

CITY OF RAYNE, LOUISIANA

Financial Report

Year Ended September 30, 2021

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THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT AUDITOR'S REPORT

The Honorable Charles E. Robichaux, Mayor
And the Board of Alderman
City of Rayne, Louisiana

We have audited the accompanying primary government financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Rayne, Louisiana, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City'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 financial statements.

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

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Charles E. Robichaux, Mayor
And the Board of Alderman
City of Rayne, Louisiana

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the City's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported is unknown.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the City of Rayne, the reporting entity, as of September 30, 2021, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the City of Rayne, Louisiana as of September 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.

Unmodified Opinions – The Primary Government

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 primary government of the City of Rayne, Louisiana, the primary government, as of September 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity 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: General Fund and Sales Tax Special Revenue Fund, schedule of changes in net OPEB liability and related ratios, Schedule of employer OPEB contributions, schedule of employer's share of net pension liability, schedule of employer contributions and notes to employer's proportionate share of net pension liability and schedule of employer contributions and notes to the required supplementary information on pages 48 through 55 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 Honorable Charles E. Robichaux, Mayor
And the Board of Alderman
City of Rayne, Louisiana

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rayne's financial statements as a whole. The other supplementary information on pages 57 through 75 is presented for purposes of additional analysis and is 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. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information, except for the portion marked "unaudited" (page 74) on which we express no opinion, 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 24, 2022, on our consideration of the City of Rayne, 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 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 Rayne, Louisiana's internal control over financial reporting and compliance.

Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 24, 2022

BASIC FINANCIAL STATEMENTS

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

CITY OF RAYNE, LOUISIANA

Statement of Net Position
September 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 3,235,686	\$ 3,988,761	\$ 7,224,447
Receivables, net	8,740	1,151,776	1,160,516
Internal balances	(310,892)	310,892	-
Due from other governmental units	202,238	-	202,238
Prepaid items	62,228	40,074	102,302
Inventory	-	279,617	279,617
Total current assets	<u>3,198,000</u>	<u>5,771,120</u>	<u>8,969,120</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	524,422	524,422
Capital assets:			
Land and construction in progress	547,275	2,500,295	3,047,570
Other capital assets, net	<u>5,424,540</u>	<u>7,646,032</u>	<u>13,070,572</u>
Total noncurrent assets	<u>5,971,815</u>	<u>10,670,749</u>	<u>16,642,564</u>
Total assets	<u>9,169,815</u>	<u>16,441,869</u>	<u>25,611,684</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	643,319	95,094	738,413
Deferred outflows related to other postemployment benefits	<u>994,356</u>	<u>-</u>	<u>994,356</u>
Total deferred outflows of resources	<u>1,637,675</u>	<u>95,094</u>	<u>1,732,769</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	263,933	815,575	1,079,508
Due to other governments	215	-	215
Customers deposits payable	12,395	358,919	371,314
Loans payable	-	46,000	46,000
Accrued interest payable	-	3,102	3,102
Unearned revenue	-	<u>1,477,930</u>	<u>1,477,930</u>
Total current liabilities	<u>276,543</u>	<u>2,701,526</u>	<u>2,978,069</u>
Noncurrent liabilities:			
Compensated absences payable	248,617	238,148	486,765
Loans payable	-	2,584,264	2,584,264
Net pension liability	2,511,332	843,504	3,354,836
Other postemployment benefit payable	<u>8,802,744</u>	<u>-</u>	<u>8,802,744</u>
Total noncurrent liabilities	<u>11,562,693</u>	<u>3,665,916</u>	<u>15,228,609</u>
Total liabilities	<u>11,839,236</u>	<u>6,367,442</u>	<u>18,206,678</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	1,177,526	296,394	1,473,920
Deferred inflows related to other postemployment benefits	<u>316,083</u>	<u>-</u>	<u>316,083</u>
Total deferred inflows of resources	<u>1,493,609</u>	<u>296,394</u>	<u>1,790,003</u>
NET POSITION			
Net investment in capital assets	5,968,997	7,419,930	13,388,927
Restricted -			
Operations and maintenance	69,215	-	69,215
Purpose of grantors, trustees and donors	44,568	-	44,568
Debt service	-	161,098	161,098
Unrestricted (deficit)	<u>(8,608,135)</u>	<u>2,292,099</u>	<u>(6,316,036)</u>
Total net position	<u>\$ (2,525,355)</u>	<u>\$ 9,873,127</u>	<u>\$ 7,347,772</u>

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

CITY OF RAYNE, LOUISIANA

Statement of Activities
For the Year Ended September 30, 2021

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 943,019	\$ 353,561	\$ -	\$ -	\$ (589,458)	\$ -	\$ (589,458)
Public safety	2,329,484	148,992	-	-	(2,180,492)	-	(2,180,492)
Public works	1,095,344	-	-	-	(1,095,344)	-	(1,095,344)
Culture and recreation	625,669	146,626	-	-	(479,043)	-	(479,043)
Urban redevelopment and housing	511,884	-	612,628	-	100,744	-	100,744
Total governmental activities	5,505,400	649,179	612,628	-	(4,243,593)	-	(4,243,593)
Business-type activities:							
Electric	8,239,980	8,600,526	-	-	-	360,546	360,546
Water	830,853	1,205,961	-	-	-	375,108	375,108
Sewer	496,980	914,598	-	-	-	417,618	417,618
Total business-type activities	9,567,813	10,721,085	-	-	-	1,153,272	1,153,272
Total	\$ 15,073,213	\$ 11,370,264	\$ 612,628	\$ -	(4,243,593)	1,153,272	(3,090,321)
General revenues:							
Taxes -							
Property					420,053	-	420,053
Sales and use					2,738,474	-	2,738,474
Franchise fees					91,778	-	91,778
Other					462,194	-	462,194
Grants and contributions not restricted to specific programs -							
State sources					125,850	-	125,850
Non employer pension contribution					103,527	36,391	139,918
Interest and investment earnings					2,967	2,753	5,720
Miscellaneous					384,559	173,067	557,626
Transfers					1,179,067	(1,179,067)	-
Total general revenues and transfers					5,508,469	(966,856)	4,541,613
Change in net position					1,264,876	186,416	1,451,292
Net position, beginning					(3,790,231)	9,686,711	5,896,480
Net position, ending					\$ (2,525,355)	\$ 9,873,127	\$ 7,347,772

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

FUND FINANCIAL STATEMENTS (FFS)

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 the proceeds of a one percent (1%) sales and use tax levied by the City of Rayne beginning September 9, 1963 and a one percent (1%) sales and use tax levied by the City of Rayne beginning November 7, 1979. The sales and use tax collections are dedicated to any lawful corporate purposes of the city, including, but not limited to, payment of operating expenses and constructing, acquiring, extending and/or improving any capital improvements or facilities.

Enterprise Funds

City, Water and Light Plant Fund (Utility Fund)-

To account for the provision of electricity and water to residents of the City and some residents of the Parish. 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.

Sewer Fund -

To account for the provision of sewerage services to residents of the City and some residents of the Parish. 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 RAYNE, LOUISIANA

Balance Sheet
Governmental Funds
September 30, 2021

	General	Sales Tax	Other Governmental	Total
ASSETS				
Cash and interest bearing deposits	\$ 1,841,063	\$ 1,270,859	\$ 123,764	\$ 3,235,686
Other receivables	8,740	-	-	8,740
Due from other governmental agencies	100,148	102,090	-	202,238
Due from other funds	86,250	-	50	86,300
Prepaid items	60,861	-	1,367	62,228
Total assets	<u>\$ 2,097,062</u>	<u>\$ 1,372,949</u>	<u>\$ 125,181</u>	<u>\$ 3,595,192</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 150,669	\$ -	\$ 5,600	\$ 156,269
Retainage payable	2,818	-	-	2,818
Accrued liabilities	98,849	1,117	4,880	104,846
Customer deposit payable	12,395	-	-	12,395
Due to other funds	396,274	-	918	397,192
Due to other governments	215	-	-	215
Total liabilities	<u>661,220</u>	<u>1,117</u>	<u>11,398</u>	<u>673,735</u>
Fund balances:				
Nonspendable - prepaid items	60,861	-	-	60,861
Restricted -				
Capital expenditures	213,646	-	-	213,646
Operations and maintenance	-	1,371,832	69,215	1,441,047
Purpose of grantors, trustees, and donors	-	-	44,568	44,568
Unassigned	1,161,335	-	-	1,161,335
Total fund balances	<u>1,435,842</u>	<u>1,371,832</u>	<u>113,783</u>	<u>2,921,457</u>
Total liabilities and fund balances	<u>\$ 2,097,062</u>	<u>\$ 1,372,949</u>	<u>\$ 125,181</u>	<u>\$ 3,595,192</u>

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

CITY OF RAYNE, LOUISIANA

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

Total fund balances for governmental funds at September 30, 2021 \$ 2,921,457

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	\$ 397,260	
Construction in progress	150,015	
Buildings and improvements, net of \$2,938,390 accumulated depreciation	1,203,985	
Infrastructure, net of \$5,090,984 accumulated depreciation	3,654,567	
Equipment, furniture, and fixtures net of \$1,312,116 accumulated depreciation	<u>565,988</u>	5,971,815

The deferred outflows of expenditures for the municipal and police employees retirement systems and other postemployment benefit are not a use of current resources, and therefore, are not reported in the funds 1,637,675

Long-term liabilities at September 30, 2021:

Compensated absences	(248,617)	
Other postemployment benefit	(8,802,744)	
Net pension liability	<u>(2,511,332)</u>	(11,562,693)

The deferred inflows of contributions for the municipal and police employees retirement systems and other postemployment benefit obligation are not available resources, and therefore, are not reported in the funds (1,493,609)

Total net position of governmental activities at September 30, 2021 \$(2,525,355)

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

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

	General	Sales Tax	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 339,372	\$ 2,738,474	\$ 172,459	\$ 3,250,305
Licenses and permits	326,414	-	-	326,414
Intergovernmental	690,576	-	524,073	1,214,649
Charges for services	122,982	-	36,814	159,796
Fines and forfeits	148,992	-	-	148,992
Interest on investments	1,862	1,020	47	2,929
Miscellaneous	384,182	-	414	384,596
Total revenues	<u>2,014,380</u>	<u>2,739,494</u>	<u>733,807</u>	<u>5,487,681</u>
Expenditures:				
Current -				
General government	1,166,548	95,686	-	1,262,234
Public safety	2,313,917	-	-	2,313,917
Public works	884,817	-	-	884,817
Culture and recreation	274,100	-	238,565	512,665
Urban redevelopment and housing	-	-	511,882	511,882
Capital outlay	361,768	-	-	361,768
Total expenditures	<u>5,001,150</u>	<u>95,686</u>	<u>750,447</u>	<u>5,847,283</u>
Excess (deficiency) of revenues over expenditures	<u>(2,986,770)</u>	<u>2,643,808</u>	<u>(16,640)</u>	<u>(359,602)</u>
Other financing sources (uses):				
Transfers in	3,799,559	-	35,806	3,835,365
Transfers out	-	(2,656,298)	-	(2,656,298)
Total other financing sources (uses)	<u>3,799,559</u>	<u>(2,656,298)</u>	<u>35,806</u>	<u>1,179,067</u>
Net changes in fund balances	812,789	(12,490)	19,166	819,465
Fund balances, beginning	<u>623,053</u>	<u>1,384,322</u>	<u>94,617</u>	<u>2,101,992</u>
Fund balances, ending	<u>\$ 1,435,842</u>	<u>\$ 1,371,832</u>	<u>\$ 113,783</u>	<u>\$ 2,921,457</u>

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

CITY OF RAYNE, 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 September 30, 2021

Total net changes in fund balances at September 30, 2021 per
statement of revenues, expenditures and changes in fund balances \$ 819,465

The change in net position reported for governmental activities in the
statement of activities is different because:

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

Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 361,768	
Depreciation expense for the year ended September 30, 2021	(422,521)	
Loss on disposal of assets	<u>(6,985)</u>	(67,738)

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

Compensated absences	(54,330)
Other postemployment benefit expense	332,770
Pension expense	131,182

Non-employer's contributions to the pension plans	<u>103,527</u>
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Total changes in net position at September 30, 2021 per statement of activities \$ 1,264,876

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

CITY OF RAYNE, LOUISIANA

Statement of Net Position
Proprietary Funds
September 30, 2021

	Utility Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 2,367,943	\$ 1,620,818	\$ 3,988,761
Accounts receivable, net	1,053,727	98,049	1,151,776
Due from other funds	397,192	49,209	446,401
Inventory	279,617	-	279,617
Prepaid items	40,074	-	40,074
Total current assets	<u>4,138,553</u>	<u>1,768,076</u>	<u>5,906,629</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	442,238	82,184	524,422
Capital assets -			
Land and construction in progress	1,976,331	523,964	2,500,295
Other capital assets, net	<u>3,729,460</u>	<u>3,916,572</u>	<u>7,646,032</u>
Total noncurrent assets	<u>6,148,029</u>	<u>4,522,720</u>	<u>10,670,749</u>
Total assets	<u>10,286,582</u>	<u>6,290,796</u>	<u>16,577,378</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>86,536</u>	<u>8,558</u>	<u>95,094</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	763,851	51,724	815,575
Due to other funds	134,557	952	135,509
Payable from restricted assets -			
Customers' deposits payable	358,919	-	358,919
Loans payable	-	46,000	46,000
Accrued interest payable	3,102	-	3,102
Unearned revenue	<u>1,477,930</u>	<u>-</u>	<u>1,477,930</u>
Total current liabilities	<u>2,738,359</u>	<u>98,676</u>	<u>2,837,035</u>
Noncurrent liabilities:			
Compensated absences payable	168,305	69,843	238,148
Loans payable	1,909,059	675,205	2,584,264
Net pension liability	<u>767,588</u>	<u>75,916</u>	<u>843,504</u>
Total noncurrent liabilities	<u>2,844,952</u>	<u>820,964</u>	<u>3,665,916</u>
Total liabilities	<u>5,583,311</u>	<u>919,640</u>	<u>6,502,951</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>269,719</u>	<u>26,675</u>	<u>296,394</u>
NET POSITION			
Net investment in capital assets	3,700,599	3,719,331	7,419,930
Restricted for debt service	83,319	77,779	161,098
Unrestricted	<u>736,170</u>	<u>1,555,929</u>	<u>2,292,099</u>
Total net position	<u>\$ 4,520,088</u>	<u>\$ 5,353,039</u>	<u>\$ 9,873,127</u>

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

CITY OF RAYNE, LOUISIANA

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

	Enterprise Funds		
	Utility Fund	Sewer Fund	Total
Operating revenues:			
Charges for services -			
Electric sales	\$ 8,388,322	\$ -	\$ 8,388,322
Water service charges	1,203,911	-	1,203,911
Sewer service charges	-	914,598	914,598
Delinquent charges and other fees	214,254	-	214,254
Miscellaneous	173,070	-	173,070
Total operating revenues	<u>9,979,557</u>	<u>914,598</u>	<u>10,894,155</u>
Operating expenses:			
Salaries	1,225,825	181,902	1,407,727
Payroll taxes	80,954	8,615	89,569
Group health insurance	237,612	27,637	265,249
General insurance	148,157	14,028	162,185
Contract labor	33,281	-	33,281
Retirement - current	203,116	38,051	241,167
Bad debt expense	27,912	-	27,912
Professional fees	153,405	23,108	176,513
Electric purchases	5,538,433	-	5,538,433
Uniforms	21,069	3,478	24,547
Utilities	83,487	93,986	177,473
Repairs and maintenance	305,871	43,185	349,056
Supplies	115,108	1,241	116,349
Equipment	-	612	612
Storm related expenses	216,520	2,171	218,691
Engineering fees	24,229	21,926	46,155
Depreciation expense	273,680	275,988	549,668
Miscellaneous	81,597	37,040	118,637
Total operating expenses	<u>8,770,256</u>	<u>772,968</u>	<u>9,543,224</u>
Operating income	<u>1,209,301</u>	<u>141,630</u>	<u>1,350,931</u>

(continued)

CITY OF RAYNE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Funds (Continued)
 For the Year Ended September 30, 2021

	Enterprise Funds		
	Utility Fund	Sewer Fund	Total
Nonoperating revenues (expenses):			
Nonemployer pension contribution	33,116	3,275	36,391
Interest income	2,724	29	2,753
Interest expense	(22,711)	(1,881)	(24,592)
Total nonoperating revenues (expenses)	<u>13,129</u>	<u>1,423</u>	<u>14,552</u>
 Income before transfers	 1,222,430	 143,053	 1,365,483
 Transfers out	 <u>(1,127,067)</u>	 <u>(52,000)</u>	 <u>(1,179,067)</u>
 Change in net position	 95,363	 91,053	 186,416
 Net position, beginning	 <u>4,424,725</u>	 <u>5,261,986</u>	 <u>9,686,711</u>
 Net position, ending	 <u>\$ 4,520,088</u>	 <u>\$ 5,353,039</u>	 <u>\$ 9,873,127</u>

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

CITY OF RAYNE, LOUISIANA

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

	Enterprise Funds		
	Utility Fund	Sewer Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 9,979,557	\$ 914,598	\$ 10,894,155
Payments to suppliers	(9,845,121)	(1,251,660)	(11,096,781)
Payments to employees	(1,306,779)	(190,517)	(1,497,296)
Net cash provided by operating activities	<u>1,172,343</u>	<u>527,579</u>	<u>1,699,922</u>
Cash flows from noncapital financing activities:			
Cash received from other funds	(325,095)	(8,797)	(333,892)
Increase in customer deposits, net of refunds	9,970	-	9,970
Transfers out	(1,127,067)	(52,000)	(1,179,067)
Net cash used by noncapital financing activities	<u>(1,442,192)</u>	<u>(60,797)</u>	<u>(1,502,989)</u>
Cash flows from capital and related financing activities:			
Proceeds from loan	1,728,380	325,488	2,053,868
Grants received	1,477,930	-	1,477,930
Principal payments	(116,000)	-	(116,000)
Interest paid	(19,609)	(1,881)	(21,490)
Acquisition of property, plant and equipment	(1,987,413)	(379,112)	(2,366,525)
Net cash provided (used) by capital and related financing activities	<u>1,083,288</u>	<u>(55,505)</u>	<u>1,027,783</u>
Cash flows from investing activities:			
Interest on investments	<u>2,724</u>	<u>29</u>	<u>2,753</u>
Net increase in cash and cash equivalents	816,163	411,306	1,227,469
Cash and cash equivalents, beginning of period	<u>1,994,018</u>	<u>1,291,696</u>	<u>3,285,714</u>
Cash and cash equivalents, end of period	<u>\$ 2,810,181</u>	<u>\$ 1,703,002</u>	<u>\$ 4,513,183</u>

(continued)

CITY OF RAYNE, LOUISIANA

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

	Enterprise Funds		
	Utility Fund	Sewer Fund	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 1,209,301	\$ 141,630	\$ 1,350,931
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	273,680	275,988	549,668
Pension and other postemployment benefit	31,566	16,174	47,740
Changes in current assets and liabilities:			
Accounts receivable	(39,203)	59,879	20,676
Inventory	(31,311)	1,594	(29,717)
Prepaid items	35,077	-	35,077
Accounts payable	(197,828)	32,879	(164,949)
Compensated absences payable	(108,939)	(565)	(109,504)
Net cash provided by operating activities	<u>\$ 1,172,343</u>	<u>\$ 527,579</u>	<u>\$ 1,699,922</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:			
Cash and cash equivalents, beginning of period -			
Cash and interest-bearing deposits - unrestricted	\$ 1,645,069	\$1,290,657	\$ 1,290,657
Cash and interest-bearing deposits - restricted	<u>348,949</u>	<u>1,039</u>	<u>1,039</u>
Total cash and cash equivalents	<u>1,994,018</u>	<u>1,291,696</u>	<u>3,285,714</u>
Cash and cash equivalents, end of period -			
Cash and interest-bearing deposits - unrestricted	2,367,943	1,620,818	3,988,761
Cash and interest-bearing deposits - restricted	<u>442,238</u>	<u>82,184</u>	<u>524,422</u>
Total cash and cash equivalents	<u>2,810,181</u>	<u>1,703,002</u>	<u>4,513,183</u>
Net increase in cash and cash equivalents	<u>\$ 816,163</u>	<u>\$ 411,306</u>	<u>\$ 1,227,469</u>

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Rayne 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

Primary Government

The City of Rayne was incorporated under the provisions of the Lawrason Act. The City operates under the Mayor-Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete

Component Units

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

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority (Mayor and Board of Aldermen) 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 RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

These financial statements include the primary government financial statements only. Based upon these criteria, the City should include the component unit detailed below in the financial reporting entity. The following component units of the City are not presented in these financial statements:

Component Units-

Rayne City Court - Rayne City Court is fiscally dependent on the City for office space and courtrooms. The City also has authority over its budget. The Rayne City Court's fiscal year end is September 30, 2021. A copy of the Rayne City Court's audit can be obtained by sending a request to Rayne City Court, Post Office Box 61, Rayne, LA 70578.

Rayne Marshal's Fund - Rayne Marshal's Fund is fiscally dependent on the City for office space. The Marshal's Fund year end is September 30, 2021 and a copy of this report can be obtained by sending a request to Rayne Marshal's Fund, Post Office Box 61, Rayne, LA 70578.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

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

The major funds of the City are described below:

Governmental Funds -

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 Fund -

Sales Tax Fund

The Sales Tax Fund is used to account for the receipts and disbursements of proceeds from the City's 2% sales and use tax levies that are legally restricted for expenditures for specific purposes.

Proprietary Funds -

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Rayne's enterprise fund consist of the utility and sewer funds.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

In addition, the City reports the following:

Special Revenue Funds –

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Project Fund --

These funds are used to account for the construction of projects provided by the Louisiana Community Development Block Grant and Utility Fund revenues (transfers).

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Basis of Accounting

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

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

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Cash and Interest Bearing Deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand, savings, and certificates of deposits, as well as cash on hand. For purposes of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit with an original maturity of three months or less.

Interfund Receivables and Payables

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and video poker commissions. Business-type activities report customer's utility and sewer service receivables as their major receivables. Uncollectible amounts due for customers' utility receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the receivable. The allowance for uncollectibles for customers' utility and sewer receivables was \$997,969 and \$1,076,532 at September 30, 2021 and 2020, respectively.

Inventory and Prepaid Items

Inventory in the Utility Fund consists of supplies purchased which are valued at cost, which approximates market using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements

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 are related to capital projects construction accounts, revenue bond accounts, and utility meter deposits.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 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.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At September 30, 2021, the City's deferred outflows and inflows of resources are attributable to pension plans and other postemployment benefits.

Long-term Debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and general obligation refunding bonds.

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.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Compensated Absences

City employees are entitled to certain compensated absences based upon their length of service. Annual leave shall be earned by regular employees based on continuous service as indicated by the following:

- a. Less than seven months, no credit.
- b. Seven months but less than twelve months, $\frac{1}{2}$ day per month.
- c. One year but less than seven years, twelve days per year.
- d. Seven years but less than fourteen years, fifteen days per year.
- e. Fourteen years or more of service, eighteen days per year.

No annual leave shall be earned while an employee is on leave of absence without pay or during a period of suspension. The maximum amount of annual leave that is allowed to be carried forward is one year and one-third year of earned annual leave.

Sick leave is accumulated based on continuous employment in the amount of one day per month beginning with the seventh month of employment. Upon termination, employees are paid for all annual leave. Sick leave is forfeited upon termination of employment. A retiring employee, at his election, may use accrued sick leave towards extension of his retirement date, but may not exceed 120 days. Since sick leave only vest upon retirement, an accrual is made only when an employee is eligible for retirement. The total accrued sick leave is \$300,383 and is included on the financial statements as a noncurrent 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 net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position — Consists of net position with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

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

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

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

CITY OF RAYNE, 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	See Note 2
Sales tax	See Note 3
Electric, water and sewer revenue	Utility operations

The City uses unrestricted resources only when restricted resources are fully depleted.

G. Capitalization of Interest Expense

It is the policy of the City of Rayne to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. During the fiscal year ended September 30, 2021, there was no interest capitalized.

H. Use of Estimates

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

I. Comparative Data and Reclassification

Comparative data for the prior year have been presented in certain sections of the accompanying financials statements in order to provide an understanding of changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. The taxes are based on assessed values determined by the Tax Assessor of Acadia Parish and are collected by the City. Taxes were levied by the City and were billed to taxpayers in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. City property tax revenues are budgeted in the year billed.

For the year ended September 30, 2021, taxes of 11.94 mills were levied on property with assessed valuations totaling \$35,264,460 and were dedicated for general corporate purposes (7.01 mills) and youth recreation (4.93 mills).

Gross taxes levied for the current fiscal year totaled \$421,059. There were no ad valorem taxes receivable at September 30, 2021.

(3) Sales and Use Tax

- A. Proceeds of a 1% sales and use tax levied by the City of Rayne beginning September 9, 1963 (2021 collections \$1,369,237, accounted for in the Sales Tax Fund, are dedicated to any lawful corporate purposes of the city, including, but not limited to, payment of operating expenses and constructing, acquiring, extending and/or improving any capital improvements or facilities. This tax is perpetual.
- B. Proceeds of a 1% sales and use tax levied by the City of Rayne beginning November 7, 1979 (2021 collections \$1,369,237), accounted for in the Sales Tax Fund, are dedicated to any lawful corporate purposes of the city, including, but not limited to, payment of operating expenses and constructing, acquiring, extending and/or improving any capital improvements or facilities. This tax is perpetual.

(4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2021, the City had cash and interest-bearing deposits (book balances) totaling \$7,748,869, as follows:

Demand deposits	\$7,648,869
Time deposits	100,000
Total	<u>\$7,748,869</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Bank balances	<u>\$7,932,887</u>
Federal deposit insurance	\$ 925,588
Pledged securities	<u>7,007,299</u>
Total	<u>\$7,932,887</u>

Deposits in the amount of \$7,007,299 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

(5) Receivables

Receivables at September 30, 2021 consist of the following:

	Governmental Activities	Business-type Activities	Total
Other	\$ 8,740	\$ -	\$ 8,740
Accounts, net	-	1,151,776	1,151,776
Total	<u>\$ 8,740</u>	<u>\$1,151,776</u>	<u>\$1,160,516</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Due from Other Governmental Units

Amounts due from other governmental units at September 30, 2021 of \$100,148 for governmental activities consist of the following:

General Fund:

Amount due from the State of Louisiana for beer tax revenues earned during fiscal year ending September 30, 2021	\$ 3,433
Amount due from the State of Louisiana for video poker commissions earned during fiscal year ending September 30, 2021	67,459
Amount due from Rayne City Court for fines and supplemental pay earned during fiscal year ending September 30, 2021	19,287
Amount due from Rayne City Court for fines and supplemental pay earned during fiscal year ending September 30, 2021	900
Amount due from the State of Louisiana for prisoner reimbursements earned during fiscal year ending September 30, 2021	8,735
Amount due from Louisiana Municipal Advisory and Technical Services Bureau for insurance premium taxes during earned fiscal year ending September 30, 2021	<u>334</u>
	100,148

Sales Tax Fund:

Amount due from the Acadia Parish School Board for sales tax revenues earned during fiscal year ending September 30, 2021	<u>102,090</u>
Total	<u>\$202,238</u>

(7) Restricted Assets - Proprietary Fund

Restricted assets in the proprietary fund consisted of the following at September 30, 2021:

Bond sinking fund	\$ 4,405
Bond reserve fund	111,098
Capital additions and contingencies fund	50,000
Customers' deposits	<u>358,919</u>
Total	<u>\$524,422</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance 10/01/20	Additions	Deletions	Balance 09/30/21
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 397,260	\$ -	\$ -	\$ 397,260
Construction in progress	-	150,015	-	150,015
Other capital assets:				
Buildings and improvements	4,108,007	34,368	-	4,142,375
Infrastructure	8,745,551	-	-	8,745,551
Equipment, furniture and fixtures	1,754,963	177,385	54,244	1,878,104
Totals	<u>15,005,781</u>	<u>361,768</u>	<u>54,244</u>	<u>15,313,305</u>
Less accumulated depreciation				
Buildings and improvements	2,830,808	107,582	-	2,938,390
Infrastructure	4,860,224	230,760	-	5,090,984
Equipment, furniture and fixtures	1,275,198	84,179	47,261	1,312,116
Total accumulated depreciation	<u>8,966,230</u>	<u>422,521</u>	<u>47,261</u>	<u>9,341,490</u>
Governmental activities, capital assets, net	<u>\$6,039,551</u>	<u>\$(60,753)</u>	<u>\$ 6,983</u>	<u>\$5,971,815</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 52,930
Public Safety	51,493
Public Works	208,354
Culture and recreation	109,744
Total depreciation expense	<u>\$ 422,521</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Business-type activities:	Balance 10/01/20	Additions	Deletions	Balance 09/30/21
Capital assets not being depreciated:				
Land	\$ 568,470	\$ -	\$ -	\$ 568,470
Construction in progress - water and sewer systems projects	-	2,012,782	12,487	2,000,295
Other capital assets:				
Buildings and improvements- CW&L	3,127,423	20,500	-	3,147,923
Electric Distribution- CW&L	4,260,490	15,522	-	4,276,012
Machinery and equipment	4,400,537	388,566	4,422	4,784,681
Water System	4,598,025	34,673	-	4,632,698
Sewer system	11,640,073	-	-	11,640,073
Totals	28,595,018	2,472,043	16,909	31,050,152
Less accumulated depreciation				
Buildings and improvements- CW&L	1,827,422	67,216	-	1,894,638
Electric Distribution- CW&L	4,068,472	20,995	-	4,089,467
Machinery and equipment	3,767,246	88,859	4,422	3,851,683
Water System	2,854,247	119,902	-	2,974,149
Sewer system	7,841,192	252,696	-	8,093,888
Total accumulated depreciation	20,358,579	549,668	4,422	20,903,825
Business-type activities, capital assets, net	<u>\$8,236,439</u>	<u>\$1,922,375</u>	<u>\$ 12,487</u>	<u>\$10,146,327</u>

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

Utility	\$ 273,680
Sewer	275,988
Total depreciation expense	<u>\$ 549,668</u>

(9) Accounts and Other Payables

The accounts and other payables consisted of the following at September 30, 2021:

	Governmental Activities	Business-type Activities	Total
Accounts	\$156,269	\$678,241	\$ 834,510
Retainage	2,818	93,031	95,849
Accrued liabilities	104,846	44,303	149,149
Totals	<u>\$263,933</u>	<u>\$815,575</u>	<u>\$1,079,508</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Unearned Revenue

Unearned revenue of \$1,477,930 at September 30, 2021 consists of federal awards received under the American Rescue Plan Act (ARPA). The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021 to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The City is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026. The City is required to maintain appropriate documentation for the use of these funds and report expenditures to the Office of Recovery Programs with the U.S. Department of the Treasury. Any funds that are misused or are determined by Treasury to be subject to a repayment obligation will have to be repaid to the federal government. The City expects to receive a second tranche payment under the ARPA.

(11) Long-Term Liabilities

Business-type Activities:

The City has borrowed proceeds from two revenue bonds issued by the Louisiana Department of Environmental Quality and the Louisiana Department of Health Office of Public Health to finance the costs of constructing and acquiring improvements and replacements to the sewer and water systems of the City. The City is currently in the process of drawing down on both loans.

The City has no principal amounts due on water system loan payable held with the Louisiana Department of Health Office of Public Health at September 30, 2021. The City is in compliance with all significant limitations and restrictions of the loans.

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

	10/1/2020	Additions	Reductions	9/30/2021
Series 2011	\$ 116,000	\$ -	\$(116,000)	\$ -
Series 2020	180,678	1,728,380	-	1,909,058
Series 2018	395,717	325,488	-	721,205
Compensated Absences	474,328	273,443	(261,006)	486,765
Total	<u>\$1,166,723</u>	<u>\$ 2,327,311</u>	<u>\$(377,006)</u>	<u>\$3,117,028</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt payable at September 30, 2021 is comprised of the following:

Business-type Activities:

	<u>Balance at 9/30/2021</u>	<u>Due Within One Year</u>
\$1,000,000 LDEQ Loan, Series 2018, due in annual installments of \$46,000 to \$110,000 through March 1, 2040; interest at .45 percent; payable from sewer utility revenues	\$ 721,205	\$ 46,000
\$2,600,000 LDH Loan, Series 2020, due in annual installments of \$102,000 to \$162,000 through March 1, 2041; interest at 1.95 percent; payable from utility revenues	<u>1,909,059</u>	<u>-</u>
Total	<u>\$ 2,630,264</u>	<u>\$ 46,000</u>

The annual debt service requirements to maturity is as follows:

<u>Year Ending September 30,</u>	<u>Utility Loan Payable</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2022	\$ 46,000	\$ 3,142	\$ 49,142
2023	47,000	2,933	49,933
2024	47,000	2,721	49,721
2025	48,000	2,507	50,507
2026	48,000	2,291	50,291
2027 - 2031	249,000	8,138	257,138
2032 - 2036	<u>236,205</u>	<u>2,457</u>	<u>238,662</u>
Total	<u>\$ 721,205</u>	<u>\$ 24,189</u>	<u>\$ 745,394</u>

(12) Operating Leases

The city has entered into various operating leases for the use of machinery and equipment. Total rent expenditures for the leases are \$7,690 for the year ended September 30, 2021. The future minimum rental payments are as follows:

<u>Year Ended September 30,</u>	
2022	<u>\$2,563</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Postemployment Health Care and Life Insurance Benefits

Plan Description – The City of Rayne provides medical and dental benefits to eligible retirees. The City pays 64% of the current monthly contribution rate for elected coverages for those retiring on or after January 1, 2017. For those retiring before that date the City will pay 80% or 65% of the current monthly rate for elected coverages depending on the date of retirement. The retiree is required to contribute the balance of the monthly contribution. All active employees who retire directly from the City and meet the eligibility criteria may participate. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 to pay related benefits.

Benefits Provided – Participants are eligible for retirement under the covered retirement plan and with at least 20 years of service. Retirees retiring prior to January 1, 2017 contribute either 35% or 20% of the monthly cost of medical/dental coverage depending on the date of retirement. Retirees retiring on or after this date contribute 36% of the monthly cost of medical/dental coverage. Coverage continues for the life of the retiree as long as required contributions are made. Pre-age 65 medical benefits are provided through a PPO plan or a buy-up plan, both administered by Blue Cross Blue Shield. For age 65 and over benefits are provided through a Medicare supplement plan that includes an Rx benefit. Dental benefits are also provided.

During the year ended September 30, 2018, the City adopted the requirements of GASB State No. 75, recognizing the cost of postemployment benefits in the year when the employee services are received and recognizing the liability for OPEB obligations, known as the net OPEB liability, on the statement of net position. Changed in the net OPEB liability will be immediately recognized as OPEB expense on the statement of activities or reported as deferred inflows/outflows of resources depending on the nature of the change.

Employees covered by benefit terms – At September 30, 2021, the following employees were covered by the medical plan terms:

Inactive employees or beneficiaries currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	56
Total	<u>73</u>

Total OPEB Liability

The City's total OPEB liability of \$8,802,744 was measured as of September 30, 2021 and was determined by an actuarial valuation as of that date.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Actuarial Assumptions and other inputs – The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50%
Discount rate, including inflation	2.25%
Medical healthcare cost trend rate, flat annually	4.50%
Dental healthcare cost trend rate, flat annually	2.50%
Mortality	RPH- 2014 Total Table with Projection MP-2019

Changes in the Total OPEB Liability

OPEB liability at September 30, 2020	\$ 8,457,241
Changes for the year:	
Service Cost	296,275
Interest	195,311
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments and net transfers	(146,083)
Net changes	345,503
OPEB liability at September 30, 2021	<u>\$ 8,802,744</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 (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB liability	<u>\$ 7,118,101</u>	<u>\$ 8,802,744</u>	<u>\$ 11,135,934</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare trend rates:

	1% Decrease (3.50%)	Current Trend (4.50%)	1% Increase (5.50%)
Total OPEB liability	<u>\$ 6,962,535</u>	<u>\$ 8,802,744</u>	<u>\$ 11,378,648</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

For the year ended September 30, 2021, the City recognized OPEB benefit of \$332,770. At September 30, 2021, the City reported deferred inflows of resources related to OPEB for the differences between expected and actual experience.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	<u>\$ 994,356</u>	<u>\$ 316,083</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	
2022	\$ 107,322
2023	107,322
2024	107,322
2025	107,322
2026	107,322
Thereafter	<u>141,663</u>
Total	<u>\$ 678,273</u>

(14) **Employee Retirement Systems**

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 LRS 11:2211 and 11:2220.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. 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	LASERS
Final average salary	Highest 60 months	Highest 36 months or 60 months ²	Highest 36 months or 60 months ⁷
Years of service required and/or age eligible for benefits	30 years of any age 10 years age 60 30 years age 55 ² 10 years age 62 ² 7 years age 67 ²	25 years of any age 20 years age 50 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³	30 years of any age 25 years age 55 10 years age 60 20 years any age ¹ 5 years age 60 ⁵ 5 years age 62 ⁶
Benefit percent per years of service	3.00%	2.50 - 3.33% ⁴	2.5% - 3.5%

¹ With actuarial reduced benefits

² Membership commencing January 1, 2013

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

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

⁵ Membership commencing between July 1, 2006 and June 30, 2015

⁶ Membership commencing July 1, 2015

⁷ Membership commencing after July 1, 2006

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MERS receives a percentage of ad valorem taxes collected by parishes. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions of employees, employers, and non-employer contributing entities effective for the year ended September 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	Nonemployer Contributing Entities	Government Contributions
MERS	5.00%	15.50%	\$ 67,391	\$ 176,100
MPERS	10.00%	29.75%	72,527	93,273
LASERS	11.50%	43.70%	-	2,382

Net Pension Liability

The City's net pension liability at September 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 plan's measurement date (June 30, 2021) 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	\$ 1,562,044	2.696393%	-0.117526%
MPERS	1,729,992	0.324543%	0.003798%
LASERS	62,800	0.001140%	0.000021%
Total	<u>\$ 3,354,836</u>		

Since the measurement date of the net pension liability was June 30, 2021, the net pension liability is based upon fiduciary net position for each of the plans as of that date. Detailed information about each pension plans' assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

MERS - <https://www.mersla.com/>
 MPERS - <https://www.lampers.org/>
 LASERS - <https://lasersonline.org/>

Cost of Living Adjustments

The pension plans in which the City participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS, MPERS, and LASERS), to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Actuarial Assumptions

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

	MERS	MPERS	LASERS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2018
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85, net of investment expense	6.75%, net of investment expense	7.55%, net of investment expense
Expected remaining service lives	3	4	2
Inflation rate	2.5%	2.5%	2.3%
Projected salary increases	4.9% - 7.4%	4.7% - 12.3%	2.6-13.8%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(7), (8)

(1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using MP2018 scales

(2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using MP2018 scales

(3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with full generational MP2018 scale

(4) Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.

(5) Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.

(6) Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale.

(7) RP-2014 Health Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement scale, applied on a fully generational basis.

(8) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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	LASERS
Discount rate	6.85%	6.75%	7.40%
Change in discount rate from prior valuation	-0.10%	-0.20%	-0.15%
Plan cash flow assumptions*	(1)	(1)	(1)
Rates incorporated in the discount rate:			
Long-term rate of return	6.85%	6.75%	7.61%
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 contribution 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, LASERS, and MPERS the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (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.

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		LASERS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	38%	1.65%	30.5%	0.59%	21%	4.43%
Public Equity	53%	2.31%	55.5%	3.47%	54%	8.92%
Alternative Investments	9%	0.39%	14.0%	1.01%	25%	6.93%
Totals	<u>100%</u>	<u>4.35%</u>	<u>100%</u>	<u>5.07%</u>	<u>100%</u>	<u>5.81%</u>
Inflation/rebalancing		<u>2.60%</u>		<u>2.22%</u>		<u>1.80%</u>
Expected nominal return		<u>6.95%</u>		<u>7.29%</u>		<u>7.61%</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 September 30, 2021, the City recognized \$491,187 in pension expense related to all defined benefit plans in which it participates. Pension expense is summarized by plan in the following table:

<u>Plan</u>	<u>Pension Expense</u>
MERS	\$210,391
MPERS	276,393
LASERS	4,403
Total	<u>\$491,187</u>

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

	<u>Deferred Outflows of Resources</u>			
	<u>MERS</u>	<u>MPERS</u>	<u>LASERS</u>	<u>Total</u>
Difference between expected and actual experience	\$ -	\$ -	\$ 62	\$ 62
Changes of assumptions	63,215	191,587	1,538	256,340
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	41,219	273,471	-	314,690
Net differences between projected and actual earnings on plan investments	-	-	-	-
Contributions subsequent to the measurement date	<u>71,666</u>	<u>93,273</u>	<u>2,382</u>	<u>167,321</u>
Total	<u>\$176,100</u>	<u>\$558,331</u>	<u>\$ 3,982</u>	<u>\$738,413</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Deferred Inflows of Resources			
	MERS	MPERS	LASERS	Total
Difference between expected and actual experience	\$ 64,462	\$ 53,278	\$ -	\$ 117,740
Change in assumptions	-	49,349	-	49,349
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	<u>484,416</u>	<u>807,770</u>	<u>14,645</u>	<u>1,306,831</u>
Total	<u>\$548,878</u>	<u>\$910,397</u>	<u>\$14,645</u>	<u>\$1,473,920</u>

Deferred outflows of resources of \$167,321 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended September 30	MERS	MPERS	LASERS	Total
2022	\$ (64,280)	\$ 25,078	\$ (941)	\$ (40,143)
2023	(122,341)	(46,019)	(2,257)	(170,617)
2024	(109,484)	(146,100)	(3,327)	(258,911)
2025	<u>(148,340)</u>	<u>(278,298)</u>	<u>(6,519)</u>	<u>(433,157)</u>
Total	<u>\$ (444,445)</u>	<u>\$ (445,339)</u>	<u>\$ (13,044)</u>	<u>\$ (902,828)</u>

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 2,396,499	\$ 1,562,044	\$ 856,250
MPERS	6.75%	3,015,102	1,729,992	657,358
LASERS	7.40%	<u>85,090</u>	<u>62,800</u>	<u>43,835</u>
Total		<u>\$ 5,496,691</u>	<u>\$ 3,354,836</u>	<u>\$ 1,557,443</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Payables to the Pension Plans

At September 30, 2021, the City had paid all of the contractually required contributions to MERS, LASERS, and MPERS.

(15) On-Behalf Payments of Salaries

GASB Statement No. 24, *Accounting and Financial Reporting For Certain Grants and Other Financial Assistance* requires the Government to report and disclose in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to certain groups of Government employees. Supplementary salary payments are made by the state directly to certain groups of employees. The Government is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution made by the state. For the fiscal year ended September 30, 2021, the state paid supplemental salaries in the amount of \$125,850 to law enforcement officers. The payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and General Fund financial statements.

(16) Departmental Information for the Enterprise Fund

The City of Rayne maintains two enterprise funds with three departments which provide electric, water, and sewerage services. Departmental information for the year ended September 30, 2021 is as follows:

	Utility Fund		Sewer Fund	Total
	Electric	Water	Sewerage	Enterprise
	Department	Department	Department	Funds
Operating revenues	\$8,773,596	\$1,205,961	\$ 914,598	\$ 10,894,155
Operating expenses	7,741,333	1,028,923	772,968	9,543,224
Operating income	<u>\$1,032,263</u>	<u>\$ 177,038</u>	<u>\$ 141,630</u>	<u>\$ 1,350,931</u>

(17) Contingent Liabilities

At September 30, 2021, the City is not involved in any pending or threatened litigation that represents a contingent liability.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(18) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended September 30, 2021 follows:

Charles "Chuck" Robichaux, Mayor	\$ 76,000
Aldermen:	
Lendell "Pete" Babineaux, Mayor pro-tem	8,101
Curtrese Minix	7,741
Kenneth Guidry	7,200
Calise Doucet	7,200
James "Jimmy" Fontenot	7,200
Total	<u>\$ 113,442</u>

(19) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to the City's Mayor from October 1, 2020 through September 30, 2021 follows:

Salary	\$76,000
Benefits - retirement	11,780
Reimbursements	3,559
Travel	84
Conference travel	300
Total	<u>\$91,723</u>

(20) Interfund Transactions

Interfund transfers consisted of the following at September 30, 2021:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds -		
General Fund	\$3,799,559	\$ -
Sales Tax Special Revenue Fund	-	2,656,298
Other Governmental	35,806	-
Proprietary Fund -		
Utility Fund	-	1,127,067
Sewer Fund	-	52,000
Total	<u>\$3,835,365</u>	<u>\$3,835,365</u>

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables consisted of the following at September 30, 2021:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major funds:		
Governmental funds -		
General Fund	\$ 86,250	\$ 396,274
Other Governmental	50	918
Proprietary Fund -		
Utility Fund	397,192	134,557
Sewer Fund	49,209	952
Total	<u>\$ 532,701</u>	<u>\$ 532,701</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

(21) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements which were not required to be implemented by the Government during the current fiscal year.

GASB Statement No. 87, "Leases." The requirements of this Statement are effective for fiscal years beginning after June 30, 2022.

GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." The requirements for this Statement are effective for fiscal years beginning after December 31, 2021.

The effect of implementation of these new pronouncements on the City's financials has not yet been determined.

(22) Subsequent Events

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may impact the ongoing operations of the City of Rayne; however, the extent and severity of the potential impact is unknown at this time.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF RAYNE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 335,457	\$ 332,282	\$ 339,372	\$ 7,090
Licenses and permits	309,936	385,515	326,414	(59,101)
Intergovernmental	1,088,510	479,522	690,576	211,054
Charges for services	77,862	107,462	122,982	15,520
Fines and forfeits	131,158	129,550	148,992	19,442
Interest on investments	1,009	193	1,862	1,669
Miscellaneous	153,261	393,256	384,182	(9,074)
Total revenues	<u>2,097,193</u>	<u>1,827,780</u>	<u>2,014,380</u>	<u>186,600</u>
Expenditures:				
General government	1,604,076	1,382,340	1,166,548	215,792
Public safety	2,197,856	2,240,325	2,313,917	(73,592)
Public works	823,579	823,420	884,817	(61,397)
Culture and recreation	229,754	235,921	274,100	(38,179)
Capital outlay	1,748,438	793,358	361,768	431,590
Total expenditures	<u>6,603,703</u>	<u>5,475,364</u>	<u>5,001,150</u>	<u>474,214</u>
Deficiency of revenues over expenditures	(4,506,510)	(3,647,584)	(2,986,770)	(287,614)
Other financing sources:				
Transfers in	<u>4,380,000</u>	<u>3,752,830</u>	<u>3,799,559</u>	<u>(46,729)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(126,510)	105,246	812,789	(334,343)
Fund balance, beginning	<u>623,053</u>	<u>623,053</u>	<u>623,053</u>	<u>-</u>
Fund balance, ending	<u>\$ 496,543</u>	<u>\$ 728,299</u>	<u>\$ 1,435,842</u>	<u>\$ (334,343)</u>

CITY OF RAYNE, LOUISIANA
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Sales tax collections	\$2,194,009	\$2,597,831	\$2,738,474	\$140,643
Interest	<u>1,199</u>	<u>816</u>	<u>1,020</u>	<u>204</u>
Total revenues	<u>2,195,208</u>	<u>2,598,647</u>	<u>2,739,494</u>	<u>140,847</u>
Expenditures:				
General government				
Salaries	41,763	35,041	30,540	4,501
Payroll taxes	2,606	2,116	2,189	(73)
Group insurance	13,224	15,517	14,680	837
General insurance	-	-	15	(15)
Retirement	4,915	5,974	5,649	325
Professional fees	810	-	1,475	(1,475)
Uniforms	-	1,770	-	1,770
Supplies	-	-	2	(2)
Sales tax collection fees	<u>30,140</u>	<u>40,563</u>	<u>41,136</u>	<u>(573)</u>
Total expenditures	<u>93,458</u>	<u>100,981</u>	<u>95,686</u>	<u>5,295</u>
Excess of revenues over expenditures	2,101,750	2,497,666	2,643,808	146,142
Other financing sources (uses):				
Transfers out	<u>(2,240,000)</u>	<u>(2,656,298)</u>	<u>(2,656,298)</u>	<u>-</u>
Deficiency of revenues over expenditures and other uses	(138,250)	(158,632)	(12,490)	146,142
Fund balance, beginning	<u>1,384,322</u>	<u>1,384,322</u>	<u>1,384,322</u>	<u>-</u>
Fund balance, ending	<u>\$1,246,072</u>	<u>\$1,225,690</u>	<u>\$1,371,832</u>	<u>\$146,142</u>

CITY OF RAYNE, LOUISIANA

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:				
Service Cost	\$ 296,275	\$ 213,842	\$ 213,842	\$ 205,499
Interest	195,311	297,979	275,171	269,745
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(416,109)	-	-
Changes of assumptions	-	1,309,026	-	-
Benefit payments	<u>(146,083)</u>	<u>(146,083)</u>	<u>(136,092)</u>	<u>(136,092)</u>
Net change in total OPEB liability	345,503	1,258,655	352,921	339,152
Total OPEB liability - beginning	<u>8,457,241</u>	<u>7,198,586</u>	<u>6,845,665</u>	<u>6,506,513</u>
Total OPEB liability - ending	\$ 8,802,744	\$ 8,457,241	\$ 7,198,586	\$ 6,845,665
Covered employee payroll	<u>\$ 2,109,953</u>	<u>\$ 2,109,953</u>	<u>\$ 2,064,698</u>	<u>\$ 2,064,698</u>
Net OPEB liability as a percentage of covered-employee payroll	417.2%	400.8%	348.7%	331.6%

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

CITY OF RAYNE, LOUISIANA

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

Plan	Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's 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
MERS	2021	2.696393%	\$ 1,562,044	\$2,049,464	76.2%	79.14%
	2020	2.813919%	2,550,047	2,180,704	116.9%	66.30%
	2019	2.652938%	2,320,825	2,028,080	114.4%	66.10%
	2018	2.788250%	2,358,390	2,066,308	114.1%	63.90%
	2017	2.670620%	2,310,706	1,942,256	119.0%	63.50%
	2016	2.643570%	2,191,281	1,895,389	115.6%	62.10%
	2015	2.642680%	1,796,089	1,833,663	98.0%	66.20%
	2014	2.543320%	1,194,079	1,586,161	75.3%	76.90%
MPERS	2021	0.324543%	1,729,992	1,125,669	153.7%	84.09%
	2020	0.320745%	2,964,431	990,693	299.2%	70.90%
	2019	0.271680%	2,467,309	848,428	290.8%	71.00%
	2018	0.247843%	2,095,280	731,418	286.5%	71.90%
	2017	0.234800%	2,049,903	703,644	291.3%	63.50%
	2016	0.262140%	2,457,000	691,338	355.4%	66.00%
	2015	0.268440%	2,102,915	673,085	312.4%	70.70%
	2014	0.267040%	1,670,624	622,573	268.3%	75.10%
LASERS	2021	0.001140%	62,800	24,000	261.7%	72.80%
	2020	0.001119%	92,549	24,000	385.6%	58.00%
	2019	0.001160%	84,041	24,000	350.2%	62.90%
	2018	0.001211%	82,589	24,000	344.1%	64.30%
	2017	0.001250%	88,478	24,000	368.7%	62.50%
	2016	0.001250%	98,235	24,000	409.3%	57.70%
	2015	0.001200%	81,278	24,000	338.7%	62.70%
	2014	0.001330%	83,414	24,923	334.7%	65.00%

* The amounts presented are as of the measurement date (June 30 fiscal year end).

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

CITY OF RAYNE, LOUISIANA

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

Plan	Year Ended September 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
MERS	2021	\$ 321,197	\$ 321,197	\$ -	\$2,031,373	15.81%
	2020	304,063	304,063	-	2,119,917	14.34%
	2019	284,160	284,160	-	2,039,635	13.93%
	2018	277,840	277,840	-	2,066,106	13.45%
	2017	208,622	208,622	-	1,942,256	10.74%
	2016	186,854	186,854	-	1,895,389	9.86%
	2015	176,266	176,266	-	1,855,436	9.50%
	2014	161,129	161,129	-	1,696,091	9.50%
MPERS	2021	334,204	334,204	-	994,014	33.62%
	2020	321,581	321,581	-	980,604	32.79%
	2019	381,482	381,482	-	883,033	43.20%
	2018	235,494	235,494	-	7,557,773	3.12%
	2017	222,552	222,552	-	659,413	33.75%
	2016	225,639	225,639	-	703,644	32.07%
	2015	224,844	224,844	-	681,032	33.02%
	2014	213,901	213,901	-	645,803	33.12%
LASERS	2021	9,526	9,526	-	24,000	39.69%
	2020	10,182	10,182	-	24,000	42.43%
	2019	9,773	9,773	-	24,000	40.72%
	2018	9,624	9,624	-	24,000	40.10%
	2017	9,120	9,120	-	24,000	38.00%
	2016	9,137	9,137	-	24,000	38.07%
	2015	9,740	9,740	-	24,000	40.58%
	2014	9,383	9,838	-	24,923	37.65%

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

CITY OF RAYNE, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The City follows the procedures detailed below in adopting its budget.

- a. Prior to September 15, the City Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following October 1.
- b. 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.
- c. A public hearing is required to be conducted to obtain taxpayer comments and notice thereof is published in the official journal at least ten days prior to such hearing. The notification is to include the time and place of the public hearing in addition to a general summary of the proposed budget.
- d. Final adoption of the budget is required to be not later than September 30 of the fiscal year for the ensuing fiscal year.
- e. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Mayor or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable. In practice, this has generally been interpreted (due to the flexibility for intra departmental transfer of line item appropriations) to mean control at the departmental/fund level. Intra departmental transfers are approved by the Mayor or his designee. Budget adjustments which involve changes to total revenues and/or expenditures/expenses require Council approval.
- f. Those budgets which the City adopts are on a basis consistent with generally accepted accounting principles as applied to governmental units.
- g. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

All budgeted amounts presented reflect the original budget and the final budget (which have been adjusted for legally authorized revisions during the year).

CITY OF RAYNE, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(2) Excess Expenditures over Appropriations

For the year ended September 30, 2021, the General Fund has actual expenditures over appropriations as follows:

<u>Fund and Function</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
Public Safety	2,240,325	2,313,917	(73,592)
Public Works	823,420	884,817	(61,397)
Culture and recreation	235,921	274,100	(38,179)

(3) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

(4) Other Postemployment Benefits

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

OTHER SUPPLEMENTARY INFORMATION

CITY OF RAYNE, LOUISIANA

Statement of Net Position
September 30, 2021
With Comparative Totals as of September 30, 2020

	2021			2020
	Governmental Activities	Business-Type Activities	Total	Totals
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 3,235,686	\$3,988,761	\$ 7,224,447	\$ 5,253,823
Receivables, net	8,740	1,151,776	1,160,516	1,304,195
Internal balances	(310,892)	310,892	-	-
Due from other governmental units	202,238	-	202,238	95,035
Prepaid items	62,228	40,074	102,302	75,151
Inventory	-	279,617	279,617	249,900
Total current assets	<u>3,198,000</u>	<u>5,771,120</u>	<u>8,969,120</u>	<u>6,978,104</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	524,422	524,422	348,949
Capital assets:				
Land and construction in progress	547,275	2,500,295	3,047,570	965,730
Other capital assets, net	<u>5,424,540</u>	<u>7,646,032</u>	<u>13,070,572</u>	<u>13,310,260</u>
Total noncurrent assets	<u>5,971,815</u>	<u>10,670,749</u>	<u>16,642,564</u>	<u>14,624,939</u>
Total assets	<u>9,169,815</u>	<u>16,441,869</u>	<u>25,611,684</u>	<u>21,603,043</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	643,319	95,094	738,413	1,564,090
Deferred outflows related to other postemployment benefit	<u>994,356</u>	<u>-</u>	<u>994,356</u>	<u>-</u>
Total deferred outflows of resources	<u>1,637,675</u>	<u>95,094</u>	<u>1,732,769</u>	<u>1,564,090</u>
LIABILITIES				
Current liabilities:				
Accounts and other payables	263,933	815,575	1,079,508	1,419,733
Due to other governments	215	-	215	215
Customers deposits payable	12,395	358,919	371,314	348,949
Loans payable	-	46,000	46,000	162,000
Accrued interest payable	-	3,102	3,102	-
Unearned revenue	-	1,477,930	1,477,930	-
Total current liabilities	<u>276,543</u>	<u>2,701,526</u>	<u>2,978,069</u>	<u>1,930,897</u>
Noncurrent liabilities:				
Compensated absences payable	248,617	238,148	486,765	474,328
Loans payable	-	2,584,264	2,584,264	530,395
Net pension liability	2,511,332	843,504	3,354,836	5,607,026
Other postemployment benefit payable	<u>8,802,744</u>	<u>-</u>	<u>8,802,744</u>	<u>8,457,241</u>
Total noncurrent liabilities	<u>11,562,693</u>	<u>3,665,916</u>	<u>15,228,609</u>	<u>15,068,990</u>
Total liabilities	<u>11,839,236</u>	<u>6,367,442</u>	<u>18,206,678</u>	<u>16,999,887</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	1,177,526	296,394	1,473,920	270,766
Deferred inflows related to other postemployment benefit	<u>316,083</u>	<u>-</u>	<u>316,083</u>	<u>-</u>
Total deferred inflows of resources	<u>1,493,609</u>	<u>296,394</u>	<u>1,790,003</u>	<u>270,766</u>
NET POSITION				
Net investment in capital assets	5,968,997	7,419,930	13,388,927	13,583,595
Restricted -				
Operations and maintenance	69,215	-	69,215	-
Purpose of grantors, trustees and donors	44,568	-	44,568	32,330
Debt service	-	161,098	161,098	-
Unrestricted (deficit)	<u>(8,608,135)</u>	<u>2,292,099</u>	<u>(6,316,036)</u>	<u>(7,719,445)</u>
Total net position	<u>\$ (2,525,355)</u>	<u>\$ 9,873,127</u>	<u>\$ 7,347,772</u>	<u>\$ 5,896,480</u>

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021				
	Budget			Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual		
Taxes:					
Ad valorem	\$ 245,294	\$ 247,133	\$ 247,594	\$ 461	\$ 245,423
Franchise	90,163	85,149	91,778	6,629	86,738
Total taxes	<u>335,457</u>	<u>332,282</u>	<u>339,372</u>	<u>7,090</u>	<u>332,161</u>
Licenses and permits:					
Occupational licenses	298,790	385,515	312,321	(73,194)	311,505
Permits	11,146	-	14,093	14,093	14,712
Total licenses and permits	<u>309,936</u>	<u>385,515</u>	<u>326,414</u>	<u>(59,101)</u>	<u>326,217</u>
Intergovernmental:					
Beer taxes	15,997	14,059	13,977	(82)	14,227
Federal grants	-	-	-	-	180
State of Louisiana	726,971	9,682	143,242	133,560	40,796
Housing authority payments in lieu of taxes	64,994	71,162	71,163	1	72,201
Video poker commissions	280,548	384,619	462,194	77,575	321,497
Total intergovernmental	<u>1,088,510</u>	<u>479,522</u>	<u>690,576</u>	<u>211,054</u>	<u>448,901</u>
Charges for services:					
Community center rentals	64,195	107,462	109,812	2,350	27,215
Grass cutting and maintenance	13,667	-	13,170	13,170	14,340
Total charges for services	<u>77,862</u>	<u>107,462</u>	<u>122,982</u>	<u>15,520</u>	<u>41,555</u>
Fines and forfeits	<u>131,158</u>	<u>129,550</u>	<u>148,992</u>	<u>19,442</u>	<u>172,581</u>
Interest on investments	<u>1,009</u>	<u>193</u>	<u>1,862</u>	<u>1,669</u>	<u>1,417</u>
Miscellaneous	<u>153,261</u>	<u>393,256</u>	<u>384,182</u>	<u>(9,074)</u>	<u>205,928</u>
Total revenues	<u>\$2,097,193</u>	<u>\$1,827,780</u>	<u>\$2,014,380</u>	<u>\$186,600</u>	<u>\$1,528,760</u>

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021			Variance with	
	Budget			Final Budget	
	Original	Final	Actual	Positive (Negative)	2020 Actual
General government:					
Administration-					
Salaries	\$ 144,023	\$ 157,356	\$ 152,893	\$ 4,463	\$ 147,917
Payroll taxes	19,983	3,447	7,541	(4,094)	23,554
Group insurance	487,148	469,907	292,949	176,958	530,052
General insurance	352,322	297,344	258,244	39,100	355,034
Retirement	10,365	12,460	11,780	680	10,903
Professional fees	46,761	34,194	66,681	(32,487)	51,802
City promotions	9,788	2,919	2,599	320	9,480
Tax roll	6,696	5,837	5,837	-	5,580
Utilities	17,616	18,148	18,700	(552)	18,736
Dues and subscriptions	3,230	15,488	1,699	13,789	2,692
Repairs and maintenance	21,697	14,472	13,655	817	19,485
Supplies	9,423	1,141	87	1,054	7,852
Equipment	124,385	-	864	(864)	-
Engineering fees	28,733	3,470	3,699	(229)	21,281
Miscellaneous	19,490	15,507	8,246	7,261	11,736
	<u>1,301,660</u>	<u>1,051,690</u>	<u>845,474</u>	<u>206,216</u>	<u>1,216,104</u>
City Court-					
Salaries	174,188	179,188	174,456	4,732	172,541
Payroll taxes	10,218	11,598	11,317	281	10,583
General insurance	360	-	490	(490)	500
Retirement	21,734	27,458	26,239	1,219	25,076
Professional fees	34,882	38,414	33,612	4,802	30,683
Uniforms	-	-	-	-	424
Utilities	17,821	24,096	22,818	1,278	16,725
Repairs and maintenance	9,091	8,266	9,091	(825)	7,794
Rent Expense	4,827	1,504	1,565	(61)	4,729
Supplies	9,383	8,927	10,766	(1,839)	9,554
Equipment	61	3,027	3,038	(11)	166
Miscellaneous	19,851	28,172	27,682	490	28,118
	<u>302,416</u>	<u>330,650</u>	<u>321,074</u>	<u>9,576</u>	<u>306,893</u>
Total general government	<u>1,604,076</u>	<u>1,382,340</u>	<u>1,166,548</u>	<u>215,792</u>	<u>1,522,997</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021			Variance with Final Budget	
	Budget		Actual	Positive (Negative)	2020 Actual
	Original	Final			
Public safety:					
Police Department -					
Salaries	\$1,184,698	\$1,161,555	\$1,269,071	\$ (107,516)	\$1,185,069
Payroll taxes	26,530	33,506	33,725	(219)	27,569
Group insurance	-	-	2,051	(2,051)	-
General Insurance	-	-	5,734	(5,734)	-
Contract Labor	14,778	-	29,455	(29,455)	12,905
Retirement	305,218	353,964	330,393	23,571	325,717
Professional fees	3,395	2,299	8,241	(5,942)	6,221
Uniforms	11,394	11,590	10,915	675	11,339
Utilities	54,331	54,975	56,066	(1,091)	54,715
Repairs and maintenance	86,743	166,912	101,434	65,478	101,265
Supplies	52,118	46,971	33,812	13,159	34,031
Equipment	18,222	-	16,300	(16,300)	17,075
Storm related expenses	-	-	8,143	(8,143)	3,518
Prisoner Care	91,767	76,681	75,291	1,390	90,149
Miscellaneous	87,808	78,907	105,700	(26,793)	81,939
	<u>1,937,002</u>	<u>1,987,360</u>	<u>2,086,331</u>	<u>(98,971)</u>	<u>1,951,512</u>
Fire Department -					
Contract Labor	23,785	20,951	20,951	-	19,821
Rent Expense	23,000	46,000	23,000	23,000	-
	<u>46,785</u>	<u>66,951</u>	<u>43,951</u>	<u>23,000</u>	<u>19,821</u>
Permit Department -					
Salaries	83,590	73,595	73,643	(48)	81,538
Payroll taxes	5,750	6,377	6,162	215	5,920
Retirement	13,155	13,558	12,818	740	11,761
General insurance	-	-	360	(360)	-
Professional fees	717	-	433	(433)	191
Uniforms	819	-	843	(843)	1,396
Utilities	1,743	1,626	1,644	(18)	1,738
Repairs and maintenance	491	954	1,045	(91)	842
Supplies	581	-	210	(210)	490
Equipment	-	-	369	(369)	-
Miscellaneous	1,628	5,289	3,467	1,822	1,921
	<u>108,474</u>	<u>101,399</u>	<u>100,994</u>	<u>405</u>	<u>105,797</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final			
Public safety: (Continued)					
Marshal Department -					
Salaries	23,199	17,525	16,592	933	22,470
Payroll taxes	1,284	1,243	1,191	52	1,310
General insurance	7,140	-	5,875	(5,875)	7,525
Retirement	-	-	1,553	(1,553)	-
Professional fees	948	-	438	(438)	407
Utilities	1,860	-	1,784	(1,784)	1,810
Repairs and maintenance	2,927	-	1,437	(1,437)	2,381
Supplies	596	12,698	195	12,503	340
Equipment	329	-	-	-	59
Miscellaneous	1,517	-	-	-	93
	<u>39,800</u>	<u>31,466</u>	<u>29,065</u>	<u>2,401</u>	<u>36,395</u>
Animal control -					
Salaries	46,949	-	38,195	(38,195)	45,823
Payroll taxes	4,336	-	2,807	(2,807)	3,386
General insurance	-	-	72	(72)	-
Retirement	4,071	-	3,997	(3,997)	4,296
Professional fees	113	-	-	-	94
Uniforms	810	-	719	(719)	793
Utilities	2,147	-	3,993	(3,993)	2,885
Repairs and maintenance	1,420	-	402	(402)	1,191
Supplies	70	-	188	(188)	132
Equipment	26	-	427	(427)	22
Animal care	4,190	53,149	669	52,480	2,869
Miscellaneous	1,663	-	2,107	(2,107)	1,514
	<u>65,795</u>	<u>53,149</u>	<u>53,576</u>	<u>(427)</u>	<u>63,005</u>
Total public safety	<u>2,197,856</u>	<u>2,240,325</u>	<u>2,313,917</u>	<u>(73,592)</u>	<u>2,176,530</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Public Works:					
Salaries	448,425	445,943	434,903	11,040	466,749
Payroll taxes	34,225	35,946	34,649	1,297	34,779
General insurance	-	-	3,566	(3,566)	-
Contract labor	864	-	-	-	1,280
Retirement	30,748	41,362	38,578	2,784	32,235
Professional fees	1,059	-	1,923	(1,923)	2,089
Uniforms	15,000	18,041	21,341	(3,300)	16,117
Utilities	15,190	13,884	14,295	(411)	15,665
Repairs and maintenance	134,813	149,881	133,311	16,570	141,048
Supplies	25,556	32,038	20,649	11,389	22,194
Equipment	4,141	-	7,894	(7,894)	5,547
Storm related expenses	691	-	15,908	(15,908)	71,701
Engineering fees	27,909	11,787	12,503	(716)	14,292
Street lighting	43,000	43,000	-	43,000	43,000
Miscellaneous	41,958	31,538	145,297	(113,759)	48,626
Total public works	823,579	823,420	884,817	(61,397)	915,322
Culture and recreation:					
Centers and parks -					
Salaries	73,973	79,400	77,296	2,104	77,073
Payroll taxes	5,658	6,243	6,049	194	5,848
General insurance	-	-	359	(359)	-
Contract labor	384	-	-	-	320
Professional fees	338	-	1,338	(1,338)	281
Utilities	62,315	49,709	57,363	(7,654)	62,938
Repairs and maintenance	48,336	52,569	67,089	(14,520)	87,715
Supplies	13,709	10,098	26,373	(16,275)	14,031
Equipment	358	-	3,439	(3,439)	298
Storm related expenses	-	-	9,218	(9,218)	977
Engineering fees	7,851	-	6,852	(6,852)	6,392
Miscellaneous	12,861	30,655	11,611	19,044	12,880
	225,783	228,674	266,987	(38,313)	268,753

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

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

	2021				
	Budget			Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual		
Museum -					
Utilities	1,801	2,251	2,333	(82)	1,982
Repairs and maintenance	2,170	2,490	2,407	83	1,669
Storm related expenses	-	-	320	(320)	4
Miscellaneous	-	2,506	2,053	453	300
	<u>3,971</u>	<u>7,247</u>	<u>7,113</u>	<u>134</u>	<u>3,955</u>
 Total culture and recreation	<u>229,754</u>	<u>235,921</u>	<u>274,100</u>	<u>(38,179)</u>	<u>272,708</u>
 Capital Outlay	<u>1,748,438</u>	<u>793,358</u>	<u>361,768</u>	<u>431,590</u>	<u>325,634</u>
 Total expenditures	<u>\$ 6,603,703</u>	<u>\$ 5,475,364</u>	<u>\$ 5,001,150</u>	<u>\$ 474,214</u>	<u>\$ 5,213,191</u>

CITY OF RAYNE, LOUISIANA

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

	Special Revenue			Capital Projects	
	Section 8 Housing Voucher Program	Youth Recreation Fund	Veteran's Park Fund	LCDBG Fund	Total
ASSETS					
Cash and interest-bearing deposits	\$ 46,681	\$ 56,831	\$ 20,252	\$ -	\$ 123,764
Due from other funds	-	50	-	-	50
Prepaids items	-	1,367	-	-	1,367
Total assets	<u>\$ 46,681</u>	<u>\$ 58,248</u>	<u>\$ 20,252</u>	<u>\$ -</u>	<u>\$ 125,181</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 605	\$ 4,930	\$ 65	\$ -	\$ 5,600
Accrued liabilities	1,508	3,372	-	-	4,880
Due to other funds	-	918	-	-	918
Total liabilities	<u>2,113</u>	<u>9,220</u>	<u>65</u>	<u>-</u>	<u>11,398</u>
Fund balances:					
Restricted -					
Operations and maintenance	-	49,028	20,187	-	69,215
Purpose of grantors, trustees and donors	44,568	-	-	-	44,568
Total fund balances	<u>44,568</u>	<u>49,028</u>	<u>20,187</u>	<u>-</u>	<u>113,783</u>
Total liabilities and fund balances	<u>\$ 46,681</u>	<u>\$ 58,248</u>	<u>\$ 20,252</u>	<u>\$ -</u>	<u>\$ 125,181</u>

CITY OF RAYNE, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2021

	Special Revenue			Capital Projects	
	Section 8 Housing Voucher Program	Youth Recreation Fund	Veteran's Park Fund	LCDBG Fund	Total
Revenues:					
Taxes -					
Ad valorem	\$ -	\$ 172,459	\$ -	\$ -	\$ 172,459
Intergovernmental -					
Federal	524,073	-	-	-	524,073
Charges for services	-	36,814	-	-	36,814
Investment income	47	-	-	-	47
Miscellaneous	-	39	375	-	414
Total revenues	<u>524,120</u>	<u>209,312</u>	<u>375</u>	<u>-</u>	<u>733,807</u>
Expenditures:					
Current -					
Culture and recreation	-	236,779	1,786	-	238,565
Urban redevelopment housing	<u>511,882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>511,882</u>
Total expenditures	<u>511,882</u>	<u>236,779</u>	<u>1,786</u>	<u>-</u>	<u>750,447</u>
Excess (deficiency) of revenues over expenditures	12,238	(27,467)	(1,411)	-	(16,640)
Other financing sources:					
Transfers in	<u>-</u>	<u>35,806</u>	<u>-</u>	<u>-</u>	<u>35,806</u>
Net changes in fund balances	12,238	8,339	(1,411)	-	19,166
Fund balances, beginning	<u>32,330</u>	<u>40,689</u>	<u>21,598</u>	<u>-</u>	<u>94,617</u>
Fund balances, ending	<u>\$ 44,568</u>	<u>\$ 49,028</u>	<u>\$ 20,187</u>	<u>\$ -</u>	<u>\$ 113,783</u>

CITY OF RAYNE, LOUISIANA
Special Revenue Fund
Section 8 - Housing Assistance Fund

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

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Intergovernmental revenue -					
Federal grant	\$ 476,611	\$ 517,851	\$ 524,073	\$ -	\$ 474,526
Interest income	56	57	47	(10)	65
Total revenues	<u>476,667</u>	<u>517,908</u>	<u>524,120</u>	<u>(10)</u>	<u>474,591</u>
Expenditures:					
Urban redevelopment and housing -					
Salaries	47,126	40,433	41,127	694	51,987
Payroll taxes	3,809	3,222	3,304	82	4,190
Group insurance	383	-	426	426	416
General Insurance	-	-	21	21	-
Retirement - current	6,632	8,061	7,621	(440)	6,992
Professional fees	8,352	7,440	7,344	(96)	10,068
Uniforms	-	-	-	-	532
Utilities	399	1,545	399	(1,146)	399
Supplies	-	-	16	16	5
Utility Assistance	1,687	60	60	-	1,761
Housing Assistance	410,363	461,759	451,446	(10,313)	395,847
Miscellaneous	1,300	-	118	118	841
Total expenditures	<u>480,051</u>	<u>522,520</u>	<u>511,882</u>	<u>(10,638)</u>	<u>473,038</u>
Excess of (deficiency) revenues over expenditures	<u>(3,384)</u>	<u>(4,612)</u>	<u>12,238</u>	<u>(10,648)</u>	<u>1,553</u>
Fund balance, beginning	<u>32,330</u>	<u>32,330</u>	<u>32,330</u>	<u>-</u>	<u>30,777</u>
Fund balance, ending	<u>\$ 28,946</u>	<u>\$ 27,718</u>	<u>\$ 44,568</u>	<u>\$ (10,648)</u>	<u>\$ 32,330</u>

CITY OF RAYNE, LOUISIANA
Special Revenue Fund
Youth Recreation Fund

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

	2021			Variance with Final Budget	2020
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
Revenues:					
Taxes	\$ 172,296	\$ 172,460	\$ 172,459	\$ (1)	\$ 172,387
Charges for services -					
Concession stand	44,566	269	11,930	11,661	6,765
Registration fees	54,637	30,639	24,884	(5,755)	10,009
Miscellaneous	29	12	39	27	45
Total revenues	<u>271,528</u>	<u>203,380</u>	<u>209,312</u>	<u>5,932</u>	<u>189,206</u>
Expenditures:					
Culture and recreation -					
Salaries	114,436	108,075	105,497	(2,578)	121,365
Payroll taxes	9,192	8,503	8,390	(113)	9,785
Group insurance	5,415	-	5,847	5,847	5,879
General Insurance	1,752	11,230	3,580	(7,650)	1,816
Contract Labor	1,043	905	754	(151)	869
Retirement - current	12,740	14,474	13,550	(924)	13,432
Professional fees	113	-	163	163	115
Utilities	14,723	15,571	15,218	(353)	14,511
Repairs and maintenance	11,063	17,624	11,544	(6,080)	17,038
Supplies	878	1,551	842	(709)	1,391
Equipment	6,435	50	2,089	2,039	842
Storm related expenses	-	289	289	-	54
Engineering fees	-	-	207	207	-
Youth Programs	93,810	67,962	54,969	(12,993)	43,854
Concession expense	37,945	10,941	10,255	(686)	7,396
Miscellaneous	240	-	3,585	3,585	375
Total expenditures	<u>309,785</u>	<u>257,175</u>	<u>236,779</u>	<u>(20,396)</u>	<u>238,722</u>
Excess of (deficiency) revenues over expenditures	<u>(38,257)</u>	<u>(53,795)</u>	<u>(27,467)</u>	<u>(14,464)</u>	<u>(49,516)</u>
Other financing sources (uses):					
Transfers in	35,000	35,000	35,806	806	45,000
Transfers out	-	-	-	-	(180)
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>35,806</u>	<u>806</u>	<u>44,820</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>(3,257)</u>	<u>(18,795)</u>	<u>8,339</u>	<u>(13,658)</u>	<u>(4,696)</u>
Fund balance, beginning	<u>40,689</u>	<u>40,689</u>	<u>40,689</u>	<u>-</u>	<u>45,385</u>
Fund balance, ending	<u>\$ 37,432</u>	<u>\$ 21,894</u>	<u>\$ 49,028</u>	<u>\$ (13,658)</u>	<u>\$ 40,689</u>

CITY OF RAYNE, LOUISIANA
Special Revenue Fund
Rayne Veterans Park

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

	2021				
	Budget			Variance -	2020
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Miscellaneous	\$ -	\$ 375	\$ 375	\$ -	\$ 1,050
Expenditures:					
Culture and Recreation -					
Utilities	406	693	648	45	577
Repairs and maintenance	-	70	1,138	(1,068)	-
Total expenditures	406	763	1,786	(1,023)	577
Excess (deficiency) of revenues over expenditures	(406)	(388)	(1,411)	1,023	473
Fund balance, beginning	21,598	21,598	21,598	-	21,125
Fund balance, ending	\$ 21,192	\$ 21,210	\$ 20,187	\$ 1,023	\$ 21,598

CITY OF RAYNE, LOUISIANA
Capital Projects Fund
LCDBG

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

	2021			Variance -	2020
	Budget		Actual	Favorable (Unfavorable)	Actual
	Original	Final			
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:					
Capital outlay	-	-	-	-	36,640
Excess (deficiency) of revenues over expenditures	-	-	-	-	(36,640)
Other financing sources (uses):					
Transfers in	-	-	-	-	36,641
Excess of revenues and other financing sources over expenditures and other uses	-	-	-	-	1
Fund balance, beginning	-	-	-	-	(1)
Fund balance, ending	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF RAYNE, LOUISIANA
Comparative Statement of Net Position
Enterprise Fund
September 30, 2021 and 2020

	Utility Fund		Sewer Fund		Total	
	2021	2020	2021	2020	2021	2020
ASSETS						
Current assets:						
Cash and interest-bearing deposits	\$2,367,943	\$1,645,069	\$1,620,818	\$1,290,657	\$ 3,988,761	\$ 2,935,726
Accounts receivable, net	1,053,727	1,014,524	98,049	157,928	1,151,776	1,172,452
Due from other funds	397,192	-	49,209	39,460	446,401	39,460
Inventory	279,617	248,306	-	1,594	279,617	249,900
Prepaid items	40,074	75,151	-	-	40,074	75,151
Total current assets	<u>4,138,553</u>	<u>2,983,050</u>	<u>1,768,076</u>	<u>1,489,639</u>	<u>5,906,629</u>	<u>4,472,689</u>
Noncurrent assets:						
Restricted assets -						
Cash and interest-bearing deposits	442,238	348,949	82,184	1,039	524,422	349,988
Capital assets -						
Land and construction in progress	1,976,331	68,470	523,964	500,000	2,500,295	568,470
Other capital assets, net	3,729,460	3,830,557	3,916,572	3,837,412	7,646,032	7,667,969
Total noncurrent assets	<u>6,148,029</u>	<u>4,247,976</u>	<u>4,522,720</u>	<u>4,338,451</u>	<u>10,670,749</u>	<u>8,586,427</u>
Total assets	<u>10,286,582</u>	<u>7,231,026</u>	<u>6,290,796</u>	<u>5,828,090</u>	<u>16,577,378</u>	<u>13,059,116</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	<u>86,536</u>	<u>466,891</u>	<u>8,558</u>	<u>87,521</u>	<u>95,094</u>	<u>554,412</u>
LIABILITIES						
Current liabilities:						
Accounts and other payables	763,851	868,649	51,724	18,845	815,575	887,494
Due to other funds	134,557	62,460	952	-	135,509	62,460
Payable from restricted assets:						
Customers' deposits payable	358,919	348,949	-	-	358,919	348,949
Loans payable	-	116,000	46,000	46,000	46,000	162,000
Accrued interest payable	3,102	-	-	-	3,102	-
Unearned revenue	1,477,930	-	-	-	1,477,930	-
Total current liabilities	<u>2,738,359</u>	<u>1,396,058</u>	<u>98,676</u>	<u>64,845</u>	<u>2,837,035</u>	<u>1,460,903</u>
Noncurrent liabilities:						
Compensated absences payable	168,305	277,244	69,843	70,408	238,148	347,652
Loans payable	1,909,059	180,679	675,205	349,717	2,584,264	530,396
Net pension liability	767,588	1,295,343	75,916	131,488	843,504	1,426,831
Total noncurrent liabilities	<u>2,844,952</u>	<u>1,753,266</u>	<u>820,964</u>	<u>551,613</u>	<u>3,665,916</u>	<u>2,304,879</u>
Total liabilities	<u>5,583,311</u>	<u>3,149,324</u>	<u>919,640</u>	<u>616,458</u>	<u>6,502,951</u>	<u>3,765,782</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	<u>269,719</u>	<u>123,868</u>	<u>26,675</u>	<u>37,167</u>	<u>296,394</u>	<u>161,035</u>
NET POSITION						
Net investment in capital assets	3,700,599	3,602,348	3,719,331	3,941,695	7,419,930	7,544,043
Restricted for debt service	83,319	-	77,779	1,039	161,098	1,039
Unrestricted	736,170	822,377	1,555,929	1,319,252	2,292,099	2,141,629
Total net position	<u>\$4,520,088</u>	<u>\$4,424,725</u>	<u>\$5,353,039</u>	<u>\$5,261,986</u>	<u>\$ 9,873,127</u>	<u>\$ 9,686,711</u>

CITY OF RAYNE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position -
Enterprise Fund
For the Years Ended September 30, 2021 and 2020

	Utility Fund		Sewer Fund		Total	
	2021	2020	2021	2020	2021	2020
Operating revenues:						
Charges for services -						
Electric sales	\$ 8,388,322	\$ 8,575,897	\$ -	\$ -	\$ 8,388,322	\$8,575,897
Water service charges	1,203,911	1,046,543	-	-	1,203,911	1,046,543
Sewer service charges	-	-	914,598	855,823	914,598	855,823
Delinquent charges and other fees	214,254	151,348	-	-	214,254	151,348
Miscellaneous	173,070	176,216	-	4	173,070	176,220
Total operating revenues	<u>9,979,557</u>	<u>9,950,004</u>	<u>914,598</u>	<u>855,827</u>	<u>10,894,155</u>	<u>10,805,831</u>
Operating expenses:						
Salaries	1,225,825	1,363,883	181,902	204,052	1,407,727	1,567,935
Payroll taxes	80,954	106,300	8,615	16,045	89,569	122,345
Group health insurance	237,612	238,086	27,637	19,817	265,249	257,903
General insurance	148,157	200,980	14,028	20,274	162,185	221,254
Contract labor	33,281	10,074	-	-	33,281	10,074
Retirement - current	203,116	277,973	38,051	28,397	241,167	306,370
Bad Debt expense	27,912	-	-	-	27,912	-
Professional fees	153,405	151,964	23,108	3,529	176,513	155,493
Electric purchases	5,538,433	5,364,382	-	-	5,538,433	5,364,382
Uniforms	21,069	23,248	3,478	3,135	24,547	26,383
Utilities	83,487	104,086	93,986	86,181	177,473	190,267
Repairs and maintenance	305,871	264,454	43,185	49,104	349,056	313,558
Supplies	115,108	104,977	1,241	1,507	116,349	106,484
Equipment	-	-	612	1,058	612	1,058
Storm related expenses	216,520	27,557	2,171	2,331	218,691	29,888
Engineering fees	24,229	29,524	21,926	31,182	46,155	60,706
Depreciation expense	273,680	279,173	275,988	269,977	549,668	549,150
Miscellaneous	81,597	72,943	37,040	23,531	118,637	96,474
Total operating expenses	<u>8,770,256</u>	<u>8,619,604</u>	<u>772,968</u>	<u>760,120</u>	<u>9,543,224</u>	<u>9,379,724</u>
Operating income	<u>1,209,301</u>	<u>1,330,400</u>	<u>141,630</u>	<u>95,707</u>	<u>1,350,931</u>	<u>1,426,107</u>
Nonoperating revenues (expenses):						
Nonemployer pension contribution	33,116	-	3,275	-	36,391	-
Interest income	2,724	3,280	29	1	2,753	3,281
Interest expense	(22,711)	(5,194)	(1,881)	-	(24,592)	(5,194)
Miscellaneous	-	1	-	(3,679)	-	(3,678)
Total nonoperating revenues (expenses)	<u>13,129</u>	<u>(1,913)</u>	<u>1,423</u>	<u>(3,678)</u>	<u>14,552</u>	<u>(5,591)</u>
Income before transfers	<u>1,222,430</u>	<u>1,328,487</u>	<u>143,053</u>	<u>92,029</u>	<u>1,365,483</u>	<u>1,420,516</u>
Transfers out	<u>(1,127,067)</u>	<u>(1,007,477)</u>	<u>(52,000)</u>	<u>(89,321)</u>	<u>(1,179,067)</u>	<u>(1,096,798)</u>
Change in net position	95,363	321,010	91,053	2,708	186,416	323,718
Net position, beginning	<u>4,424,725</u>	<u>4,103,715</u>	<u>5,261,986</u>	<u>5,259,278</u>	<u>9,686,711</u>	<u>9,362,993</u>
Net position, ending	<u>\$ 4,520,088</u>	<u>\$ 4,424,725</u>	<u>\$5,353,039</u>	<u>\$ 5,261,986</u>	<u>\$ 9,873,127</u>	<u>\$9,686,711</u>

CITY OF RAYNE, LOUISIANA
Enterprise Fund
Utility Funds

Comparative Departmental Analysis of Revenues and Expenses
For the Years Ended September 30, 2021

	Totals		Utility Fund Electric	
	2021	2020	2021	2020
Operating revenues:				
Customers service charges	\$ 10,506,831	\$ 10,478,263	\$ 8,388,322	\$ 8,575,897
Delinquent charges and other fees	214,254	151,348	212,204	145,348
Miscellaneous	173,070	176,220	173,070	176,216
Total operating revenues	<u>10,894,155</u>	<u>10,805,831</u>	<u>8,773,596</u>	<u>8,897,461</u>
Operating expenses:				
Salaries	1,407,727	1,567,935	367,818	416,404
Payroll taxes	89,569	122,345	29,256	29,810
Group insurance	265,249	257,903	-	-
General insurance	162,185	221,254	1,783	-
Contract labor	33,281	10,074	-	-
Retirement - current	241,167	306,370	51,392	50,509
Bad debt expense	27,912	-	-	-
Professional fees	176,513	155,493	861	1,861
Electric purchases	5,538,433	5,364,382	5,538,433	5,364,382
Uniforms	24,547	26,383	9,858	8,991
Utilities	177,473	190,267	9,676	9,647
Repairs and maintenance	349,056	313,558	174,402	119,362
Supplies	116,349	106,484	28,724	29,126
Equipment	612	1,058	-	-
Storm related expenses	218,691	29,888	188,918	14,845
Engineering fees	46,155	60,706	2,355	2,355
Depreciation	549,668	549,150	-	-
Miscellaneous	118,637	96,474	12,310	3,816
Allocation of administrative expense	-	-	1,325,547	1,478,075
Total operating expenses	<u>9,543,224</u>	<u>9,379,724</u>	<u>7,741,333</u>	<u>7,529,183</u>
Net operating income (loss)	<u>\$ 1,350,931</u>	<u>\$ 1,426,107</u>	<u>\$ 1,032,263</u>	<u>\$ 1,368,278</u>

Utility Fund (continued)				Sewer Fund	
Water		Administration		Sewerage	
2021	2020	2021	2020	2021	2020
\$ 1,203,911	\$ 1,046,543	\$ -	\$ -	\$ 914,598	\$ 855,823
2,050	6,000	-	-	-	-
-	-	-	-	-	4
<u>1,205,961</u>	<u>1,052,543</u>	<u>-</u>	<u>-</u>	<u>914,598</u>	<u>855,823</u>
505,864	509,493	352,143	437,986	181,902	204,052
37,838	37,007	13,860	39,483	8,615	16,045
-	-	237,612	238,086	27,637	19,817
2,135	-	144,239	200,980	14,028	20,274
-	-	33,281	10,074	-	-
28,468	64,647	123,256	162,817	38,051	28,397
-	-	27,912	-	-	-
2,105	2,027	150,439	148,076	23,108	3,529
-	-	-	-	-	-
9,713	9,479	1,498	4,778	3,478	3,135
58,178	75,952	15,633	18,487	93,986	86,181
112,199	116,439	19,270	28,653	43,185	49,104
30,201	10,477	56,183	65,374	1,241	1,507
-	-	-	-	612	1,058
6,233	7,595	21,369	5,117	2,171	2,331
18,105	26,130	3,769	1,039	21,926	31,182
-	-	273,680	279,173	275,988	269,977
19,814	10,313	49,473	58,814	37,040	23,531
198,070	220,862	(1,523,617)	(1,698,937)	-	-
<u>1,028,923</u>	<u>1,090,421</u>	<u>-</u>	<u>-</u>	<u>772,968</u>	<u>760,120</u>
<u>\$ 177,038</u>	<u>\$ (37,878)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 141,630</u>	<u>\$ 95,703</u>

CITY OF RAYNE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
September 30, 2021 and 2020

Records maintained by the City indicated the following number of customers were being serviced during the month of September 30, 2021 and 2020.

<u>Department</u>	<u>2021</u>	<u>2020</u>
Electric (metered)	3,922	3,982
Water (metered)	3,526	3,586
Sewerage	3,299	3,354

CITY OF RAYNE, LOUISIANA

Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 3/31/2021	Second Six Month Period Ended 9/30/2021
Cash Basis Presentation		
Receipts From:		
Acadia Parish Police Jury, Criminal Court Costs/Fees	\$ 3,450	\$ 5,500
Rayne City Court, Criminal Fines- Other	64,552	71,047
Subtotal Receipts	<u>\$ 68,002</u>	<u>\$ 76,547</u>

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

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. BOX 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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 Charles E. Robichaux
And the Board of Alderman
City of Rayne, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rayne, Louisiana, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Rayne, Louisiana's basic primary government financial statements and have issued our report thereon dated March 24, 2022.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control that we consider to be significant deficiencies which is described in the accompanying schedule of findings and correction action plan as items 2021-1, 2021-2, 2021-3 and 2021-4.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Charles E. Robichaux
And the Board of Alderman
City of Rayne, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Rayne, Louisiana'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 determination of financial statement amounts. 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 did not disclose any instances of noncompliance.

City of Rayne, Louisiana's Response to Findings

City of Rayne, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and corrective action plan. The City of Rayne, Louisiana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 24, 2022

THIBODEAUX ACCOUNTING COMPANY

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P. O. BOX 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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

The Honorable Charles E. Robichaux, Mayor
And the Board of Alderman
City of Rayne, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of Rayne, Louisiana's 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 of Rayne, Louisiana's major federal programs for the year ended September 30, 2021. City of Rayne, Louisiana's major federal programs are 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 of Rayne, Louisiana'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 of Rayne, Louisiana'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 of Rayne, Louisiana's compliance.

MEMBER OF
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Charles E. Robichaux, Mayor
And the Board of Alderman
City of Rayne, Louisiana

Opinion on Each Major Federal Program

In our opinion, the City of Rayne, 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 September 30, 2021.

Report on Internal Control over Compliance

Management of the City of Rayne, Louisiana, 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 of Rayne, Louisiana'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 of Rayne, Louisiana'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency. However, material weaknesses may exist that have not been identified.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-5 to be a significant deficiency.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 24, 2022

CITY OF RAYNE, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor / Pass-Through Grantor / Program Name	Pass-through Identifying Number	Federal CFDA Number	Expenditures
Direct Programs:			
U.S. Department of Housing and Urban Development			
Section 8 Housing Choice Voucher Program	N/A	14.871	\$ 413,160
U.S. Department of Housing and Urban Development			
COVID 19 - Section 8 Housing Choice Voucher Program	N/A	14.871	23,015
Total Direct Section 8 Housing Choice Vouchers			<u>436,175</u>
Indirect Programs:			
U.S. Department of Housing and Urban Development			
Passed through Crowley Housing Authority-			
Section 8 Housing Choice Vouchers	N/A	14.871	71,198
U.S. Department of Housing and Urban Development			
Passed through St. Landry Housing Authority-			
Section 8 Housing Choice Vouchers	N/A	14.871	2,076
U.S. Department of Housing and Urban Development			
Passed through Lafayette Housing Authority-			
Section 8 Housing Choice Vouchers	N/A	14.871	1,384
U.S. Department of Housing and Urban Development			
Passed through Oklahoma City Housing Authority-			
Section 8 Housing Choice Vouchers	N/A	14.871	958
Total Indirect Section 8 Housing Choice Vouchers			<u>75,616</u>
Total Housing Voucher Cluster			<u>511,791</u>
U.S. Environmental Protection Agency			
Passed through Louisiana Department of Health-			
Drinking Water Revolving Loan	1001007-01	66.468	<u>917,552</u>
 TOTAL FEDERAL EXPENDITURES			 <u>\$1,429,343</u>

CITY OF RAYNE, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of Rayne (City) under programs of the federal government for the year ended September 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 assets, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements for the year ended September 30, 2021. 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.

(3) Indirect Cost Rate

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

(4) Loans Outstanding

The City had a loan balance outstanding of \$1,909,060 at September 30, 2021 for the Capitalization Grants for Drinking Water Revolving Loans (66.468). Loans made during the year are included in the federal expenditures presented in the schedule of expenditures of federal awards.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

Findings and questioned costs relating to federal programs.

There was one finding or questioned cost relating to federal programs.

Management Letter

No management letter was issued for the year ended September 30, 2021.

CITY OF RAYNE, LOUISIANA

Schedule of Corrective Action Taken on Prior Year Findings
For the Year Ended September 30, 2021

Significant Deficiencies - Financial Reporting Findings

2020-1 The City does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements including the related notes.

This matter is resolved.

2020-2 Bank reconciliations not prepared timely.

This matter is resolved.

2020-3 An employee was paid the wrong pay rate

This matter is resolved.

2020-5 General ledger accounts not reconciled.

This matter is resolved.

2020-6 Overpayment made to vendor.

This matter is resolved.

2020-8 Customer deposit refund was deposited twice by customer.

This matter is resolved.

Material Weaknesses - Financial Reporting Findings

There were no instances of material weaknesses that were disclosed during the audit for the period ended September 30, 2020.

Non-Compliance - Financial Reporting Findings

There were 3 instances of non-compliance that were disclosed during the audit for the period ended September 30, 2020.

2020-4 The City paid sales tax on purchases and they are tax exempt.

This matter is resolved.

2020-7 Late penalties paid.

This matter is resolved.

2020-9 Non-compliance with bond requirements.

This matter is resolved.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Corrective Action Plan
For the Year Ended September 30, 2021

Part 1

Summary of Auditor's Results

1. Since the City did not present all of its component units, an adverse opinion was issued for the City of Rayne as a reporting entity, however, an unmodified opinion has been issued on the primary government financial statements of the City of Rayne as of and for the year ended September 30, 2021.
2. There were four significant deficiencies in internal control over financial reporting required to be disclosed during the audit of the financial statements for the period ended September 30, 2021 which are identified as 2021-1, 2021-2, 2021-3 and 2021-4. There were no material weaknesses in internal control over financial reporting required to be disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the City, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. The audit of the financial statements disclosed on significant deficiency in internal control over major federal award programs identified as 2021-5.
5. The auditor's report on compliance remained unmodified.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The following program was considered to be a major program: LDH Drinking Water Revolving Loan (66.468)
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Corrective Action Plan
For the Year Ended September 30, 2021

Part 2

Findings Relating to an audit in accordance with Government Auditing Standards

2021-1 Finding: The City deposited money that did not belong to them.

The City deposited money from another governmental agency that was not owed to the City and did not catch the error or account for it correctly.

Criteria:

The City should have an effective internal control system designed to ensure that proper controls will be in place to detect items that are not owed to the City and properly account for them.

Cause of Condition:

The City did not reconcile the amount owed to them and received and deposited a check that they were not owed.

Effect of Condition:

The City could owe money to other agencies and use funds that do not belong to them because they were not properly accounted for.

Recommendation:

The City should have controls in place to account for deposits correctly and to reconcile items with amounts owed to the City.

Corrective Action Plan:

The City will ensure that it has controls in place to correctly account for deposits and to reconcile amounts that are owed to them. Annette Cutrera is the responsible party and the anticipated date of correction is September 30, 2022.

2021-2 Finding: Policies not followed when issuing licenses.

Policies and procedures should be followed when issuing licenses.

Criteria:

Effective city operations and an effective internal control system require the design and operation of standardized procedures for the collection of revenues.

Cause of Condition:

Money was taken for an occupational license after hours. No application was filled out, no driver's license was on file and the wrong amount was charged.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Corrective Action Plan (continued)
For the Year Ended September 30, 2021

Effect of Condition:

The City lost revenue by not following procedures properly.

Recommendation:

The City should educate all employees and elected officials on the policies and procedures of issuing licenses and no transactions should happen after business hours.

Corrective Action Plan:

Management will ensure that employees and elected officials are aware of the policies and procedures regarding issuing licenses. Annette Cutrera is the responsible party and the estimated date of correction is September 30, 2022.

2021-3 Finding: Center rental rates were not applied consistently

Center rental rates are dependent on whether a resident has a current utility account with the City of Rayne.

Criteria:

Rental rates need to be applied consistently to all applicants.

Cause of Condition:

The City employees were not consistently following the City's policies for rentals and these policies were not written policies.

Effect of Condition:

Applicants could be over or under charged resulting in either a liability or less revenue.

Recommendation:

The City should have written policies for center rentals and employees should be educated so that all applicants are treated consistently.

Corrective Action Plan:

Management will ensure that policies and procedures for center rentals are in writing and that all employees are aware. Annette Cutrera is the responsible party and the estimated date of correction is September 30, 2022.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Corrective Action Plan (continued)
For the Year Ended September 30, 2021

2021-4 Finding: Bank reconciliations not prepared timely.

The City did not perform bank reconciliations in a timely manner.

Criteria:

The City should perform bank reconciliations within two months of the closing period.

Cause of Condition:

A change in accounting systems caused management to fall behind on bank reconciliations.

Effect of Condition:

The City could have unrecorded transactions or errors which would effect the financial statements.

Recommendation:

The City should perform bank reconciliations timely to ensure that financial information is recorded correctly as it pertains to cash transactions.

Corrective Action Plan:

Subsequent to the previous audit, management performed outstanding bank reconciliations and as of September 30, 2021 they are being performed timely.

Part 3

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

2021-5 Finding: Several invoices were not recorded in system

The City had several invoices that were included in loan requests but never recorded in accounts payable or paid within the twenty day time frame provided by the loan agreement.

Criteria:

The City should reconcile its requests with its payments to ensure compliance.

Cause of Condition:

Internal control policies and procedures were not implemented to detect and correct errors related to the Drinking Water Revolving Loan.

Effect:

The City could be out of compliance with the loan agreement.

CITY OF RAYNE, LOUISIANA

Schedule of Findings and Corrective Action Plan (continued)
For the Year Ended September 30, 2021

Finding: Several invoices were not recorded in system (Continued)

Recommendation:

The City should implement control policies and procedures to ensure compliance.

Corrective Action Plan:

The City Clerk will ensure that policies and procedures are in place to detect and correct noncompliance and reconcile all requests and payments related to the Drinking Water Revolving Loan.



CITY OF RAYNE

**City of Rayne, Louisiana
Corrective Action Plan
September 30, 2021**

CHARLES E. "CHUCK" ROBICHAUX
MAYOR

U.S. Environmental Protection Agency

ALDERMAN

The City of Rayne, Louisiana respectfully submits the following corrective action plan for the year ended 9/30/21.

LENDELL J. "PETE" BABINEAUX
MAYOR PRO-TEM

Audit conducted by:

Thibodeaux Accounting Company, LLC
P.O. Box 34
Rayne, LA 70578

CURTRESE L. MINIX
DISTRICT 1

Audit Period: 10/1/20-9/30/21

The findings from the 9/30/21 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

KENNETH J. GUIDRY
DISTRICT 2

FINDINGS- FINANCIAL STATEMENT AUDIT:

Significant Deficiency:

CAUSE MICHAEL DOUCET
DISTRICT 3

2021-1

Recommendation: The City should have controls in place to account for deposits correctly and to reconcile items with amounts owed to the City.

JAMES A. "JIMMY" FONTENOT
DISTRICT 4

Corrective Action Plan: The City will update policies and procedures to ensure that controls are in place to correctly account for deposits and reconcile with amounts owed to them.

ANNETTE CUTRERA
CITY CLERK

2021-2

Recommendation: The City should educate all employees and elected officials on the policies and procedures of issuing licenses and no transactions should happen after business hours.

Corrective Action Plan: Management has already educated employees and elected officials about policies and procedures relating to issuing licenses.

LARRY T. RICHARD
CITY ATTORNEY

2021-3

Recommendation: The City should have written policies for center rentals and employees should be educated so that all applicants are treated consistently.

Corrective Action Plan: Management has already met with employees to educate them on the proper policies and procedures to ensure standard and correct procedures are applied to all citizens.



CITY OF RAYNE

CHARLES E. "CHUCK" ROBICHAUX

MAYOR

ALDERMAN

LENDELL J. "PETE" BABINEAUX

MAYOR PRO-TEM

CURTRESE L. MINIX

DISTRICT 1

KENNETH J. GUIDRY

DISTRICT 2

CALISE MICHAEL DOUCET

DISTRICT 3

JAMES A. "JIMMY" FONTENOT

DISTRICT 4

ANNETTE CUTRERA

CITY CLERK

LARRY T. RICHARD

CITY ATTORNEY

Significant Deficiency (Continued):

2021-4

Recommendation: The City should perform bank reconciliations timely to ensure that financial information is recorded correctly as it pertains to cash transactions.

Corrective Action Plan: Management is currently performing bank reconciliations timely. No further action is required.

FINDINGS- FEDERAL WARD PROGRAMS AUDIT:

U.S. ENVIRONMENTAL PROTECTION AGENCY

LA Department of Health- Drinking Water Revolving Loan (66.468)

Compliance:

2021-5

Recommendation: The City should implement control policies and procedures to ensure compliance.

Corrective Action Plan: Management will compare loan requests with loan payments, ensure that all invoices are entered timely and pay all invoices within 20 days after the receipt of loan funds.

If the U.S. Environmental Protection Agency has questions regarding this plan, please call Annette Cutrera, City Clerk, at 337-334-3121.

Sincerely,

**Annette Cutrera,
City Clerk**