ 1,662,341</u>	<u>\$ 1,269,525</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:				
Cash and cash equivalents, beginning of period -				
Cash and interest-bearing deposits - unrestricted	\$ -	\$ -	\$ -	\$ -
Cash and interest-bearing deposits - restricted	<u>-</u>	<u>1,602,829</u>	<u>-</u>	<u>1,602,829</u>
Total cash and cash equivalents, beginning of period	<u>-</u>	<u>1,602,829</u>	<u>-</u>	<u>1,602,829</u>
Cash and cash equivalents, end of period -				
Cash and interest-bearing deposits - unrestricted	\$ 214,957	\$ -	\$ -	\$ 214,957
Cash and interest-bearing deposits - restricted	<u>-</u>	<u>1,649,969</u>	<u>-</u>	<u>1,649,969</u>
Total cash and cash equivalents, end of period	<u>214,957</u>	<u>1,649,969</u>	<u>-</u>	<u>1,864,926</u>
Net increase	<u>\$ 214,957</u>	<u>\$ 47,140</u>	<u>\$ -</u>	<u>\$ 262,097</u>

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements

#### (1) Summary of Significant Accounting Policies

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

##### A. Financial Reporting Entity

The City of Leesville, Louisiana was incorporated by proclamation of the Governor on February 15, 1900. The City operates under the council-administrator form of government, governed by the mayor and a six-member board. The City is located in the parish of Vernon and has a population of approximately 5,649.

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

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

#### B. Basis of Presentation

##### Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the City as an economic unit. The government-wide financial statements report the City's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and all business-type activities of the primary government.

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

##### Fund Financial Statements

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Governmental Funds -

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

#### General Fund

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

#### Special Revenue Funds

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

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

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

#### Capital Projects Funds

Capital Projects Funds are used to report resources that are restricted, committed, or assigned to expenditures for major capital acquisition and construction separately from ongoing operational activities. The City has one major capital projects fund, the Airport Construction Fund.

#### Debt Service Funds

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

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



## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Proprietary Funds –

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

#### Enterprise Funds

Enterprise funds are proprietary funds that are used to report activities for which a fee is charged to external users. These funds account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City's enterprise funds are the Sewer Fund, the Water Fund, and the Fort Polk Vegetation Control Fund.

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

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

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

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

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

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

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

##### Cash, interest-bearing deposits, and investments

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Receivables

Receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customers' utility service receivables as their major receivables. Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for customers' utility receivables was \$731,992 at June 30, 2021. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

#### Interfund receivables and payables

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

#### Inventories

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

#### Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021 are recorded as prepaid items. The City utilizes the consumption method to account for prepaid items.

#### Restricted Assets

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Capital Assets

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

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

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

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

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

#### Long-term debt

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

#### Compensated Absences

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

#### Postemployment benefits other than pensions (OPEB)

The total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense (see Note 13), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

#### Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense (See Note 14), have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Member's earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Non-employer contributions are recognized as revenue in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when made.

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

#### Equity Classifications

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

- a. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, and contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation. At June 30, 2021, the City reported \$2,174,746 of restricted net position, \$1,243,232 of which was restricted by enabling legislation. It is the City's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

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

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### E. Revenues, Expenditures, and Expenses

##### Revenues

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

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

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

Substantially all other revenues are recorded when received.

##### Operating Revenues and Expenses

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



CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Expenditures/Expenses

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

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

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

Interfund Transfers

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

F. Revenue Restrictions

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

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

G. Use of Estimates

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

For the year ended June 30, 2021, taxes of 17.39 mills were levied on property with assessed valuations totaling \$48,355,680 and were dedicated as follows:

General maintenance	5.02 mills
Street improvements	4.09 mills
Sewer and street maintenance	<u>8.28 mills</u>
Total	<u>17.39 mills</u>

Total taxes levied were \$840,906. Taxes receivable at June 30, 2021 totaled \$15,481.

(3) Sales and Use Tax

- A. Proceeds of the 1% sales and use tax levied by the City of Leesville, Louisiana, beginning July 1, 2005 for a period of 25 years expiring on July 1, 2030 (2021 collections \$3,711,008) are dedicated for the following purposes in the following order:

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

- B. Proceeds of the 1/2% sales and use tax levied by the City of Leesville, Louisiana, beginning April 1, 2016 authorized to be collected in perpetuity (2021 collections \$1,827,810) are dedicated to the following purposes:

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Cash, Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in direct obligations of the United States government, bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and/or the United States government, and time certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2021, the City had cash and interest-bearing deposits (book balances) totaling \$8,908,279 as follows

Demand deposits	\$ 31,575
Money market accounts	8,446,790
Time deposits	<u>429,914</u>
Total	<u>\$ 8,908,279</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2021, are secured as follows:

Bank balances	<u>\$ 9,257,187</u>
Federal deposit insurance	\$ 609,694
Pledged securities	<u>8,647,493</u>
Total	<u>\$ 9,257,187</u>

Deposits in the amount of \$8,647,493 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(5) Receivables

Receivables at June 30, 2021 of \$1,102,935 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts, net	\$ -	\$ 237,858	\$ 237,858
Unbilled utility	-	171,345	171,345
Ad valorem tax	15,481	-	15,481
Sales tax	584,227	-	584,227
Franchise tax	87,360	-	87,360
Other	6,664	-	6,664
Totals	<u>\$ 693,732</u>	<u>\$ 409,203</u>	<u>\$ 1,102,935</u>

(6) Due from Other Governmental Units

Amounts due from other governmental units of \$512,956 at June 30, 2021 consist of the following:

Governmental activities:	
State of Louisiana - beer tax revenues receivable	\$ 5,400
State of Louisiana - Louisiana Department of Transportation and Development - Airport Improvement grants	3,965
Federal Aviation Administration - Airport Improvement Program grant	115,645
State of Louisiana - FEMA reimbursements	72,525
Business-type activities:	
United States Army Garrison - Polk	259,958
State of Louisiana - Department of Health and Hospitals	55,463
Total	<u>\$ 512,956</u>

(7) Restricted Assets

Restricted assets consist of the following at June 30, 2021:

Governmental activities:	
Construction	\$ 461,464
Business-type activities:	
Customer deposits	246,532
Revenue bond reserve and sinking funds	1,403,437
Total restricted assets	<u>\$ 2,111,433</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2021 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 289,026	\$ -	\$ -	\$ 289,026
Construction in progress	195,791	382,636	227,025	351,402
Other capital assets:				
Buildings and improvements	11,758,853	34,363	-	11,793,216
Equipment and vehicles	5,846,446	327,956	-	6,174,402
Infrastructure	27,970,748	1,008,393	-	28,979,141
Totals	<u>46,060,864</u>	<u>1,753,348</u>	<u>227,025</u>	<u>47,587,187</u>
Less accumulated depreciation				
Buildings and improvements	6,513,264	273,620	-	6,786,884
Equipment and vehicles	5,545,494	119,371	-	5,664,865
Infrastructure	18,771,647	468,757	-	19,240,404
Total accumulated depreciation	<u>30,830,405</u>	<u>861,748</u>	<u>-</u>	<u>31,692,153</u>
Governmental activities, capital assets, net	<u>\$15,230,459</u>	<u>\$ 891,600</u>	<u>\$ 227,025</u>	<u>\$15,895,034</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 157,249	\$ -	\$ -	\$ 157,249
Construction in progress	265,932	533,906	-	799,838
Other capital assets:				
Plant and system	32,303,813	48,900	-	32,352,713
Equipment and vehicles	1,469,271	37,932	225,863	1,281,340
Totals	<u>34,196,265</u>	<u>620,738</u>	<u>225,863</u>	<u>34,591,140</u>
Less accumulated depreciation				
Plant and system	15,691,316	722,349	-	16,413,665
Equipment and vehicles	517,040	180,852	137,016	560,876
Total accumulated depreciation	<u>16,208,356</u>	<u>903,201</u>	<u>137,016</u>	<u>16,974,541</u>
Business-type activities, capital assets, net	<u>\$17,987,909</u>	<u>\$ (282,463)</u>	<u>\$ 88,847</u>	<u>\$17,616,599</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 22,700
Public safety	72,062
Public works	234,416
Economic development	420,755
Culture and recreation	<u>111,815</u>
Total depreciation expense	<u>\$ 861,748</u>

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

Sewer	\$ 363,210
Water	377,433
Fort Polk Vegetation Control	<u>162,558</u>
Total depreciation expense	<u>\$ 903,201</u>

(9) Accounts and Other Payables

The accounts and other payables of \$464,509 at June 30, 2021 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts payable	\$ 130,695	\$ 66,636	\$ 197,331
Salaries payable	78,197	19,004	97,201
Payroll tax and employee benefits payable	50,366	-	50,366
Contracts and retainage payable	<u>119,611</u>	<u>-</u>	<u>119,611</u>
Totals	<u>\$ 378,869</u>	<u>\$ 85,640</u>	<u>\$ 464,509</u>

(10) Note Payable - Bank

The City obtained a line of credit at a local financial institution in order to fund emergency repairs. Under the terms of the bank line of credit agreement dated June 15, 2012, the City may borrow up to \$500,000 with interest at 3.8%. This agreement was renewed on July 3, 2020 with the principal due at July 3, 2021. The City did not utilize this line of credit during the year. There was no balance due at June 30, 2021.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Changes in Long-Term Liabilities

The following is a summary of long-term liability transactions of the City for the year ended June 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount due in one year</u>
Long-term debt:					
Direct placements:					
Revenue bonds	\$4,503,000	\$ -	\$ 557,000	\$3,946,000	\$ 362,000
Certificates of indebtedness	1,166,000	-	220,000	946,000	226,000
Note payable	35,449	-	-	35,449	-
Capital leases	1,056,780	136,000	313,434	879,346	321,465
Other liabilities:					
Compensated absences	<u>367,107</u>	<u>65,696</u>	<u>-</u>	<u>432,803</u>	<u>-</u>
	<u>\$7,128,336</u>	<u>\$ 201,696</u>	<u>\$1,090,434</u>	<u>\$6,239,598</u>	<u>\$ 909,465</u>

Bonds payable at June 30, 2021 are comprised of the following individual issues:

Governmental activities:

Certificates of indebtedness:

\$2,000,000 of Certificates of Indebtedness, Series 2016, due in annual installments of \$102,000 - \$247,000 through March 1, 2025; interest at 2.09 percent, secured by ad valorem tax collections \$ 946,000

Revenue bonds:

\$675,000 Excess Revenue Notes, Series 2018 due in annual installments of \$57,000 - \$80,000 through September 1, 2028; interest at 4.00 percent; secured by excess annual revenues above statutory, necessary, and usual charges in each fiscal year. 560,000

Total bonds payable applicable to governmental activities \$ 1,506,000

# CITY OF LEESVILLE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### Business-type activities

#### Revenue bonds:

\$1,550,000 Water Improvement Bond, Series 2007, due in annual installments of \$75,000 - \$140,000 through August 1, 2022; interest at 0.10 - 4.70 percent; secured by Water Fund revenues \$ 275,000

\$4,800,000 Taxable Public Improvement Bonds, Series 2013, due in annual installments of \$131,000 - \$249,000 through August 1, 2034; interest at 2.95%, for the purpose of constructing and acquiring improvements, extensions and replacements to the waterworks system of the City. The bonds were sold to the Louisiana Department of Health and Hospitals, Drinking Water Revolving Loan Fund. Thirty percent (30%) of the City's obligation to repay the principal of the bonds will be forgiven simultaneously with the payment by the Department of each installment of the purchase price of the bonds. At the time of the debt forgiveness, these amounts are recognized as grant revenue. 3,111,000

Total bonds payable applicable to business-type activities \$ 3,386,000

#### Capital leases payable at June 30, 2021 consist of the following:

	Original Amount	Maturity Date	Interest Rates	Balance Outstanding
Fire equipment	\$ 666,583	04/25/28	4.98%	\$ 278,164
Recreation van	28,201	12/15/21	4.925%	7,294
Public works vehicle	49,380	08/05/23	4.125%	21,892
Public works equipment	63,831	09/17/23	4.275%	30,414
Public works equipment	136,000	01/15/25	2.590%	124,415
Maintenance equipment	950,000	03/27/23	4.39%	368,093
Maintenance equipment	73,133	09/16/19	3.74%	49,074
	<u>\$ 1,967,128</u>			<u>\$ 879,346</u>



CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Annual debt service requirements of bonds outstanding are as follows:

Year ending June 30,	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Interest payments
2022	\$ 287,000	\$ 40,951	\$ 301,000	\$ 86,502	\$ 588,000	\$ 127,453
2023	296,000	33,748	311,000	76,309	607,000	110,057
2024	306,000	26,298	177,000	68,499	483,000	94,797
2025	315,000	18,602	183,000	63,278	498,000	81,880
2026	71,000	10,660	190,000	57,879	261,000	68,539
2027 - 2031	231,000	14,100	1,051,000	201,486	1,282,000	215,586
2032 - 2034	-	-	1,173,000	716,053	1,173,000	716,053
Total	<u>\$ 1,506,000</u>	<u>\$ 144,359</u>	<u>\$ 3,386,000</u>	<u>\$ 1,270,006</u>	<u>\$ 4,892,000</u>	<u>\$ 1,414,365</u>

Annual debt service requirements to maturity for capital leases are as follows:

Year Ending June 30	Governmental Activities	Business-Type Activities	Total
2023	\$ 118,535	\$ 234,967	\$ 353,502
2024	110,128	180,240	290,368
2025	88,418	16,059	104,477
2026	89,673	3,861	93,534
2027 - 2030	108,910	-	108,910
Less: Amount representing interest	(53,479)	(17,966)	(71,445)
Present value of future minimum lease payments	<u>\$ 462,185</u>	<u>\$ 417,161</u>	<u>\$ 879,346</u>

Leased equipment and vehicles under capital leases included in capital assets at June 30, 2021 are as follows:

Equipment and vehicles	\$1,933,656
Less: Accumulated depreciation	<u>(1,190,807)</u>
Net	<u>\$ 742,849</u>

Depreciation of leased equipment and vehicles under capital leases in the amount of \$227,022 for the year ended June 30, 2021 is included in depreciation expense.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Notes Payable:

On July 23, 2003, the City entered into an agreement with the Louisiana Department of Transportation and Development for utility relocation assistance funding. Issuance of future permits to the City by the Louisiana Department of Transportation and Development for location of additional longitudinal facilities within any state owned right of way is contingent upon repayment of this funding. The City must show a good faith effort to repay the debt by making annual payments to the Department of Transportation and Development of 5% of its gross income or 10% of its outstanding utility relocation assistance funding debt. The first payment must be made within one year of the date of invoicing to the City by the Department of Transportation and Development, and issuance of permits will remain suspended until the first payment is made. The City's payments are due by January 15th of each year. As of June 30, 2021, the City incurred \$535,778 in funding from this agreement. The relocation project was completed and had final inspection on July 13, 2010. The amount to be paid each year is determined by the Louisiana Department of Transportation and Development. This amount is invoiced to the City by the Louisiana Department of Transportation and Development. At June 30, 2021, the balance remaining on this note totaled \$35,449.

(12) Flow of Funds; Restrictions on Use

Business-type activities:

Water Fund –

Water Improvement Bond, Series 2007

Under the terms of the \$1,550,000 Water Improvement Bonds, Series 2007, the City is required to maintain an excess revenue bond sinking fund in an amount to pay promptly and fully the principal of and interest on the bonds by transferring monthly payments on or before the 20<sup>th</sup> day of each month commencing in August 2002 a sum equal to 1/6<sup>th</sup> of the next interest payment due and 1/12<sup>th</sup> of the next principal due.

During the year ended June 30, 2021, the monthly sinking fund transfers were made as required by the agreement.

Public Improvement Bonds, Series 2013

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

## CITY OF LEESVILLE, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

During the year ended June 30, 2021, the monthly sinking, reserve, and depreciation and contingency fund transfers were made as required by the agreement.

#### Governmental Activities:

##### Sales Tax Refunding Bonds, Series 2013

Under the terms of the \$1,344,000 Sales Tax Refunding Bonds, Series 2013, which were issued on April 2, 2013 to refund a portion of the Sales Tax Revenue Public Improvement Bonds, Series 2005, the City will maintain a sinking fund sufficient in amount to pay promptly and fully the principal of and interest on the bonds by transferring from the sales tax fund monthly in advance a sum equal to the principal and interest accruing on such bonds during the period together with such additional proportionate sum as may be required to pay the principal and interest as they become due.

During the year ended June 30, 2021, the monthly sinking fund transfers were made as required by the agreement.

##### Certificates of Indebtedness, Series 2016

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

During the year ended June 30, 2021, the monthly sinking fund transfers were made as required by the agreement.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Post Employment Health Care Benefits

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

Funding Policy: The City pays a flat subsidy for medical coverage of \$329.24 for single coverage and \$684.35 including spouse coverage and 50% of dental and vision contribution for retirees and dependents. The City recognizes the cost of providing these benefits (the City's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you go basis.

Employees Covered by Benefit Terms: At July 1, 2019 the following employees were covered by the benefit terms:

Active employees	37
Inactive employees entitled to but not yet receiving benefit payments	-
Inactive employees currently receiving benefit payments	8
	<u>45</u>

Total OPEB Liability

The City's total OPEB liability of \$1,399,562 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2019.

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

In the June 30, 2019 actuarial valuation individual entry age normal cost method – level percentage of projected salary was used. The discount rate used was 2.16% and was based on the Bond Buyer General Obligation 20-Bond Municipal Index. Mortality rates were based on RPH-2014 Total Table with Projection MP-2000.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Changes in the Total OPEB Liability

The following presents changes in the total OPEB liability.

Balance as of June 30, 2020	\$ 1,473,091
Changes for the year:	
Service cost	56,087
Interest cost	32,775
Difference between expected and actual experience	(75,570)
Changes in assumptions	5,471
Benefit payments	<u>(92,292)</u>
Net change in total OPEB liability	<u>(73,529)</u>
Balance as of June 30, 2021	<u>\$ 1,399,562</u>

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

	1% Decrease	Current Discount Rate	1% Increase
	1.16%	2.16%	3.16%
Total OPEB Liability	\$ 1,490,140	\$ 1,399,562	\$ 1,311,763

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

	1% Decrease	Current Trend Rate	1% Increase
	3.50%	4.50%	5.50%
Total OPEB Liability	\$ 1,264,519	\$ 1,399,562	\$ 1,557,905

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

For the year ended June 30, 2021, the City recognized a net OPEB benefit of \$14,378. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 64,220
Changes of assumptions	4,638	1,144
Total	<u>\$ 4,638</u>	<u>\$ 65,364</u>

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

Year Ended June 30	Net Amount Recognized in Pension Expense
2022	\$ (10,948)
2023	(10,948)
2024	(10,948)
2025	(10,948)
2026	(10,837)
Thereafter	(6,097)
	<u>\$ (60,726)</u>

(14) Pension Plans

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

**Plan Descriptions**

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

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

# CITY OF LEESVILLE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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

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

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

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

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

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

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

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Contributions**

Article X, Section 29 (E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MERS receives a percentage of ad valorem taxes collected parishes. Also, MPERS and FRS receive a percentage of insurance premium tax monies as additional employer contributions. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities. Contributions of employers, and nonemployer contributing entities effective for the year ended June 30, 2021 for the defined benefit pension plans in which the City is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
MERS	5.00%	15.50%	\$ 55,276	\$ 244,166
MPERS	10.00%	33.75%	60,776	267,426
FRS	10.00%	32.25%	39,114	116,458

**Net Pension Liability**

The City's net pension liability at June 30, 2021 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plans' measurement date (June 30, 2020 for all plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers.

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

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	\$ 1,801,301	1.987695%	-0.125174%
MPERS	2,576,993	0.278825%	-0.016200%
FRS	967,686	0.139606%	0.018392%
Total	<u>\$ 5,345,980</u>		



# CITY OF LEESVILLE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

Since the measurement date of the net pension liability was June 30, 2019, the net pension liability is based upon fiduciary net position for each of the plans as of that date. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for that fiscal year. The financial report for each plan may be accessed on their website as follows:

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

### Actuarial Assumptions

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

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019	7/1/2009 - 6/30/2014
Expected remaining service lives	3	4	7
Inflation rate	2.500%	2.500%	2.500%
Investment rate of return	6.95%	6.950%	7.00%
Projected salary increases	4.9%-7.4%	4.70%-12.30%	4.50%-14.75%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5)	(5), (6)

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

# CITY OF LEESVILLE, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### Cost of Living Adjustments

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

### Discount Rate

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

	MERS	MPERS	FRS
Discount rate	6.95%	6.95%	7.00%
Change in discount rate from prior valuation	-0.050%	-0.175%	-0.15%
Plan cash flow assumptions	(1)	(1)	(1)
Rates incorporated in the Discount Rate:			
Long-term Rate of Return	6.95%	6.95%	7.00%
Periods applied	All	All	All
Municipal Bond Rate	N/A	N/A	N/A

#### \*Plan Cash Flow Assumptions:

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

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

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Asset Class	MERS*		MPERS*		FRS*	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Fixed Income	38%	1.67%	33.5%	0.54%	31%	2.20%
Equities	53%	2.33%	48.5%	3.08%	54%	5.95%
Alternative Investments	9%	0.40%	18%	1.02%	15%	7.25%
Other	-	-	-	-	-	-
Total	<u>100%</u>		<u>100%</u>		<u>100%</u>	

\*Arithmetic real rates of return

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2021, the City Jury recognized \$864,999 in pension expense (benefit) related to all defined benefit plans in which it participates. MERS, MPERS, and FRS recognized revenues in the amount of \$155,166 in ad valorem taxes and insurance premium tax monies collected from nonemployer contributing entities

At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 193,726
Changes of assumptions	210,605	63,596
Net difference between projected and actual earnings on pension plan investments	611,287	-
Change in proportion and differences between employer contributions and proportionate share of contributions	259,445	582,365
Employer contributions subsequent to the measurement date	<u>608,050</u>	<u>-</u>
Total	<u>\$ 1,689,387</u>	<u>\$ 839,687</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$608,050 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended December 31	Net Amount Recognized in Pension Expense
2022	\$ 20,912
2023	(15,715)
2024	104,915
2025	101,069
2026	13,063
Thereafter	<u>17,406</u>
	<u>\$ 241,650</u>

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.95%	\$ 2,397,869	\$ 1,801,301	\$ 1,296,524
MPERS	6.950%	3,620,400	2,576,993	1,704,747
FRS	7.00%	<u>1,397,813</u>	<u>967,686</u>	<u>608,657</u>
Total		<u>\$ 7,416,082</u>	<u>\$ 5,345,980</u>	<u>\$ 3,609,928</u>

**Payables to Pension Plans**

At June 30, 2021, the City did not have any amounts payable to the pension plans for the outstanding amount of contributions due to the Systems for the year.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(15) Employee Retirement – Deferred Compensation Plan

The City of Leesville offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. Complete disclosure relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397.

(16) Litigation and Claims

At June 30, 2021, the City of Leesville was a defendant in several lawsuits. The City's legal counsel has reviewed the claims and lawsuits, in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, no additional claims payable was required to be recorded as a liability to the City, which are not considered covered by insurance.

(17) Risk Management

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

(18) On-Behalf Payment of Salaries

The State of Louisiana paid the City's policemen and firemen \$165,783 of supplemental pay during the year ended June 30, 2021. Such payments are recorded as intergovernmental revenues and public safety expenditures in the government-wide and Public Safety Special Revenue Fund financial statements.

(19) Uncertainties Arising During and After Financial Statement Date

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the City's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(20) Interfund Receivables/Payables

A. A summary of interfund receivables and payables at June 30, 2021:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major governmental funds:		
General Fund	\$ 659,515	\$ 946,877
Sales Tax Fund	-	4,366,072
Public Safety Fund	233,019	-
Airport Construction	22,986	-
Non major governmental funds:		
Main Street Program	76,862	-
Sales Tax Sinking Fund	184,246	-
2002 Certificates of Indebtedness	-	9,886
Improvements Capital Projects	273,552	-
Total governmental funds	<u>1,450,180</u>	<u>5,322,835</u>
Proprietary funds:		
Sewer Fund	1,335,306	-
Water Fund	1,672,032	-
Fort Polk Vegetation Control	865,317	-
Total proprietary funds	<u>3,872,655</u>	<u>-</u>
Total	<u>\$ 5,322,835</u>	<u>\$ 5,322,835</u>

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

B. Transfers consisted of the following at June 30, 2021:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 1,000,000	\$ 6,850
Sales Tax Fund	-	1,967,809
Public Safety Fund	1,550,000	-
Non major governmental funds:		
Mainstreet Program Fund	6,850	-
Sales Tax Sinking Fund	17,809	-
Total governmental funds	<u>2,574,659</u>	<u>1,974,659</u>
Proprietary funds:		
Fort Polk Vegetation Control	<u>-</u>	<u>600,000</u>
Total	<u>\$ 2,574,659</u>	<u>\$ 2,574,659</u>

CITY OF LEESVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

A detail of compensation, benefits, and other payments paid to Mayor Rick Allen for the year ended June 30, 2021 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 13,000
Car expenses	2,577
Per diem	2,576
Reimbursements	258
Conference travel	1,726
	<u>\$ 20,137</u>

(22) Compensation of City Officials

A detail of compensation paid to the Mayor and Council Members for the year ended June 30, 2021 follows:

Rick Allen, Mayor	\$ 13,000
Council Members:	
Willie Mae Kennedy	6,960
Nicole Ybarra	6,960
Christopher Robertson	6,960
Anthony Shapkoff	6,960
Phillip Hunt	6,960
Alice F. Guess	6,960
Total	<u>\$ 54,760</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION**



CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$1,090,626	\$ 847,466	\$ 808,084	\$ (39,382)
Licenses and permits	432,600	403,951	439,030	35,079
Intergovernmental	30,690	55,999	71,666	15,667
Charges for services	201,700	176,735	190,678	13,943
Miscellaneous	70,825	55,362	84,334	28,972
Total revenues	<u>1,826,441</u>	<u>1,539,513</u>	<u>1,593,792</u>	<u>54,279</u>
Expenditures:				
Current:				
General government:				
General and administrative	861,461	845,088	846,776	(1,688)
Executive	79,324	71,438	70,197	1,241
Legal	48,891	46,869	47,281	(412)
Public works	1,092,407	1,014,481	921,391	93,090
Economic development	214,307	196,237	226,237	(30,000)
Debt service	85,000	81,570	120,631	(39,061)
Capital outlay	148,000	284,000	428,412	(144,412)
Total expenditures	<u>2,529,390</u>	<u>2,539,683</u>	<u>2,660,925</u>	<u>(121,242)</u>
Deficiency of revenues over expenditures	<u>(702,949)</u>	<u>(1,000,170)</u>	<u>(1,067,133)</u>	<u>(66,963)</u>
Other financing sources (uses):				
Proceeds from capital lease	-	136,000	136,000	-
Transfers in	850,000	1,000,000	1,000,000	-
Transfers out	<u>(4,000)</u>	<u>(6,850)</u>	<u>(6,850)</u>	<u>-</u>
Total other financing sources (uses)	<u>846,000</u>	<u>1,129,150</u>	<u>1,129,150</u>	<u>-</u>
Net change in fund balance	143,051	128,980	62,017	(66,963)
Fund balance, beginning	<u>535,187</u>	<u>535,187</u>	<u>535,187</u>	<u>-</u>
Fund balance, ending	<u>\$ 678,238</u>	<u>\$ 664,167</u>	<u>\$ 597,204</u>	<u>\$ (66,963)</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA  
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 3,010,000	\$ 3,598,330	\$ 3,711,008	\$ 112,678
Charges for services	6,900	1,751	3,101	1,350
Miscellaneous	35,050	47,475	51,482	4,007
Total revenues	<u>3,051,950</u>	<u>3,647,556</u>	<u>3,765,591</u>	<u>118,035</u>
Expenditures:				
Current:				
General government	141,035	334,146	150,999	183,147
Culture and recreation	400,319	365,402	357,022	8,380
Debt service	7,700	7,700	7,659	41
Capital outlay	84,550	88,800	85,583	3,217
Total expenditures	<u>633,604</u>	<u>796,048</u>	<u>601,263</u>	<u>194,785</u>
Excess of revenues over expenditures	2,418,346	2,851,508	3,164,328	312,820
Other financing uses:				
Transfers out	<u>(2,117,809)</u>	<u>(1,967,809)</u>	<u>(1,967,809)</u>	<u>-</u>
Net change in fund balance	300,537	883,699	1,196,519	312,820
Fund balance, beginning	<u>635,027</u>	<u>635,027</u>	<u>635,027</u>	<u>-</u>
Fund balance, ending	<u>\$ 935,564</u>	<u>\$ 1,518,726</u>	<u>\$ 1,831,546</u>	<u>\$ 312,820</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA  
Public Safety Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,550,000	\$ 1,769,365	\$ 1,827,810	\$ 58,445
Intergovernmental	101,260	16,590	186,878	170,288
Charges for services	106,750	69,284	91,624	22,340
Fines and forfeitures	80,000	96,178	139,384	43,206
Miscellaneous	-	10,772	45,624	34,852
Total revenues	<u>1,838,010</u>	<u>1,962,189</u>	<u>2,291,320</u>	<u>329,131</u>
Expenditures:				
Current:				
General government	-	6,980	5,630	1,350
Public Safety:				
Police	2,442,900	2,303,786	2,292,689	11,097
Fire	919,650	924,211	926,462	(2,251)
City Court	106,725	103,390	102,987	403
Debt service	73,500	72,779	72,778	1
Capital outlay	<u>56,500</u>	<u>30,635</u>	<u>37,000</u>	<u>(6,365)</u>
Total expenditures	<u>3,599,275</u>	<u>3,441,781</u>	<u>3,437,546</u>	<u>4,235</u>
Deficiency of revenues over expenditures	(1,761,265)	(1,479,592)	(1,146,226)	333,366
Other financing sources (uses):				
Transfers in	<u>2,000,000</u>	<u>1,550,000</u>	<u>1,550,000</u>	<u>-</u>
Net change in fund balance	238,735	70,408	403,774	333,366
Fund balance, beginning	<u>4,897</u>	<u>4,897</u>	<u>4,897</u>	<u>-</u>
Fund balance, ending	<u>\$ 243,632</u>	<u>\$ 75,305</u>	<u>\$ 408,671</u>	<u>\$ 333,366</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios  
For the Year Ended June 30, 2021

	2021	2020	2019	2018
Service cost	\$ 56,087	\$ 64,490	\$ 64,490	\$ 62,081
Interest cost	32,775	56,931	53,351	54,390
Experience (gain)/loss	(75,570)	-	-	-
Assumption changes	5,471	(1,646)	-	-
Benefit payments	<u>(92,292)</u>	<u>(98,962)</u>	<u>(81,165)</u>	<u>(81,165)</u>
Net change in total OPEB liability	(73,529)	20,813	36,676	35,306
Total OPEB liability - beginning	<u>1,473,091</u>	<u>1,452,278</u>	<u>1,415,602</u>	<u>1,380,296</u>
Total OPEB liability - ending	<u>\$1,399,562</u>	<u>\$1,473,091</u>	<u>\$1,452,278</u>	<u>\$1,415,602</u>
Net OPEB liability	\$1,399,562	\$1,473,091	\$1,452,278	\$1,415,602
Covered-employee payroll	\$1,622,579	\$1,622,579	\$1,744,817	\$1,744,817
Total OPEB liability as a percentage of covered-employee payroll	86.26%	90.79%	83.23%	81.13%

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

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2021 \*

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<b>Municipal Employees' Retirement System of Louisiana - Plan B:</b>					
2021	1.987695%	\$1,801,301	\$1,500,808	120.0%	66.26%
2020	2.112869%	1,848,366	1,558,013	118.6%	66.14%
2019	1.991868%	1,684,785	1,476,518	114.1%	65.60%
2018	2.098982%	1,816,108	1,557,989	116.6%	63.49%
2017	1.936110%	1,604,858	1,371,725	117.0%	63.34%
2016	1.795844%	1,220,540	1,250,574	97.6%	68.71%
2015	1.775620%	833,647	1,253,098	66.5%	76.94%
<b>Municipal Police Employees' Retirement System of Louisiana:</b>					
2021	0.278825%	\$2,576,993	\$ 848,847	303.6%	70.94%
2020	0.295025%	2,679,321	997,540	268.6%	71.01%
2019	0.345777%	2,923,220	942,814	310.1%	71.89%
2018	0.290841%	2,539,165	866,705	293.0%	70.08%
2017	0.243255%	2,279,985	687,910	331.4%	66.04%
2016	0.222398%	1,742,256	596,959	291.9%	70.73%
2015	0.245436%	1,535,468	707,707	217.0%	75.10%
<b>Firefighters' Retirement System of Louisiana:</b>					
2021	0.139606%	\$ 967,686	\$ 347,563	278.4%	72.61%
2020	0.121214%	759,031	292,957	259.1%	73.96%
2019	0.130652%	751,520	311,062	241.6%	74.76%
2018	0.156744%	898,433	363,158	247.4%	73.55%
2017	0.147331%	963,678	347,797	277.1%	68.16%
2016	0.186639%	1,007,312	396,812	253.9%	72.45%
2015	0.228325%	1,016,026	456,415	222.6%	76.02%

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

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

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Schedule of Employer Contributions  
For the Year Ended June 30, 2021

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
<b>Municipal Employees' Retirement System of Louisiana - Plan B:</b>					
2021	\$ 224,166	\$ 224,166	\$ -	\$ 1,446,235	15.50%
2020	210,113	210,113	-	1,500,808	14.00%
2019	218,122	218,122	-	1,558,013	14.00%
2018	195,639	195,639	-	1,476,518	13.25%
2017	171,379	168,805	2,574	1,557,989	10.83%
2016	130,314	130,295	19	1,371,725	9.50%
2015	118,786	118,786	-	1,250,384	9.50%
<b>Municipal Police Employees' Retirement System of Louisiana:</b>					
2021	\$ 268,207	\$ 267,426	\$ 781	\$ 794,687	33.65%
2020	275,875	278,579	(2,704)	848,847	32.82%
2019	321,707	321,707	-	997,540	32.25%
2018	289,915	289,922	(7)	942,814	30.75%
2017	275,179	275,180	(1)	866,705	31.75%
2016	202,933	203,882	(949)	687,910	29.64%
2015	188,042	188,042	-	596,959	31.50%
<b>Firefighters' Retirement System of Louisiana:</b>					
2021	\$ 116,458	\$ 116,458	\$ -	\$ 361,111	32.25%
2020	96,449	96,449	-	347,563	27.75%
2019	77,634	77,634	-	292,957	26.50%
2018	82,431	82,431	-	311,062	26.50%
2017	91,697	91,698	(1)	363,158	25.25%
2016	94,775	94,929	(154)	347,797	27.29%
2015	116,018	116,018	-	396,643	29.25%

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

The accompanying notes are an integral part of this schedule.

## CITY OF LEESVILLE, LOUISIANA

### Notes to Required Supplementary Information

#### (1) Budget and Budgetary Accounting

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

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

#### (2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations totaling \$121,242, for the year ended June 30, 2021.

CITY OF LEESVILLE, LOUISIANA

Notes to Required Supplementary Information

(3) Pension Plans

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

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

Amounts reported in fiscal year ended June 30, 2021 for the various pension plans reflect the following changes used to measure the total pension liability:

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

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



CITY OF LEESVILLE, LOUISIANA

Notes to Required Supplementary Information

(4) OPEB Plan

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

Changes of Assumptions – Amounts reported in fiscal year ended June 30, 2021 for the OPEB plan reflect the following changes used to measure total OPEB liability.

<u>Year ended June 30,</u>	<u>Discount Rate</u>
2021	2.16%
2020	2.21%
2019	3.88%
2018	3.88%

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

## **OTHER SUPPLEMENTARY INFORMATION**

## CITY OF LEESVILLE, LOUISIANA

Statement of Net Position  
June 30, 2021  
With Comparative Totals for June 30, 2020

	2021			2020
	Governmental Activities	Business-Type Activities	Total	Totals
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 6,581,889	\$ 214,957	\$ 6,796,846	\$ 3,651,625
Receivables	693,732	409,203	1,102,935	955,883
Due from other governmental agencies	197,535	315,421	512,956	943,416
Inventories	205,409	-	205,409	149,526
Other assets	64,638	14,557	79,195	77,190
Total current assets	<u>7,743,203</u>	<u>954,138</u>	<u>8,697,341</u>	<u>5,777,640</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	461,464	1,649,969	2,111,433	2,103,431
Capital assets:				
Land and construction in progress	640,428	957,087	1,597,515	907,998
Capital assets, net	<u>15,254,606</u>	<u>16,659,512</u>	<u>31,914,118</u>	<u>32,310,370</u>
Total noncurrent assets	<u>16,356,498</u>	<u>19,266,568</u>	<u>35,623,066</u>	<u>35,321,799</u>
Total assets	<u>24,099,701</u>	<u>20,220,706</u>	<u>44,320,407</u>	<u>41,099,439</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension plans	1,536,650	152,737	1,689,387	1,774,992
OPEB obligation	<u>3,761</u>	<u>877</u>	<u>4,638</u>	<u>-</u>
Total deferred inflows of resources	<u>1,540,411</u>	<u>153,614</u>	<u>1,694,025</u>	<u>1,774,992</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and other payables	378,869	85,640	464,509	364,269
Interest payable	10,793	5,296	16,089	21,755
Advance fuel sales	96,553	-	96,553	76,010
Internal balances	3,872,655	(3,872,655)	-	-
Customer deposits payable	-	246,532	246,532	237,715
Bonds, notes, and leases due within one year	<u>387,118</u>	<u>522,347</u>	<u>909,465</u>	<u>1,092,159</u>
Total current liabilities	<u>4,745,988</u>	<u>(3,012,840)</u>	<u>1,733,148</u>	<u>1,791,908</u>
Noncurrent liabilities:				
Compensated absences payable	375,980	56,823	432,803	367,107
Bonds, notes, and leases due after one year	1,581,061	3,316,269	4,897,330	6,073,070
OPEB obligation payable	1,134,780	264,782	1,399,562	1,473,091
Net pension liability	<u>4,703,552</u>	<u>642,428</u>	<u>5,345,980</u>	<u>5,286,718</u>
Total noncurrent liabilities	<u>7,795,373</u>	<u>4,280,302</u>	<u>12,075,675</u>	<u>13,199,986</u>
Total liabilities	<u>12,541,361</u>	<u>1,267,462</u>	<u>13,808,823</u>	<u>14,991,894</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension plans	808,675	31,012	839,687	862,093
OPEB obligation	<u>52,998</u>	<u>12,366</u>	<u>65,364</u>	<u>1,395</u>
Total deferred inflows of resources	<u>861,673</u>	<u>43,378</u>	<u>905,051</u>	<u>863,488</u>
<b>NET POSITION</b>				
Net investment in capital assets	13,798,788	14,612,124	28,410,912	27,915,401
Restricted for debt service	173,513	-	173,513	363,763
Restricted for capital projects	758,001	-	758,001	796,231
Restricted for sales tax dedications	1,243,232	-	1,243,232	95,928
Unrestricted	<u>(3,736,456)</u>	<u>4,451,356</u>	<u>714,900</u>	<u>(2,152,274)</u>
Total net position	<u>\$12,237,078</u>	<u>\$ 19,063,480</u>	<u>\$ 31,300,558</u>	<u>\$27,019,049</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Balance Sheet - Major Governmental Funds  
June 30, 2021

	General		Sales Tax		Public Safety		Airport Construction	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>ASSETS</b>								
Cash and interest-bearing deposits	\$ 758,250	\$ 470,449	\$ 5,813,693	\$ 2,974,921	\$ -	\$ -	\$ -	\$ -
Receivables -								
Due from other funds	659,515	955,930	-	-	233,019	-	22,986	-
Due from other governmental agencies	77,925	5,400	-	-	-	13,987	119,610	52,696
Other	109,505	116,695	391,432	301,697	192,795	148,597	-	-
Prepaid items	25,866	30,395	6,142	11,510	32,630	23,696	-	-
Inventories	205,409	149,526	-	-	-	-	-	-
Total assets	<u>\$ 1,836,470</u>	<u>\$ 1,728,395</u>	<u>\$ 6,211,267</u>	<u>\$ 3,288,128</u>	<u>\$ 458,444</u>	<u>\$ 186,280</u>	<u>\$ 142,596</u>	<u>\$ 52,696</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 117,705	\$ 13,239	\$ 6,206	\$ 5,217	\$ 6,321	\$ 2,229	\$ -	\$ -
Accrued liabilities	78,131	93,609	7,443	5,695	43,452	44,705	-	-
Contracts and retainage payable	-	-	-	-	-	-	119,611	1,200
Due to other funds	946,877	1,010,350	4,366,072	2,567,189	-	134,449	-	29,419
Advance fuel sales	96,553	76,010	-	-	-	-	-	-
Claims liability	-	-	-	75,000	-	-	-	-
Total liabilities	<u>1,239,266</u>	<u>1,193,208</u>	<u>4,379,721</u>	<u>2,653,101</u>	<u>49,773</u>	<u>181,383</u>	<u>119,611</u>	<u>30,619</u>
Fund balances -								
Nonspendable	231,275	179,921	6,142	11,510	32,630	23,696	-	-
Restricted	-	-	1,243,232	95,928	-	-	22,985	22,077
Committed	-	-	582,172	527,589	376,041	-	-	-
Unassigned (deficit)	<u>365,929</u>	<u>355,266</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,799)</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>597,204</u>	<u>535,187</u>	<u>1,831,546</u>	<u>635,027</u>	<u>408,671</u>	<u>4,897</u>	<u>22,985</u>	<u>22,077</u>
Total liabilities and fund balances	<u>\$ 1,836,470</u>	<u>\$ 1,728,395</u>	<u>\$ 6,211,267</u>	<u>\$ 3,288,128</u>	<u>\$ 458,444</u>	<u>\$ 186,280</u>	<u>\$ 142,596</u>	<u>\$ 52,696</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual		
Revenues:					
Taxes	\$1,090,626	\$ 847,466	\$ 808,084	\$ (39,382)	\$ 810,868
Licenses and permits	432,600	403,951	439,030	35,079	434,951
Intergovernmental	30,690	55,999	71,666	15,667	29,905
Charges for services	201,700	176,735	190,678	13,943	215,572
Miscellaneous	70,825	55,362	84,334	28,972	131,674
Total revenues	<u>1,826,441</u>	<u>1,539,513</u>	<u>1,593,792</u>	<u>54,279</u>	<u>1,622,970</u>
Expenditures:					
Current:					
General government:					
General and administrative	861,461	845,088	846,776	(1,688)	833,485
Executive	79,324	71,438	70,197	1,241	72,530
Legal	48,891	46,869	47,281	(412)	46,528
Public works	1,092,407	1,014,481	921,391	93,090	997,746
Economic development	214,307	196,237	226,237	(30,000)	216,918
Debt service	85,000	81,570	120,631	(39,061)	113,559
Capital outlay	<u>148,000</u>	<u>284,000</u>	<u>428,412</u>	<u>(144,412)</u>	<u>34,643</u>
Total expenditures	<u>2,529,390</u>	<u>2,539,683</u>	<u>2,660,925</u>	<u>(121,242)</u>	<u>2,315,409</u>
Deficiency of revenues over expenditures	<u>(702,949)</u>	<u>(1,000,170)</u>	<u>(1,067,133)</u>	<u>(66,963)</u>	<u>(692,439)</u>
Other financing sources (uses):					
Proceeds from capital lease	-	136,000	136,000	-	-
Transfers in	850,000	1,000,000	1,000,000	-	904,981
Transfers out	<u>(4,000)</u>	<u>(6,850)</u>	<u>(6,850)</u>	<u>-</u>	<u>(129,000)</u>
Total other financing sources (uses)	<u>846,000</u>	<u>1,129,150</u>	<u>1,129,150</u>	<u>-</u>	<u>775,981</u>
Net change in fund balance	143,051	128,980	62,017	(66,963)	83,542
Fund balance, beginning	<u>535,187</u>	<u>535,187</u>	<u>535,187</u>	<u>-</u>	<u>451,645</u>
Fund balance, ending	<u>\$ 678,238</u>	<u>\$ 664,167</u>	<u>\$ 597,204</u>	<u>\$ (66,963)</u>	<u>\$ 535,187</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual		
Taxes:					
Ad valorem	\$ 590,626	\$ 470,902	\$ 429,041	\$ (41,861)	\$ 374,697
Franchise	500,000	376,564	379,043	2,479	436,171
Total taxes	<u>1,090,626</u>	<u>847,466</u>	<u>808,084</u>	<u>(39,382)</u>	<u>810,868</u>
Licenses and permits:					
Occupational licenses	420,000	391,346	421,943	30,597	421,367
Permits	12,600	12,605	17,087	4,482	13,584
Total licenses and permits	<u>432,600</u>	<u>403,951</u>	<u>439,030</u>	<u>35,079</u>	<u>434,951</u>
Intergovernmental:					
State of Louisiana -					
Beer taxes	20,000	21,295	21,295	-	19,114
Federal and state grants	10,690	34,704	50,371	15,667	10,791
Total intergovernmental	<u>30,690</u>	<u>55,999</u>	<u>71,666</u>	<u>15,667</u>	<u>29,905</u>
Charges for services:					
Inspection fees	2,300	1,840	2,695	855	3,020
Airport hanger rent	25,000	29,151	28,870	(281)	25,553
Airport fuel sales	75,000	45,244	62,129	16,885	72,484
Industrial park	98,400	98,400	96,400	(2,000)	112,400
Miscellaneous	1,000	2,100	584	(1,516)	2,115
Total charges for services	<u>201,700</u>	<u>176,735</u>	<u>190,678</u>	<u>13,943</u>	<u>215,572</u>
Miscellaneous:					
Interest	8,500	771	961	190	8,419
Video bingo	50,000	49,404	65,017	15,613	47,482
Other sources	12,325	5,187	18,356	13,169	75,773
Total miscellaneous	<u>70,825</u>	<u>55,362</u>	<u>84,334</u>	<u>28,972</u>	<u>131,674</u>
Total revenues	<u>\$1,826,441</u>	<u>\$1,539,513</u>	<u>\$1,593,792</u>	<u>\$ 54,279</u>	<u>\$1,622,970</u>

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Current:					
General government:					
General and administrative -					
Salaries and wages	\$ 411,787	\$ 378,158	\$ 376,924	\$ 1,234	\$ 388,748
Payroll taxes	31,021	29,154	28,688	466	29,655
Retirement contribution	57,949	54,233	53,793	440	48,755
Deferred compensation	3,172	2,841	4,898	(2,057)	2,295
Hospitalization	20,200	16,745	19,530	(2,785)	24,639
Insurance	79,682	81,884	91,720	(9,836)	82,775
Materials and supplies	42,650	38,644	38,012	632	42,537
Advertisements and recordings	10,000	8,875	9,194	(319)	10,728
Accounting and auditing	21,000	18,825	18,825	-	15,470
Professional fees	-	450	450	-	-
Miscellaneous	44,000	62,907	60,338	2,569	46,548
Utilities and telephone	39,500	41,769	42,062	(293)	37,016
Repairs and maintenance	58,000	60,838	61,949	(1,111)	47,925
Dues	2,000	2,000	3,190	(1,190)	2,394
Travel	6,500	555	561	(6)	3,470
Uniforms	33,000	26,870	27,948	(1,078)	34,561
Annexation related costs	-	19,239	6,000	13,239	13,239
Legal fees	1,000	1,101	2,694	(1,593)	2,730
Total general and administrative	861,461	845,088	846,776	(1,688)	833,485
Executive -					
Salaries	54,760	54,760	54,920	(160)	56,584
Payroll taxes	4,189	4,203	4,188	15	4,188
Hospitalization	-	45	49	(4)	-
Insurance	375	386	211	175	298
Travel	15,000	7,044	7,729	(685)	10,673
Public relations	5,000	5,000	3,100	1,900	787
Total executive	79,324	71,438	70,197	1,241	72,530

(continued)

CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Legal -					
Salaries	36,000	36,002	36,099	(97)	36,292
Payroll taxes	2,754	3,138	3,137	1	3,174
Insurance	137	138	75	63	105
Legal fees	10,000	7,591	7,970	(379)	6,957
Total legal	48,891	46,869	47,281	(412)	46,528
Public works:					
Salaries	530,872	415,902	415,014	888	509,352
Payroll taxes	39,273	31,424	31,364	60	37,882
Retirement contribution	76,570	59,589	59,184	405	61,593
Deferred compensation	2,470	1,563	2,994	(1,431)	2,282
Hospitalization	27,050	25,688	29,018	(3,330)	32,539
Maintenance and supplies	154,500	240,750	175,535	65,215	119,762
Dumpster service	5,800	7,754	7,711	43	5,725
Utilities and telephone	120,650	109,980	109,062	918	111,239
Insurance	92,682	84,031	55,150	28,881	75,720
Miscellaneous	42,540	37,800	36,359	1,441	41,652
Total public works	1,092,407	1,014,481	921,391	93,090	997,746
Economic development -					
Salaries	38,000	42,890	42,692	198	38,797
Payroll taxes	2,907	3,664	3,631	33	3,361
Maintenance and supplies	74,500	64,220	28,908	35,312	28,201
Fuel	65,000	54,222	60,029	(5,807)	57,738
Utilities and telephone	27,050	24,633	26,114	(1,481)	27,317
Insurance	4,850	4,608	63,877	(59,269)	59,842
Miscellaneous	2,000	2,000	986	1,014	1,662
Total economic development	214,307	196,237	226,237	(30,000)	216,918

(continued)



CITY OF LEESVILLE, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget		Actual	Variance with Final Budget	2020
	Original	Final		Positive (Negative)	Actual
Debt service:					
Retirement of principal	60,000	58,000	93,018	(35,018)	83,814
Interest and fiscal charges	25,000	23,570	27,613	(4,043)	29,745
Total debt service	85,000	81,570	120,631	(39,061)	113,559
Capital outlay:					
Public works	148,000	284,000	392,685	(108,685)	34,643
Economic development	-	-	35,727	(35,727)	-
Total capital outlay	148,000	284,000	428,412	(144,412)	34,643
Total expenditures	<u>\$2,529,390</u>	<u>\$2,539,683</u>	<u>\$2,660,925</u>	<u>\$ (121,242)</u>	<u>\$2,315,409</u>

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Budget		Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual	
Revenues:				
Taxes	\$ 3,010,000	\$ 3,598,330	\$ 3,711,008	\$ 112,678
Charges for services	6,900	1,751	3,101	1,350
Miscellaneous	35,050	47,475	51,482	4,007
Total revenues	3,051,950	3,647,556	3,765,591	118,035
Expenditures:				
Current -				
General government:				
Salaries and wages	62,088	64,550	59,758	4,792
Payroll taxes	4,402	5,280	4,955	325
Retirement contribution	8,918	9,270	8,584	686
Deferred compensation	520	320	280	40
Hospitalization	-	20	16	4
Collection fees	50,000	64,000	62,902	1,098
Litigation expense	-	180,001	5,000	175,001
Miscellaneous	15,107	10,705	9,504	1,201
Total general government	141,035	334,146	150,999	183,147
Culture and recreation:				
Recreation department	171,864	166,780	167,192	(412)
Recreation complex	40,610	61,551	62,190	(639)
Neighborhood center	154,095	128,056	118,529	9,527
Leisure pool	33,750	9,015	9,111	(96)
Total culture and recreation	400,319	365,402	357,022	8,380
Debt service -				
Retirement of principal	7,000	7,000	6,957	43
Interest and fiscal charges	700	700	702	(2)
Total debt service	7,700	7,700	7,659	41
Capital outlay -				
Culture and recreation:				
Recreation department	80,000	80,500	79,341	1,159
Neighborhood center	4,550	8,300	6,242	2,058
Total capital outlay	84,550	88,800	85,583	3,217
Total expenditures	633,604	796,048	601,263	194,785
Excess of revenues over expenditures	2,418,346	2,851,508	3,164,328	312,820
Other financing uses:				
Transfers out	(2,117,809)	(1,967,809)	(1,967,809)	-
Net change in fund balance	300,537	883,699	1,196,519	312,820
Fund balance, beginning	635,027	635,027	635,027	-
Fund balance, ending	\$ 935,564	\$ 1,518,726	\$ 1,831,546	\$ 312,820
				\$ 635,027

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Taxes	\$ 1,550,000	\$ 1,769,365	\$ 1,827,810	\$ 58,445	\$ 1,555,520
Intergovernmental	101,260	16,590	186,878	170,288	218,054
Fines and forfeitures	80,000	96,178	139,384	43,206	81,144
Charges for services	106,750	69,284	91,624	22,340	110,687
Miscellaneous	-	10,772	45,624	34,852	11,440
Total revenues	<u>1,838,010</u>	<u>1,962,189</u>	<u>2,291,320</u>	<u>329,131</u>	<u>1,976,845</u>
Expenditures:					
Current -					
General Government:					
Accounting and auditing	<u>-</u>	<u>6,980</u>	<u>5,630</u>	<u>1,350</u>	<u>6,980</u>
Public safety:					
Police -					
Salaries and wages	1,335,000	1,233,452	1,316,312	(82,860)	1,371,786
Payroll taxes	100,000	95,539	93,021	2,518	97,985
Retirement contribution	300,000	282,184	280,566	1,618	285,388
Hospitalization	85,000	74,815	84,010	(9,195)	100,833
Insurance	194,600	182,785	138,379	44,406	185,878
Telephone and utilities	65,000	65,500	71,178	(5,678)	66,943
Maintenance and supplies	184,000	225,926	188,612	37,314	186,777
Collection fee	25,000	31,537	31,177	360	22,001
Equipment lease	2,000	2,036	1,966	70	2,115
Prisoner expense	105,000	71,000	57,160	13,840	81,734
Miscellaneous	<u>47,300</u>	<u>39,012</u>	<u>30,308</u>	<u>8,704</u>	<u>32,982</u>
Total police	<u>2,442,900</u>	<u>2,303,786</u>	<u>2,292,689</u>	<u>11,097</u>	<u>2,434,422</u>
Fire -					
Salaries and wages	540,100	513,482	564,479	(50,997)	565,935
Payroll taxes	41,000	41,686	40,379	1,307	40,625
Retirement contribution	99,000	116,616	115,844	772	97,183
Hospitalization	55,000	60,094	67,884	(7,790)	66,587
Insurance	81,550	81,658	57,043	24,615	66,684
Telephone and utilities	41,000	46,272	43,376	2,896	41,063
Maintenance and supplies	42,000	46,475	30,726	15,749	40,175
Miscellaneous	<u>20,000</u>	<u>17,928</u>	<u>6,731</u>	<u>11,197</u>	<u>11,328</u>
Total fire	<u>919,650</u>	<u>924,211</u>	<u>926,462</u>	<u>(2,251)</u>	<u>929,580</u>

(continued)

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

Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			
	Budget		Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual	
Expenditures (continued):				
City Court -				
Salaries and wages	78,000	75,501	75,708	77,812
Payroll taxes	7,500	6,162	6,159	6,196
Retirement contribution	250	45	45	210
Insurance	375	317	174	246
Miscellaneous	12,000	12,100	12,150	12,000
Utilities	8,100	8,141	7,916	7,585
Maintenance	500	1,124	835	808
Total city court	106,725	103,390	102,987	104,857
Debt service -				
Retirement of principal	58,000	57,114	57,113	65,581
Interest and fiscal charges	15,500	15,665	15,665	18,190
Total debt service	73,500	72,779	72,778	83,771
Capital outlay -				
Public safety:				
Police	41,500	30,635	37,000	-
Fire	15,000	-	-	8,875
Total capital outlay	56,500	30,635	37,000	8,875
Total expenditures	3,599,275	3,441,781	3,437,546	3,568,485
Deficiency of revenues over expenditures	(1,761,265)	(1,479,592)	(1,146,226)	333,366
Other financing sources (uses):				
Transfers in	2,000,000	1,550,000	1,550,000	-
Net change in fund balance	238,735	70,408	403,774	333,366
Fund balance (deficit), beginning	4,897	4,897	4,897	-
Fund balance, ending	\$ 243,632	\$ 75,305	\$ 408,671	\$ 333,366
				\$ 4,897

**NONMAJOR GOVERNMENTAL FUNDS**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Fund**

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

#### **Mainstreet Program Fund -**

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

### **Debt Service Funds**

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

#### **Sales Tax Sinking Fund**

To accumulate monies for payment of the \$1,344,000 Sales Tax Refunding Bonds, Series 2013. Debt service is financed by the collection of sales taxes.

#### **2016 Certificates of Indebtedness Fund**

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

#### **2004 GOB Street Improvement Fund**

To accumulate monies for payment of the \$1,800,000 General Obligation Bonds, Series 2004. Debt service is financed by the collection of ad valorem taxes.

### **Capital Projects Fund**

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

#### **Improvements Capital Projects Fund -**

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

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Governmental Funds

Combining Balance Sheet  
June 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS				
Cash and interest-bearing deposits	\$ -	\$ 9,946	\$ -	\$ 9,946
Receivables -				
Due from other funds	76,862	184,246	273,552	534,660
Restricted cash and interest-bearing deposits	<u>-</u>	<u>-</u>	<u>461,464</u>	<u>461,464</u>
Total assets	<u>\$ 76,862</u>	<u>\$ 194,192</u>	<u>\$ 735,016</u>	<u>\$ 1,006,070</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	<u>\$ -</u>	<u>\$ 9,886</u>	<u>\$ -</u>	<u>\$ 9,886</u>
Fund balances:				
Restricted for debt service	-	184,306	-	184,306
Restricted for capital projects	-	-	735,016	735,016
Unassigned	<u>76,862</u>	<u>-</u>	<u>-</u>	<u>76,862</u>
Total fund balances	<u>76,862</u>	<u>184,306</u>	<u>735,016</u>	<u>996,184</u>
Total liabilities and fund balances	<u>\$ 76,862</u>	<u>\$ 194,192</u>	<u>\$ 735,016</u>	<u>\$ 1,006,070</u>

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Taxes	\$ -	\$ 243,324	\$ -	\$ 243,324
Miscellaneous	<u>440</u>	<u>20</u>	<u>983</u>	<u>1,443</u>
Total revenues	<u>440</u>	<u>243,344</u>	<u>983</u>	<u>244,767</u>
Expenditures:				
Current -				
Public works	6,738	-	-	6,738
Debt service	-	454,683	-	454,683
Capital outlay	<u>-</u>	<u>-</u>	<u>40,121</u>	<u>40,121</u>
Total expenditures	<u>6,738</u>	<u>454,683</u>	<u>40,121</u>	<u>501,542</u>
Deficiency of revenues over expenditures	(6,298)	(211,339)	(39,138)	(256,775)
Other financing sources (uses):				
Transfers in	<u>6,850</u>	<u>17,809</u>	<u>-</u>	<u>24,659</u>
Net change in fund balance	552	(193,530)	(39,138)	(232,116)
Fund balances, beginning	<u>76,310</u>	<u>377,836</u>	<u>774,154</u>	<u>1,228,300</u>
Fund balances, ending	<u>\$ 76,862</u>	<u>\$ 184,306</u>	<u>\$ 735,016</u>	<u>\$ 996,184</u>



**NONMAJOR DEBT SERVICE FUNDS**

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Debt Service Funds

Combining Balance Sheet  
June 30, 2021

	Sales Tax Sinking	2016 Certificates of Indebtedness	Total
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ -	\$ 9,946	\$ 9,946
Receivables -			
Due from other funds	<u>184,246</u>	<u>-</u>	<u>184,246</u>
Total assets	<u>\$184,246</u>	<u>\$ 9,946</u>	<u>\$194,192</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Due to other funds	<u>\$ -</u>	<u>\$ 9,886</u>	<u>9,886</u>
Fund balances:			
Restricted for debt service	<u>184,246</u>	<u>60</u>	<u>184,306</u>
Total liabilities and fund balances	<u>\$184,246</u>	<u>\$ 9,946</u>	<u>\$194,192</u>

CITY OF LEESVILLE, LOUISIANA  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2021

	Sales Tax Sinking	2016 Certificates of Indebtedness	Total
Revenues:			
Taxes	\$     -	\$ 243,324	\$ 243,324
Miscellaneous	<u>9</u>	<u>11</u>	<u>20</u>
Total revenues	9	243,335	243,344
Expenditures:			
Debt service	<u>211,359</u>	<u>243,324</u>	<u>454,683</u>
Excess (deficiency) of revenues over expenditures	(211,350)	11	(211,339)
Other financing sources (uses):			
Transfers in	<u>17,809</u>	<u>-</u>	<u>17,809</u>
Net change in fund balance	(193,541)	11	(193,530)
Fund balances, beginning	<u>377,787</u>	<u>49</u>	<u>377,836</u>
Fund balances, ending	<u>\$ 184,246</u>	<u>\$     60</u>	<u>\$ 184,306</u>

## CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Position - Proprietary Funds  
June 30, 2021

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>ASSETS</b>								
Current assets:								
Cash and interest-bearing deposits	\$ 214,957	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 214,957	\$ -
Receivables:								
Accounts, net	166,396	155,907	242,807	232,987	-	-	409,203	388,894
Due from other funds	1,335,306	1,106,129	1,672,032	1,220,622	865,317	74,533	3,872,655	2,401,284
Due from other governmental agencies	-	-	55,463	609,705	259,958	261,628	315,421	871,333
Prepaid items	7,424	4,277	4,569	4,277	2,564	3,035	14,557	11,589
Total current assets	<u>1,724,083</u>	<u>1,266,313</u>	<u>1,974,871</u>	<u>2,067,591</u>	<u>1,127,839</u>	<u>339,196</u>	<u>4,826,793</u>	<u>3,673,100</u>
Noncurrent assets:								
Restricted assets -								
Cash and interest-bearing deposits	-	-	1,649,969	1,602,829	-	-	1,649,969	1,602,829
Land and construction in progress	629,197	170,809	327,890	252,372	-	-	957,087	423,181
Capital assets, net of accumulated depreciation	8,501,359	8,864,568	7,524,401	7,852,934	633,752	847,226	16,659,512	17,564,728
Total noncurrent assets	<u>9,130,556</u>	<u>9,035,377</u>	<u>9,502,260</u>	<u>9,708,135</u>	<u>633,752</u>	<u>847,226</u>	<u>19,266,568</u>	<u>19,590,738</u>
Total assets	<u>10,854,639</u>	<u>10,301,690</u>	<u>11,477,131</u>	<u>11,775,726</u>	<u>1,761,591</u>	<u>1,186,422</u>	<u>24,093,361</u>	<u>23,263,838</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
Pension plans	74,645	92,368	50,637	68,612	27,455	13,625	152,737	174,605
OPEB obligation	501	-	251	-	125	-	877	-
Total deferred inflows of resources	<u>75,146</u>	<u>92,368</u>	<u>50,888</u>	<u>68,612</u>	<u>27,580</u>	<u>13,625</u>	<u>153,614</u>	<u>174,605</u>
<b>LIABILITIES</b>								
Current liabilities (payable from current assets):								
Accounts and other payables	30,476	6,686	12,977	13,675	42,187	103,014	85,640	123,375
Due to other funds	-	25,346	-	111,904	-	-	-	137,250
Capital lease	-	1,771	-	1,771	221,347	211,990	221,347	215,532
Note payable	-	-	-	11,816	-	-	-	11,816
Accrued interest payable	-	3	-	3	-	-	-	6
Total	<u>30,476</u>	<u>33,806</u>	<u>12,977</u>	<u>139,169</u>	<u>263,534</u>	<u>315,004</u>	<u>306,987</u>	<u>487,979</u>
Current liabilities (payable from restricted assets):								
Customer deposits payable	-	-	246,532	237,715	-	-	246,532	237,715
Revenue bonds	-	-	301,000	290,000	-	-	301,000	290,000
Accrued interest payable	-	-	5,296	7,676	-	-	5,296	7,676
Total	<u>-</u>	<u>-</u>	<u>552,828</u>	<u>535,391</u>	<u>-</u>	<u>-</u>	<u>552,828</u>	<u>535,391</u>
Total current liabilities	<u>30,476</u>	<u>33,806</u>	<u>565,805</u>	<u>674,560</u>	<u>263,534</u>	<u>315,004</u>	<u>859,815</u>	<u>1,023,370</u>
Noncurrent liabilities:								
Compensated absences payable	36,440	33,601	15,098	10,901	5,285	5,198	56,823	49,700
OPEB obligation payable	151,304	159,253	75,652	79,627	37,826	39,813	264,782	278,693
Net pension liability	335,709	346,110	278,862	290,416	27,857	15,719	642,428	652,245
Revenue bonds payable	-	-	3,085,000	3,790,000	-	-	3,085,000	3,790,000
Capital lease	-	-	-	-	195,820	415,981	195,820	415,981
Note payable	-	-	35,449	23,633	-	-	35,449	23,633
Total noncurrent liabilities	<u>523,453</u>	<u>538,964</u>	<u>3,490,061</u>	<u>4,194,577</u>	<u>266,788</u>	<u>476,711</u>	<u>4,280,302</u>	<u>5,210,252</u>
Total liabilities	<u>553,929</u>	<u>572,770</u>	<u>4,055,866</u>	<u>4,869,137</u>	<u>530,322</u>	<u>791,715</u>	<u>5,140,117</u>	<u>6,233,622</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Pension plans	15,025	17,184	10,034	12,551	5,953	2,878	31,012	32,613
OPEB obligation	7,066	151	3,533	75	1,767	38	12,366	264
Total deferred inflows of resources	<u>22,091</u>	<u>17,335</u>	<u>13,567</u>	<u>12,626</u>	<u>7,720</u>	<u>2,916</u>	<u>43,378</u>	<u>32,877</u>
<b>NET POSITION</b>								
Net investment in capital assets	9,130,556	9,033,606	5,264,983	5,357,340	216,585	219,255	14,612,124	14,610,201
Unrestricted	1,223,209	770,347	2,193,603	1,605,235	1,034,544	186,161	4,451,356	2,561,743
Total net position	<u>\$10,353,765</u>	<u>\$ 9,803,953</u>	<u>\$ 7,458,586</u>	<u>\$ 6,962,575</u>	<u>\$1,251,129</u>	<u>\$ 405,416</u>	<u>\$19,063,480</u>	<u>\$17,171,944</u>

CITY OF LEESVILLE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended June 30, 2021

	Business -Type Activities - Enterprise Funds							
	Sewer		Water		Fort Polk Vegetation Control		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Operating revenues:								
Charges for services	\$ 1,116,852	\$ 934,565	\$ 1,765,575	\$ 1,533,877	\$ 3,249,340	\$ 3,032,293	\$ 6,131,767	\$ 5,500,735
Miscellaneous	-	-	-	3,968	435	337	435	4,305
Total operating revenues	<u>1,116,852</u>	<u>934,565</u>	<u>1,765,575</u>	<u>1,537,845</u>	<u>3,249,775</u>	<u>3,032,630</u>	<u>6,132,202</u>	<u>5,505,040</u>
Operating expenses:								
Salaries	300,293	276,944	187,601	179,511	148,473	130,836	636,367	587,291
Employee benefits	30,464	24,367	16,904	13,653	17,439	21,464	64,807	59,484
OPEB expense (benefit)	(1,535)	17,024	(1,301)	22,750	(383)	(17,101)	(3,219)	22,673
Pension expense	46,002	66,167	30,375	48,249	20,678	11,471	97,055	125,887
Operating supplies	30,531	49,327	176,481	192,758	259,771	213,001	466,783	455,086
Vehicle expense	14,110	14,170	25,209	29,592	64,314	94,847	103,633	138,609
Utilities and communications	120,530	114,971	144,631	139,142	839	1,801	266,000	255,914
Insurance	58,426	70,509	93,732	97,914	27,242	26,949	179,400	195,372
Legal and other professional	10,130	13,230	22,210	21,950	13,305	114,765	45,645	149,945
Repairs and maintenance	122,021	118,470	121,235	41,733	16,247	111,128	259,503	271,331
Contracted services	-	-	-	-	965,727	1,352,891	965,727	1,352,891
Bad debt	9,351	22,787	31,310	79,451	-	-	40,661	102,238
Miscellaneous	50,442	44,930	208	78	-	-	50,650	45,008
Depreciation	363,210	421,077	377,433	324,858	162,558	150,875	903,201	896,810
Total operating expenses	<u>1,153,975</u>	<u>1,253,973</u>	<u>1,226,028</u>	<u>1,191,639</u>	<u>1,696,210</u>	<u>2,212,927</u>	<u>4,076,213</u>	<u>4,658,539</u>
Operating income (loss)	<u>(37,123)</u>	<u>(319,408)</u>	<u>539,547</u>	<u>346,206</u>	<u>1,553,565</u>	<u>819,703</u>	<u>2,055,989</u>	<u>846,501</u>
Nonoperating revenues (expenses):								
Interest income	-	96	675	1,331	-	-	675	1,427
Ad valorem taxes	157,061	148,253	-	-	-	-	157,061	148,253
Gain (loss) on disposal of assets	-	-	7,332	-	(88,847)	-	(81,515)	-
Nonemployer pension contribution	8,079	8,205	5,235	5,879	3,817	1,589	17,131	15,673
Interest expense	(12)	(187)	(113,816)	(101,324)	(22,822)	(31,205)	(136,650)	(132,716)
Total nonoperating revenues (expenses)	<u>165,128</u>	<u>156,367</u>	<u>(100,574)</u>	<u>(94,114)</u>	<u>(107,852)</u>	<u>(29,616)</u>	<u>(43,298)</u>	<u>32,637</u>
Income (loss) before contributions and transfers	<u>128,005</u>	<u>(163,041)</u>	<u>438,973</u>	<u>252,092</u>	<u>1,445,713</u>	<u>790,087</u>	<u>2,012,691</u>	<u>879,138</u>
Capital Contributions	421,807	-	57,038	634,668	-	-	478,845	634,668
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>(600,000)</u>	<u>(400,000)</u>	<u>(600,000)</u>	<u>(650,000)</u>
Change in net position	<u>549,812</u>	<u>(163,041)</u>	<u>496,011</u>	<u>636,760</u>	<u>845,713</u>	<u>390,087</u>	<u>1,891,536</u>	<u>863,806</u>
Net position, beginning	<u>9,803,953</u>	<u>9,966,994</u>	<u>6,962,575</u>	<u>6,325,815</u>	<u>405,416</u>	<u>15,329</u>	<u>17,171,944</u>	<u>16,308,138</u>
Net position, ending	<u>\$ 10,353,765</u>	<u>\$ 9,803,953</u>	<u>\$ 7,458,586</u>	<u>\$ 6,962,575</u>	<u>\$ 1,251,129</u>	<u>\$ 405,416</u>	<u>\$ 19,063,480</u>	<u>\$ 17,171,944</u>

CITY OF LEESVILLE, LOUISIANA

Justice System Funding Schedule - Receiving Entity  
As Required by Act 87 of the 2020 Regular Legislative Session  
Cash Basis Presentation  
For the Year Ended June 30, 2021

	First Six Month Period Ended <u>12/31/2020</u>	First Six Month Period Ended <u>6/30/2021</u>
<b>Receipts From:</b>		
Leesville City Court, Criminal Fines	\$ 11,663	\$ 112,553
Leesville City Court, Court Assessed Costs/Fees	4,990	15,892
Leesville Marshals Office, Criminal Fines	2,520	5,390
Leesville Marshals Office, Court Assessed Costs/Fees	240	580
City of Leesville Prosecutors Office, Bond Forfeitures	-	3,937
City of Leesville Prosecutors Office, Pre-Trial Intervention Fees	4,500	5,500
Leesville City Court, Other, Witness Fees	1,070	25,009
Leesville Marshals Office, Other, Witness Fees	60	864
Vernon Parish Police Jury, Other, Witness Fees	<u>100</u>	<u>650</u>
 Total	 <u>25,143</u>	 <u>170,375</u>
 Ending balance of amounts assessed but not received	 <u>\$ -</u>	 <u>\$ -</u>

**INTERNAL CONTROL, COMPLIANCE  
AND OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesville, Louisiana (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 8, 2021.

### Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
November 8, 2021

# KOLDER, SLAVEN & COMPANY, LLC

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

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

### Report on Compliance for Each Major Federal Program

We have audited the City of Leesville, Louisiana's (City) compliance with the types of compliance requirements described 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 June 30, 2021. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Leesville, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
November 8, 2021

CITY OF LEESVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

<u>Federal Grantor / Pass-Through Grantor / Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Environmental Protection Agency</u>		
Passed-through State of Louisiana Department of Health and Hospitals:		
Drinking Water State Revolving Fund Cluster - Capitalization Grants for Drinking Water State Revolving Funds	66.468	\$ <u>97,069</u>
<u>U.S. Department of Homeland Security</u>		
Passed-through State of Louisiana Department of Homeland Security and Emergency Preparedness		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	<u>72,525</u>
<u>U.S. Department of Transportation</u>		
Airport Improvement Program	20.106	933,682
Airport Improvement Program - COVID-19	20.106	<u>22,525</u>
Total U.S. Department of Transportation		<u>956,207</u>
<u>U.S. Department of Housing and Urban Development</u>		
Passed-through State of Louisiana Division of Administration		
Community Development Block Grant/State's Program	14.228	<u>414,476</u>
 TOTAL FEDERAL EXPENDITURES		 <u>\$1,540,277</u>

The accompanying notes are an integral part of this schedule.

CITY OF LEESVILLE, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021

(1) Basis of Accounting

The accompanying schedule of expenditures of federal awards (the schedule) presents the activity of all federal financial assistance programs of the City of Leesville, Louisiana (the City). The City's reporting entity is defined in Note 1 to the financial statements for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. 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.

The City of Leesville, Louisiana has not elected to use the 10 percent *de minimus* indirect cost rate as allowed under the Uniform Guidance.

(3) Relationship to Fund Financial Statements

Federal financial assistance is reported in the City's fund financial statements as follows:

From federal sources:

Government Fund Types -

General Fund	\$ 40,748
Capital Projects Funds	933,682

Proprietary Fund Type -

Sewer Fund	461,447
Water Fund	<u>104,400</u>

Total	<u>\$ 1,540,277</u>
-------	---------------------

(4) Subrecipients

The City provided no federal awards to subrecipients.

CITY OF LEESVILLE, LOUISIANA

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2021

Part I. Summary of Auditor's Results

*Financial Statements*

1. Type of auditor's opinion issued on financial statements:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental activities	Unmodified
Major funds:	
General	Unmodified
Sales Tax Fund	Unmodified
Public Safety Fund	Unmodified
Airport Construction Fund	Unmodified
Sewer Fund	Unmodified
Water Fund	Unmodified
Fort Polk Vegetation Control Fund	Unmodified
Aggregate remaining fund information	Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ x	_____ no
Significant deficiency(ies) identified?	_____ yes	_____ x	_____ no
3. Noncompliance material to the financial statements?	_____ yes	_____ x	_____ no

*Federal Awards*

4. Internal control over major federal programs:

Material weakness(es) identified?	_____ yes	_____ x	_____ no
Significant deficiency(ies) identified?	_____ yes	_____ x	_____ no

5. Major programs and type of auditor's report issued:

<u>CFDA Number</u>	<u>Federal Agency and Name of Major Program</u>	<u>Type of Opinion</u>
	<u>U.S. Department of Transportation</u>	
20.106	Airport Improvement Program	Unmodified

6. Audit findings required to be reported in accordance with 2 CFR §200.516(a)?

\_\_\_\_\_ yes      \_\_\_\_\_ x      \_\_\_\_\_ no

7. Threshold for distinguishing type A and B programs?

\$ 750,000

8. Qualified as a low-risk auditee?

\_\_\_\_\_ x      yes      \_\_\_\_\_ no

*Other*

9. Management letter issued?

\_\_\_\_\_ x      yes      \_\_\_\_\_ no

CITY OF LEESVILLE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2021

Part II. Findings reported in accordance with *Government Auditing Standards*

A. Internal Control over Financial Reporting –

No findings reported under this section.

B. Compliance –

No findings reported under this section.

C. Management Letter –

A management letter was issued related to operating deficits in the Sewer Enterprise Fund.

Part III. Findings and questioned costs for Federal Awards defined in the Uniform Guidance

No findings reported under this section.

CITY OF LEESVILLE, LOUISIANA

Schedule of Prior Year Findings and Questioned Costs  
Year Ended June 30, 2021

Part I. Findings reported in accordance with *Government Auditing Standards*

A. Internal Control over Financial Reporting

No findings reported under this section.

B. Compliance –

2020-001 Noncompliance with Budget Act

CONDITION: The City did not comply with the provisions of LSA-RS 39:1305(E) with respect to the Public Safety Special Revenue Fund.

RECOMMENDATION: It is recommended that the City fully comply with the provisions of LSA-RS 39:1305(E) by adopting budgets in which the proposed expenditures do not exceed the total of estimated funds available for the ensuing year.

CURRENT STATUS: Resolved.

Part III. Findings and questioned costs for Federal Awards defined in the Uniform Guidance

No findings reported under this section.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**APPENDIX A**

**MAYOR**  
Rick Allen

**CITY ADMINISTRATOR**  
Patti J. Larney

**CITY CLERK**  
Sonny Harrell



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**COUNCILMEMBERS:**  
Chris Robertson  
Willie Mae Kennedy  
Nicole Ybarra  
Tony Shapkoff  
Alice Guess  
Phillip Hunt

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

November 8, 2021

U.S. Department of Transportation

City of Leesville, Louisiana respectfully submits the following schedule of prior audit findings for the year ended June 30, 2021.

Name and address of independent public accounting firm:  
Kolder, Slaven, & Company, LLC  
183 S. Beadle Road  
Lafayette, LA 70508

Audit period: June 30, 2020

The findings from the June 30, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

### FINDINGS – FINANCIAL STATEMENT AUDIT

#### COMPLIANCE

##### 2020-001 – Noncompliance with Budget Act

*Condition:* The City did not comply with the provisions of LSA-RS 39:1305(E) with respect to the Public Safety Special Revenue Fund.

*Recommendation:* It is recommended that the City fully comply with the provisions of LSA-RS 39:1305(E) by adopting budgets in which the proposed expenditures do not exceed the total of estimated funds available for the ensuing year.

*Current Status:* Resolved.

If the U.S. Department of Transportation has questions regarding this plan, please call Patti J. Larney, City Administrator, at 337-239-2444.

Sincerely yours,

Patti J. Larney, City Administrator  
City of Leesville, Louisiana

# KOLDER, SLAVEN & COMPANY, LLC

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434 E. Main St.  
Ville Platte, LA 70586  
Phone (337) 363-2792

332 W. Sixth Ave.  
Oberlin, LA 70655  
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## MANAGEMENT LETTER

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

We have completed our audit of the basic financial statements of the City of Leesville, Louisiana for the year ended June 30, 2021, and submit the following recommendations for your consideration:

- (1) The Sewer Enterprise Fund experienced an operating loss of \$37,123 during the current year which represents a \$282,285 improvement from the prior year. The City should continue to evaluate operations to determine methods to increase revenues and/or reduce expenses in order to operate at a surplus.

In conclusion, we express our appreciation to you and your staff, particularly to your office staff, for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing our recommendations, please feel free to contact us.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
November 8, 2021