

**CITY OF CROWLEY, LOUISIANA**

Financial Report

For the Year Ended August 31, 2021



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## INDEPENDENT AUDITOR'S REPORT

The Honorable Tim Monceaux, Mayor  
and Members of the City Council  
City of Crowley, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Crowley, Louisiana, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Crowley, Louisiana's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Crowley, Louisiana, as of August 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of changes in total OPEB liability and related ratios, the schedules of employer's share of net pension liabilities, and the schedules of employer contributions 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such 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 Crowley, Louisiana's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of compensation, benefits, and other payments to agency head, schedule of compensation paid to city council, and the justice system funding schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.



The budgetary comparison schedules, the combining balance sheets, the combining statements of revenues, expenditures, and changes in fund balances, and the combining statement of cash flows have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2022 on our consideration of the City of Crowley, Louisiana’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Crowley, Louisiana’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Crowley, Louisiana’s internal control over financial reporting and compliance.

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

Abbeville, Louisiana  
May 6, 2022

## **BASIC FINANCIAL STATEMENTS**

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

CITY OF CROWLEY, LOUISIANA

Statement of Net Position

August 31, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 21,502,734	\$ 1,097,157	\$ 22,599,891
Investments	5,535,203	-	5,535,203
Receivables, net	1,332,190	190,342	1,522,532
Due from other governmental units	71,272	-	71,272
Internal balances	707,475	(707,475)	-
Restricted assets:			
Interest-bearing deposits	39,343	998,082	1,037,425
Capital assets			
Non-depreciable	5,725,828	161,482	5,887,310
Depreciable, net	<u>15,125,801</u>	<u>10,454,652</u>	<u>25,580,453</u>
 Total assets	 <u>50,039,846</u>	 <u>12,194,240</u>	 <u>62,234,086</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	1,386,893	30,876	1,417,769
Deferred outflows of resources - OPEB	<u>291,877</u>	<u>16,695</u>	<u>308,572</u>
Total deferred outflows of resources	<u>1,678,770</u>	<u>47,571</u>	<u>1,726,341</u>

(continued)

CITY OF CROWLEY, LOUISIANA

Statement of Net Position (Continued)

August 31, 2021

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>LIABILITIES</b>			
Accounts, salaries and other payables	\$ 651,789	\$ 101,287	\$ 753,076
Contracts payable	662,791	-	662,791
Retainage payable	204,858	-	204,858
Claims payable	69,780	-	69,780
Due to others	35,271	-	35,271
Accrued interest payable	271,770	22,387	294,157
Long-term liabilities			
Other post employment benefits payable	1,416,291	81,008	1,497,299
Net pension liability	6,519,544	404,772	6,924,316
Due within one year	873,699	523,000	1,396,699
Due in more than one year	<u>18,190,302</u>	<u>2,195,389</u>	<u>20,385,691</u>
<b>Total liabilities</b>	<u>28,896,095</u>	<u>3,327,843</u>	<u>32,223,938</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources - pensions	4,164,122	148,376	4,312,498
Deferred inflows of resources - OPEB	<u>102,821</u>	<u>5,881</u>	<u>108,702</u>
<b>Total deferred inflows of resources</b>	<u>4,266,943</u>	<u>154,257</u>	<u>4,421,200</u>
<b>NET POSITION</b>			
Net investment in capital assets	13,326,533	7,897,745	21,224,278
Restricted for:			
Debt service	599,498	975,695	1,575,193
Sales tax dedications	12,771,896	-	12,771,896
Unrestricted	<u>(8,142,349)</u>	<u>(113,729)</u>	<u>(8,256,078)</u>
<b>Total net position</b>	<u>\$ 18,555,578</u>	<u>\$ 8,759,711</u>	<u>\$ 27,315,289</u>

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

CITY OF CROWLEY, LOUISIANA

Statement of Activities  
For the Year Ended August 31, 2021

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 2,689,070	\$ 789,458	\$ -	\$ -	\$ (1,899,612)	\$ -	\$ (1,899,612)
Public safety	6,144,252	141,630	634,538	35,315	(5,332,769)	-	(5,332,769)
Public works	1,713,205	-	-	28,000	(1,685,205)	-	(1,685,205)
Economic development	65,137	-	-	-	(65,137)	-	(65,137)
Culture and recreation	1,377,832	353,837	8,273	-	(1,015,722)	-	(1,015,722)
Cemetery	24,503	4,975	-	-	(19,528)	-	(19,528)
Interest on long-term debt	789,278	-	-	-	(789,278)	-	(789,278)
Total governmental activities	12,803,277	1,289,900	642,811	63,315	(10,807,251)	-	(10,807,251)
<b>Business-type activities:</b>							
Sewer	2,077,090	1,944,513	-	-	-	(132,577)	(132,577)
Total	14,880,367	3,234,413	642,811	63,315	(10,807,251)	(132,577)	(10,939,828)
<b>General revenues:</b>							
Taxes -							
Property taxes, levied for general purposes					2,158,026	276,813	2,434,839
Sales and use taxes, levied for general purposes					9,233,240	-	9,233,240
Franchise taxes					960,609	-	960,609
2% Fire insurance proceeds					52,113	-	52,113
Grants and contributions not restricted to specific programs -							
State sources					469,259	-	469,259
Interest and investment earnings					(6,731)	2,362	(4,369)
Miscellaneous					373,892	-	373,892
Nonemployer pension contribution					322,336	10,859	333,195
Transfers					109,818	(109,818)	-
Total general revenues and transfers					13,672,562	180,216	13,852,778
Change in net position					2,865,311	47,639	2,912,950
Net position - beginning					15,690,267	8,712,072	24,402,339
Net position - ending					\$ 18,555,578	\$ 8,759,711	\$ 27,315,289

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

**FUND FINANCIAL STATEMENTS (FFS)**

CITY OF CROWLEY, LOUISIANA

Balance Sheet  
Governmental Funds  
August 31, 2021

	General Fund	Sales Tax Fund	One-Half Cent Sales Tax - Salary Fund
ASSETS	<u>        </u>	<u>        </u>	<u>        </u>
Cash and interest-bearing deposits	\$ 993,769	\$ 1,132,404	\$ 874,595
Investments	591,855	-	-
Receivables:			
Taxes receivable	148,715	710,027	236,676
Accrued interest receivable	-	-	-
Due from other funds	494,471	-	727,827
Due from other governmental units	18,290	-	-
Total assets	<u>\$2,247,100</u>	<u>\$ 1,842,431</u>	<u>\$1,839,098</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 110,132	\$ -	\$ -
Accrued liabilities	150,178	-	-
Contract payable	-	-	-
Retainage payable	-	-	-
Due to other funds	-	818,986	-
Due to others	35,271	-	-
Total liabilities	<u>295,581</u>	<u>818,986</u>	<u>-</u>
Fund balances:			
Restricted	-	1,023,445	1,839,098
Assigned	179,126	-	-
Unassigned	1,772,393	-	-
Total fund balances	<u>1,951,519</u>	<u>1,023,445</u>	<u>1,839,098</u>
Total liabilities and fund balances	<u>\$2,247,100</u>	<u>\$ 1,842,431</u>	<u>\$1,839,098</u>

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



2012 Sales Tax - Infrastructure Improvement Fund	Capital Projects Fund	Other Governmental Funds	Totals
\$ 4,365,211	\$ 11,338,431	\$ 2,280,814	\$ 20,985,224
4,943,348	-	-	5,535,203
236,676	-	-	1,332,094
-	-	96	96
364,119	-	14,167	1,600,584
-	-	52,982	71,272
<u>\$ 9,909,354</u>	<u>\$ 11,338,431</u>	<u>\$ 2,348,059</u>	<u>\$ 29,524,473</u>
\$ -	\$ 134,845	\$ 217,416	\$ 462,393
-	-	20,208	170,386
-	662,791	-	662,791
-	204,858	-	204,858
-	-	24,123	843,109
-	-	-	35,271
<u>-</u>	<u>1,002,494</u>	<u>261,747</u>	<u>2,378,808</u>
9,909,354	-	1,827,693	14,599,590
-	10,335,937	258,619	10,773,682
-	-	-	1,772,393
<u>9,909,354</u>	<u>10,335,937</u>	<u>2,086,312</u>	<u>27,145,665</u>
<u>\$ 9,909,354</u>	<u>\$ 11,338,431</u>	<u>\$ 2,348,059</u>	<u>\$ 29,524,473</u>

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CITY OF CROWLEY, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
For the Year Ended August 31, 2021

Total fund balances for governmental funds		\$27,145,665
Capital assets, net		20,851,629
Long-term liabilities:		
Bonds and capital lease payable	\$(17,206,254)	
Premium on bond issuance	(1,857,747)	
OPEB obligation payable	(1,416,291)	
Net pension liability	(6,519,544)	
Accrued interest payable	<u>(271,770)</u>	(27,271,606)
Deferred outflows of resources related to net pension liability		1,386,893
Deferred inflows of resources related to net pension liability		(4,164,122)
Deferred outflows of resources related to total OPEB liability		291,877
Deferred inflows of resources related to total OPEB liability		(102,821)
Net position of the Internal Service Funds		<u>418,063</u>
Total net position of governmental activities		<u>\$18,555,578</u>

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

CITY OF CROWLEY, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Governmental Funds  
For the Year Ended August 31, 2021

	General Fund	Sales Tax Fund	One-Half Cent Sales Tax - Salary Fund
Revenues:			
Taxes	\$ 2,741,970	\$ 5,517,325	\$ 1,839,109
Licenses and permits	716,121	-	-
Intergovernmental	986,026	-	-
Charges for services	34,317	-	-
Fines and fees	141,395	-	-
Investment income	32,279	1,510	1,448
Net increase (decrease) in fair value of investments	(27,644)	-	-
Miscellaneous	338,853	-	-
Total revenues	<u>4,963,317</u>	<u>5,518,835</u>	<u>1,840,557</u>
Expenditures:			
Current -			
General government	2,387,601	94,235	32,300
Public safety	6,609,996	-	-
Public works	1,308,150	-	-
Economic development	55,453	-	-
Culture and recreation	-	-	-
Cemetery	-	-	-
Capital outlay	48,829	-	-
Debt service -			
Principal retirement	245,086	-	-
Interest and fiscal charges	16,351	-	-
Total expenditures	<u>10,671,466</u>	<u>94,235</u>	<u>32,300</u>
Excess (deficiency) of revenues over expenditures	<u>(5,708,149)</u>	<u>5,424,600</u>	<u>1,808,257</u>
Other financing sources (uses):			
Proceeds from bond issuance	-	-	-
Premium on bond issuance	-	-	-
Transfers in	6,698,990	-	122,121
Transfers out	(808,046)	(5,567,513)	(1,555,699)
Total other financing sources (uses)	<u>5,890,944</u>	<u>(5,567,513)</u>	<u>(1,433,578)</u>
Net changes in fund balances	182,795	(142,913)	374,679
Fund balances, beginning	<u>1,768,724</u>	<u>1,166,358</u>	<u>1,464,419</u>
Fund balances, ending	<u>\$ 1,951,519</u>	<u>\$ 1,023,445</u>	<u>\$ 1,839,098</u>

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

2012 Sales Tax Infrastructure Improvement Fund	Capital Projects Fund	Other Governmental Funds	Totals
\$ 1,839,109	\$ -	\$ 414,362	\$ 12,351,875
-	-	-	716,121
-	-	241,472	1,227,498
-	-	398,067	432,384
-	-	-	141,395
-	2,803	7,177	45,217
(26,701)	-	-	(54,345)
-	-	35,039	373,892
<u>1,812,408</u>	<u>2,803</u>	<u>1,096,117</u>	<u>15,234,037</u>
32,877	-	23,883	2,570,896
-	-	-	6,609,996
-	-	-	1,308,150
-	-	1,610	57,063
-	-	1,270,581	1,270,581
-	-	25,652	25,652
-	4,234,756	297,713	4,581,298
-	-	310,000	555,086
-	301,054	344,681	662,086
<u>32,877</u>	<u>4,535,810</u>	<u>2,274,120</u>	<u>17,640,808</u>
<u>1,779,531</u>	<u>(4,533,007)</u>	<u>(1,178,003)</u>	<u>(2,406,771)</u>
-	14,000,000	-	14,000,000
-	1,955,524	-	1,955,524
3,367,258	1,945,513	1,778,592	13,912,474
<u>(3,287,915)</u>	<u>(3,032,093)</u>	<u>(71,390)</u>	<u>(14,322,656)</u>
<u>79,343</u>	<u>14,868,944</u>	<u>1,707,202</u>	<u>15,545,342</u>
1,858,874	10,335,937	529,199	13,138,571
<u>8,050,480</u>	<u>-</u>	<u>1,557,113</u>	<u>14,007,094</u>
<u>\$ 9,909,354</u>	<u>\$ 10,335,937</u>	<u>\$ 2,086,312</u>	<u>\$ 27,145,665</u>

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CITY OF CROWLEY, 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 August 31, 2021

Change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 13,138,571
Capital assets:		
Capital outlay	\$ 4,581,298	
Depreciation expense	<u>(1,193,747)</u>	3,387,551
Long-term debt:		
Principal payments	555,086	
Proceeds from debt issuance	(14,000,000)	
Premiums paid on debt issuance	(1,955,524)	
Amortization of bond premium	<u>97,777</u>	(15,302,661)
Net revenue (expense) of the Internal Service Fund		368,736
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis		(224,969)
Effect of the change in net pension liability, total OPEB liability, and related deferred outflows/inflows of resources:		
Increase in pension expense	1,207,023	
Nonemployer pension contribution revenue recognized	322,336	
Net effect of OPEB adjustments	<u>(31,276)</u>	<u>1,498,083</u>
Change in net position per Statement of Activities		<u>\$ 2,865,311</u>

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

CITY OF CROWLEY, LOUISIANA

Proprietary Funds  
Statement of Net Position  
August 31, 2021

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	Utility Fund	Internal Service Fund
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 1,097,157	\$ 556,853
Receivables:		
Accounts	<u>190,342</u>	<u>-</u>
Total current assets	<u>1,287,499</u>	<u>556,853</u>
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	998,082	-
Capital assets, net of accumulated depreciation	<u>10,616,134</u>	<u>-</u>
Total noncurrent assets	<u>11,614,216</u>	<u>-</u>
Total assets	<u>12,901,715</u>	<u>556,853</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources - pensions	30,876	-
Deferred outflows of resources - OPEB	<u>16,695</u>	<u>-</u>
Total deferred outflows of resources	<u>47,571</u>	<u>-</u>

(continued)



CITY OF CROWLEY, LOUISIANA

Proprietary Funds  
Statement of Net Position (Continued)  
August 31, 2021

	Business-Type Activities	Governmental Activities
	Utility Fund	Internal Service Fund
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 82,102	\$ 19,010
Due to other funds	707,475	50,000
Claims payable	-	69,780
Accrued liabilities	19,185	-
Payable from restricted assets -		
Bonds payable	523,000	-
Accrued interest	22,387	-
Total current liabilities	<u>1,354,149</u>	<u>138,790</u>
Noncurrent liabilities:		
Bonds payable	2,195,389	-
OPEB obligation payable	81,008	-
Net pension liability	404,772	-
Total noncurrent liabilities	<u>2,681,169</u>	<u>-</u>
Total liabilities	<u>4,035,318</u>	<u>138,790</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources - pensions	148,376	-
Deferred inflows of resources - OPEB	5,881	-
Total deferred inflows of resources	<u>154,257</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	7,897,745	-
Restricted for debt service	975,695	-
Unrestricted	(113,729)	418,063
Total net position	<u>\$ 8,759,711</u>	<u>\$ 418,063</u>

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

CITY OF CROWLEY, LOUISIANA

Proprietary Funds  
 Statement of Revenues, Expenses, and Changes in Fund Net Position  
 For the Year Ended August 31, 2021

	Business-Type Activities	Governmental Activities
	Utility Fund	Internal Service Fund
Operating revenues:		
Charges for services	\$ 1,944,513	\$ 1,558,343
Other	-	425,006
Total operating revenues	<u>1,944,513</u>	<u>1,983,349</u>
Operating expenses:		
Salaries and wages	271,591	-
Payroll taxes	6,101	-
Retirement	64,154	-
Group insurance	80,904	-
Other post employment benefits	662	-
General insurance	48,456	395,566
Claims	-	1,588,199
Telephone and utilities	115,926	-
Professional services	101,467	78,016
Collection fees	45,944	-
Bad debts	48,314	-
Depreciation	944,744	-
Gas and oil	18,288	-
Repairs and supplies	226,377	-
Pretreatment and inspections	25,259	-
Miscellaneous	25,081	75,445
Total operating expenses	<u>2,023,268</u>	<u>2,137,226</u>
Operating loss	<u>(78,755)</u>	<u>(153,877)</u>
Nonoperating revenues (expenses):		
Tax revenue	276,813	-
Interest income	2,362	2,613
Interest expense and other fiscal charges	(53,822)	-
Nonemployer pension contribution	10,859	-
Total nonoperating revenues (expenses)	<u>236,212</u>	<u>2,613</u>
Income (loss) before transfers	157,457	(151,264)
Transfers in	-	520,000
Transfers out	<u>(109,818)</u>	<u>-</u>
Change in net position	47,639	368,736
Net position, beginning	<u>8,712,072</u>	<u>49,327</u>
Net position, ending	<u>\$ 8,759,711</u>	<u>\$ 418,063</u>

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

CITY OF CROWLEY, LOUISIANA

Statement of Cash Flows  
 Proprietary Funds  
 For the Year Ended August 31, 2021

	Business-Type Activities	Governmental Activities
	Utility Fund	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers	\$ 2,011,391	\$ -
Receipts from insured	-	1,008,971
Receipts from interfund services provided	-	549,372
Payments to suppliers	(654,156)	(530,017)
Payments for claims and loss time	-	(1,755,721)
Payments to employees	(439,868)	-
Other receipts	-	425,006
Net cash provided (used) by operating activities	<u>917,367</u>	<u>(302,389)</u>
Cash flows from noncapital financing activities:		
Proceeds from taxes levied	276,813	-
Cash received from other funds	(11,571)	-
Cash paid to other funds	-	2,073
Transfers from other funds	-	520,000
Transfers to other funds	(109,818)	-
Net cash provided by noncapital financing activities	<u>155,424</u>	<u>522,073</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds payable	(274,000)	-
Interest and fiscal charges paid on revenue bonds payable	(56,323)	-
Acquisition of property, plant and equipment	(114,913)	-
Net cash used by capital and related financing activities	<u>(445,236)</u>	<u>-</u>
Cash flows from investing activities:		
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	-	(234,668)
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	-	233,615
Interest on deposits	2,362	2,743
Net cash provided by investing activities	<u>2,362</u>	<u>1,690</u>
Net increase in cash and cash equivalents	629,917	221,374
Cash and cash equivalents, beginning of year	<u>1,465,322</u>	<u>100,811</u>
Cash and cash equivalents, end of year	<u>\$ 2,095,239</u>	<u>\$ 322,185</u>

(continued)

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

CITY OF CROWLEY, LOUISIANA

Statement of Cash Flows (Continued)  
 Proprietary Funds  
 For the Year Ended August 31, 2021

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	Utility Fund	Internal Service Fund
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating loss	\$ (78,755)	\$(153,877)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	944,744	-
Provision for net pension liability, net	(12,226)	-
Provision for OPEB liability	662	-
(Increase) decrease current assets:		
Accounts receivable	66,878	-
Increase (decrease) current liabilities:		
Accounts payable	956	19,010
Accrued liabilities	(4,892)	-
Claims payable	<u>-</u>	<u>(167,522)</u>
Net cash provided (used) by operating activities	<u>\$ 917,367</u>	<u>\$(302,389)</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	\$ 494,221	\$ 334,426
Cash and interest-bearing deposits - restricted	971,101	-
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>-</u>	<u>(233,615)</u>
Total cash and cash equivalents	<u>1,465,322</u>	<u>100,811</u>
Cash and cash equivalents, end of period -		
Cash and interest-bearing deposits - unrestricted	1,097,157	556,853
Cash and interest-bearing deposits - restricted	998,082	-
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>-</u>	<u>(234,668)</u>
Total cash and cash equivalents	<u>2,095,239</u>	<u>322,185</u>
Net increase	<u>\$ 629,917</u>	<u>\$ 221,374</u>

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

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

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

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

##### A. Financial Reporting Entity

The City of Crowley was incorporated in 1886, under the provisions of the Lawrason Act. The City operates under a Mayor-City Council form of government. The City Council is comprised of nine members (one member is elected at-large and two members are elected from each of the four wards of the City for terms of four years). The City provides the following services to the residents of the City as authorized by its charter: police and fire protection, street and drainage systems, sewer services, parks and recreation, planning and zoning, and economic development programs.

A financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City has no such component units.

##### B. Basis of Presentation

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

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

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

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. Fund financial statements report detailed information about the City.

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

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

##### Sales Tax Fund

The Sales Tax fund accounts for the proceeds of a one percent parish-wide sales and use tax levied in 1963 and the one-half percent sales and use tax levied in 1978. These taxes are dedicated for the specific purposes described in Note 3.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### One-Half Cent Sales Tax – Salary Fund

The One-Half Cent Sales Tax – Salary Fund accounts for the proceeds of a one-half cent sales tax levied in 1982, which is dedicated as described in Note 3.

#### 2012 Sales Tax – Infrastructure Improvement Fund

2012 Sales Tax – Infrastructure Improvement Fund accounts for the receipt and use of proceeds of the City's one-half percent sales and use tax levied in 2012, which is dedicated as described in Note 3.

#### Capital Projects Fund

The Capital Projects Fund accounts for capital improvements within the City. Improvements are being funded by bond proceeds.

#### Enterprise Fund –

#### Utility Fund

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

In addition, the City reports the following:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. The City's internal service funds are the Workmen's Compensation Fund and the Employee Benefit Plan Fund. The City's internal service funds are presented in the proprietary funds' financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity. These proprietary funds are reported with the governmental activities in the government-wide statements.

#### C. Measurement Focus/Basis of Accounting

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

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### Measurement Focus

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

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

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

#### Basis of Accounting

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

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

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



## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

#### Allocation of indirect expenses

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

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

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

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City.

Under state law, the City may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

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

##### Investments

Under state law, the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

##### 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 CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts using the direct write-off method at the time information becomes available which would indicate the uncollectibility of the particular receivable. At August 31, 2021, an allowance for ad valorem taxes was considered unnecessary due to immateriality.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$2,500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to September 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. 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
Machinery and equipment	5-15 years
Sewer plant	20-40 years
Autos and trucks	5 years

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

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to revenue bond accounts.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### 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.

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. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

#### Compensated Absences

After one year of employment with the City, each full-time employee is entitled to one week paid vacation, which is to be taken within the next year of employment. After two consecutive years of employment with the City, each full-time employee is entitled to two weeks paid vacation and for each year of employment thereafter. Annual vacation is not accumulated and compensation in lieu of vacation is not paid. Upon termination, any accumulated vacation time is paid together with any wages due as of the effective date of the employee's termination. No accrual is recorded for this as the amount at August 31, 2021 is determined immaterial.

All persons employed full-time by the City shall be entitled to a 10 day sick leave during each calendar year, which leave may be accumulated for a three-year period for a term of 30 full days if not used during the year which same accrues. Sick leave may not accumulate for more than three calendar years, and if not used during the year, in which same accrues, may be used in subsequent years. Sick leave is not paid at termination.

Compensatory leave shall be earned at time and one-half rate for overtime work and work required on an observed holiday. However, any employee who accrues 240 hours of compensatory leave shall, for any additional overtime hours or work, be paid overtime compensation at time and one-half rate. Upon separation, each employee shall be paid the value of his/her accrued compensatory leave in a lump sum at a rate not less than the average regular rate received during the last three years of employment or the final rate received, whichever is higher. At August 31, 2021, the City has no material accumulated leave benefits required to be reported.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

#### Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City reported \$12,771,896 of restricted net position, which is restricted by enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

In the fund statements, governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

*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.

*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.

*Committed* – amounts that can be used only for specific purposes determined by a formal action of the council members. The Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by council members.

*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. Under the City’s adopted policy, only council members or the City’s finance committee may assign amounts for specific purposes.

*Unassigned* – all other spendable amounts.

As of August 31, 2021, fund balances are composed of the following:

	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
Major Funds				
General -				
Collision losses	\$ -	\$ 179,126	\$ -	\$ 179,126
Other	-	-	1,772,393	1,772,393
Sales Tax Fund	1,023,445	-	-	1,023,445
One-Half Cent Sales Tax -				
Salary Fund	1,839,098	-	-	1,839,098
2012 Sales Tax - Infrastructure				
Improvement Fund	9,909,354	-	-	9,909,354
Capital Projects	-	10,335,937	-	10,335,937
Nonmajor funds	<u>1,827,693</u>	<u>258,619</u>	<u>-</u>	<u>2,086,312</u>
Totals	<u>\$ 14,599,590</u>	<u>\$ 10,773,682</u>	<u>\$ 1,772,393</u>	<u>\$ 27,145,665</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

In the fund financial statements, expenditures are classified as follows:

- Governmental Funds - By Character
- Proprietary 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 tax (30.25 mills)	See Note 2
Sales tax	See Note 3
Sewer revenues	See Note 12

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

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### G. Capitalization of Interest Expenses

It is the policy of the City of Crowley to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. At August 31, 2021, there was no capitalized interest expense. Interest expensed at August 31, 2021 was \$715,908.

#### 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, deferred outflows of resources, liabilities and deferred inflows of resources 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.

#### I. Pensions

The net pension liability, net pension asset, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide and propriety fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

#### J. Postemployment Benefits Other than Pensions (OPEB)

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

#### (2) Ad Valorem Taxes

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

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

For the year ended August 31, 2021, taxes of 30.25 mills were levied on property with assessed valuations and were dedicated as follows:

General corporate purposes	7.00 mills
Street maintenance	5.00 mills
Public buildings and drainage	5.00 mills
Public recreation and parks	3.00 mills
Disposal plant maintenance	3.50 mills
Cemetery tax	0.75 mills
Youth recreation tax	1.00 mills
Fire and police	<u>5.00</u> mills
Total	<u>30.25</u> mills

(3) Dedication of Proceeds and Flow of Funds - Sales and Use Tax

The proceeds of the 1% sales and use tax and the .5% sales and use tax levied by the City of Crowley that became effective on May 1, 1963 and February 1, 1978, respectively, are accounted for in the Sales Tax Fund and are dedicated for the following purposes:

1% Sales and Use Tax -

1. Public safety, public health, public works, sanitation, general government,
2. Maintaining and repairing streets, roads, highways, avenues, drainage ditches and canals, and
3. Providing for operating expenses of said departments including salaries of personnel and capital outlay.

.5% Sales and Use Tax -

1. Increasing the compensation of all employees of the city, and
2. For any other lawful corporate or public purpose.

The proceeds of a .5% sales and use tax levied by the City that became effective on April 1, 1982 are accounted for in the One-Half Cent Sales Tax – Salary Fund and are dedicated for the following purpose:

To be used for the purpose of City employee salary increases to be equally divided:

1. 33-1/3% to all employees not otherwise covered herein,
2. 33-1/3% to all fire personnel, and
3. 33-1/3% to all police personnel (increase to be paid across the board equally).



CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

The proceeds of a .5% sales and use tax levied by the City that became effective on July 1, 2012 are accounted for in the 2012 Sales Tax – Infrastructure Improvement Fund and are dedicated for the following purposes:

1. Acquiring, constructing, maintaining and improving infrastructure and capital improvements within the City, and
2. To fund the proceeds of the tax into bonds to be issued in series from time to time for such purposes.

(4) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The City does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at August 31, 2021, are secured as follows:

Bank balances	<u>\$ 11,434,033</u>
Insured deposits	2,019,460
Uninsured and collateral held by the pledging bank, not in the City's name	<u>9,414,573</u>
Total	<u>\$ 11,434,033</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

B. Investments

At August 31, 2021, the City's carrying amounts and approximate market values of investments are summarized as follows:

Description	Interest Rate	Cost	Unrealized Gain/(Loss)	Reported Amount/ Fair Value
Government and Agency Securities:				
Federal Home Loan Mortgage Corporation (FHLMC)	1.16%	\$ 9,348	\$ 27	\$ 9,375
Federal National Mortgage Association (FNMA)	1.30% - 2.75%	511,025	57,357	568,382
Federal Farm Credit Banks (FFCB)	2.81%	23,945	3,284	27,229
Tennessee Valley Authority (TVA)	2.20%	1,053,721	12,005	1,065,726
United States Treasury Bond (USTB)	1.09%	611,721	(1,384)	610,337
Resolution Funding Corporation	1.00%-			
Federal Entry Coupon (RFCF)	1.15%	75,471	(2,486)	72,985
Mortgage Backed Securities:				
Government National Mortgage Corporation (GNMA)	3.00% - 8.00%	1,440,599	(91,788)	1,348,811
Federal Home Loan Mortgage Corporation (FHLMC)	5.00% - 7.50%	945,267	(20,898)	924,369
Federal National Mortgage Association (FNMA)	3.00% - 8.00%	921,284	(13,295)	907,989
		<u>\$ 5,592,381</u>	<u>\$ (57,178)</u>	<u>\$ 5,535,203</u>

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the City's debt type investments to this risk, using the segmented time distribution model is as follows:

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Description	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Over 10
Government and Agency Securities:					
FHLMC	\$ 9,375	\$ -	\$ 9,375	\$ -	\$ -
FNMA	568,382	-	255,204	296,104	17,074
FFCB	27,229	-	-	-	27,229
TVA	1,065,727	-	303,874	480,859	280,994
RCF	72,985	-	-	72,985	-
USTB	610,337	-	130,967	479,370	-
Mortgage Backed Securities:					
GNMA	1,348,811	-	899	4,859	1,343,053
FHLMC	924,369	-	3,360	2,381	918,628
FNMA	907,988	-	24,590	27,130	856,268
	<u>\$ 5,535,203</u>	<u>\$ -</u>	<u>\$ 728,269</u>	<u>\$ 1,363,688</u>	<u>\$ 3,443,246</u>

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At August 31, 2021, the City held investments of \$5,535,203 of which the underlying securities are held by the counterparty's trust department, not in the City's name.

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

The City has recurring fair value measurements of \$5,535,203 as of August 31, 2021, which are categorized as level 1 inputs.

Credit risk is managed by restricting investments to those authorized by R.S. 33:2955. Credit risk ratings for the City's investments from issuers totaling five percent or more of a portfolio are as follows:

	Rating	Amount
Federal National Mortgage Association	AA	\$ 907,988
Federal Home Loan Mortgage Corporation	AA	\$ 924,369

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

(5) Receivables

Receivables at August 31, 2021 consist of the following:

	<u>Accounts</u>	<u>Taxes</u>	<u>Franchise Fees</u>	<u>Interest</u>	<u>Total</u>
Governmental activities:					
General Fund	\$ -	\$ -	\$148,715	\$ -	\$ 148,715
Sales Tax Fund	-	710,027	-	-	710,027
1/2 Cent Sales Tax - Salary Fund	-	236,676	-	-	236,676
2012 Sales Tax - Infrastructure Improvement	-	236,676	-	-	236,676
Other governmental funds	-	-	-	96	96
Business-type activities:					
Utility Fund	<u>190,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,342</u>
Totals	<u>\$ 190,342</u>	<u>\$ 1,183,379</u>	<u>\$148,715</u>	<u>\$ 96</u>	<u>\$1,522,532</u>

(6) Restricted Assets

Restricted assets consisted of the following at August 31, 2021:

Governmental activities:	
LCDA bond refunding sinking fund	\$ 37,007
Donations for Gladys Trahan Tennis Court	<u>2,336</u>
Total governmental activities	39,343
Business-type activities:	
Sewer Revenue Bond and Interest Sinking Fund	<u>998,082</u>
Total restricted assets	<u>\$1,037,425</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

(7) Capital Assets

Capital asset activity for the year ended August 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 655,489	\$ -	\$ -	\$ 655,489
Construction in progress	835,583	4,234,756	-	5,070,339
Total capital assets not being depreciated	<u>1,491,072</u>	<u>4,234,756</u>	<u>-</u>	<u>5,725,828</u>
Capital assets being depreciated:				
Land improvements	107,576	-	-	107,576
Buildings and improvements	8,378,029	266,113	-	8,644,142
Infrastructure	16,609,732	-	-	16,609,732
Machinery and equipment	3,651,302	59,572	-	3,710,874
Autos and trucks	3,327,521	20,857	-	3,348,378
Total capital assets being depreciated	<u>32,074,160</u>	<u>346,542</u>	<u>-</u>	<u>32,420,702</u>
Less accumulated depreciation				
Land improvements	72,073	5,379	-	77,452
Buildings and improvements	4,933,259	280,291	-	5,213,550
Infrastructure	5,266,246	571,000	-	5,837,246
Machinery and equipment	2,977,821	182,020	-	3,159,841
Autos and trucks	2,851,755	155,057	-	3,006,812
Total accumulated depreciation	<u>16,101,154</u>	<u>1,193,747</u>	<u>-</u>	<u>17,294,901</u>
Total capital assets being depreciated, net	<u>15,973,006</u>	<u>(847,205)</u>	<u>-</u>	<u>15,125,801</u>
Governmental activities, capital assets, net	<u>\$ 17,464,078</u>	<u>\$ 3,387,551</u>	<u>\$ -</u>	<u>\$ 20,851,629</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 161,482	\$ -	\$ -	\$ 161,482
Capital assets being depreciated:				
Buildings and improvements	4,271	-	-	4,271
Sewer plant	31,346,707	54,825	-	31,401,532
Machinery and equipment	361,983	60,088	-	422,071
Autos and trucks	288,987	-	-	288,987
Total capital assets being depreciated	<u>32,001,948</u>	<u>114,913</u>	<u>-</u>	<u>32,116,861</u>
Less accumulated depreciation				
Buildings and improvements	1,521	107	-	1,628
Sewer plant	20,116,549	918,455	-	21,035,004
Machinery and equipment	314,937	21,653	-	336,590
Autos and trucks	284,458	4,529	-	288,987
Total accumulated depreciation	<u>20,717,465</u>	<u>944,744</u>	<u>-</u>	<u>21,662,209</u>
Total capital assets being depreciated, net	<u>11,284,483</u>	<u>(829,831)</u>	<u>-</u>	<u>10,454,652</u>
Business-type activities, capital assets, net	<u>\$ 11,445,965</u>	<u>\$ (829,831)</u>	<u>\$ -</u>	<u>\$ 10,616,134</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 231,401
Public safety	299,279
Public works	496,735
Economic development	8,074
Culture and recreation	<u>158,258</u>
Total depreciation expense	<u>\$ 1,193,747</u>

Depreciation expense was charged to the business-type activities as follows.

Sewer	<u>\$ 944,744</u>
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CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

(8) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at August 31, 2021:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 481,403	\$ 82,102	\$ 563,505
Payroll liabilities	<u>170,386</u>	<u>19,185</u>	<u>189,571</u>
Totals	<u>\$ 651,789</u>	<u>\$ 101,287</u>	<u>\$ 753,076</u>

(9) Long-Term Liabilities

Long-term liabilities at August 31, 2021 are comprised of the following individual issues:

Governmental activities –

Bonds payable:

\$5,780,000 Louisiana Local Government Environmental Facilities and Community Development Authority - Revenue Refunding Bonds, Series 2011 due in annual installments of \$75,000 to \$360,000 through November 1, 2029, at a variable interest rate of 2% to 4.625%. The debt will be retired from excess annual revenue.	<u>\$ 3,035,000</u>
\$14,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority - Revenue Bonds, Series 2020 due in annual installments of \$330,000 to \$1,000,000 through October 1, 2040, at a variable interest rate of 3% to 4%. The debt will be retired from excess annual revenue.	<u>14,000,000</u>
Total bonds payable	\$ 17,035,000
Add: unamortized bond premium	<u>1,857,747</u>
Net bonds payable	<u>\$ 18,892,747</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Business-type activities –

Revenue bonds payable:

\$3,590,000 Sewer Revenue Refunding Bonds, Series 2012, due in annual installments of \$170,000 to \$250,000 through September, 2028; interest rate of 2.44%; to be retired from excess annual sewer revenues.	\$ 1,835,000
\$1,900,000 Wastewater Revenue Bonds, Series 2013, due in annual installments of \$90,000 to \$100,000 through September, 2033; interest rate of .45%; to be retired from excess annual sewer revenues.	<u>883,389</u>
Total business-type activities long-term liabilities	<u>\$2,718,389</u>

The long-term liabilities are due as follows:

Year Ending August 31,	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	
2022	\$ 645,000	\$ 669,182	\$ 523,000	\$ 70,429	\$ 1,907,611
2023	820,000	644,082	314,000	41,791	1,819,873
2024	840,000	613,382	320,000	35,530	1,808,912
2025	865,000	579,282	331,000	29,137	1,804,419
2026	890,000	543,764	332,000	22,491	1,788,255
2027 - 2031	4,540,000	2,138,287	898,389	28,050	7,604,726
2032 - 2036	3,805,000	1,318,100	-	-	5,123,100
2037 - 2041	4,630,000	477,400	-	-	5,107,400
Totals	<u>\$ 17,035,000</u>	<u>\$ 6,983,479</u>	<u>\$ 2,718,389</u>	<u>\$ 227,428</u>	<u>\$ 26,964,296</u>



CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Changes in General Long-Term Liabilities

During the year ended August 31, 2021, the following changes occurred in long-term liabilities transactions and balances:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable -					
Revenue Refunding					
Bonds, Series 2011	\$3,345,000	\$ -	\$ 310,000	\$ 3,035,000	\$ 315,000
Revenue Bonds,					
Series 2020	-	14,000,000	-	14,000,000	330,000
Premium on Series 2020					
bond issuance	<u>-</u>	<u>1,955,524</u>	<u>97,777</u>	<u>1,857,747</u>	<u>97,777</u>
Total governmental					
activities	<u>\$3,345,000</u>	<u>\$ 15,955,524</u>	<u>\$ 407,777</u>	<u>\$ 18,892,747</u>	<u>\$ 742,777</u>
Business-type activities:					
Sewer Revenue					
Refunding Bonds,					
Series 2012	\$2,040,000	\$ -	\$ 205,000	\$ 1,835,000	\$ 430,000
Wastewater Revenue					
Bonds, Series 2013	<u>952,389</u>	<u>-</u>	<u>69,000</u>	<u>883,389</u>	<u>93,000</u>
Total business-					
type activities	<u>\$2,992,389</u>	<u>\$ -</u>	<u>\$ 274,000</u>	<u>\$ 2,718,389</u>	<u>\$ 523,000</u>

(10) Department of Environmental Quality Revolving Loan

On June 26, 2013, the City issued \$1,900,000 of Wastewater Revenue Bonds, Series 2013, bearing interest of .45% for the rehabilitation and restoration improvements to the Rock Filter and Facultative Pond Levee System at the Wastewater Treatment Facility and to provide erosion protection for levees. The City entered into a loan and pledge agreement with the Department of Environmental Quality that allows the City to make draws of the \$1,900,000 commitment as construction funds are expended for the improvements to the Wastewater Treatment Facility. At August 31, 2021, amounts drawn to date totaled \$1,224,390.

(11) Outstanding Letter of Credit

At August 31, 2021 the City had a \$300,000 outstanding letter of credit secured by a certificate of deposit. The letter of credit is for the benefit of the Louisiana Office of Workers' Compensation.

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

(12) Flow of Funds; Restrictions on Use - Sewer Revenues

Under the terms of the loan and pledge agreements with the financial institutions, all revenues derived from the operation of the utilities system are to be deposited into an account designated as the Sewer Revenue Fund and said account is to be maintained and administered in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable and necessary expenses of operating and maintaining the utilities system.
- (b) Each month there shall be set aside into the Sewer Revenue Bond Sinking Fund on or before the 20<sup>th</sup> day of each month an amount equal to the principal and interest with respect to the bonds for such calendar month together with such additional proportionate sum as may be required to pay such principal and interest as they become due.
- (c) Each month, there shall be set aside into the Taxable Revenue Bond, Series 2013 Debt Service Reserve Fund on or before the 20<sup>th</sup> day of each month a sum at least equal to 25% of the amount required to be paid into the Sewer Revenue Bond Sinking Fund until such time as there has been accumulated therein a sum equal to the Reserve Fund Requirement.
- (d) Funds shall be set aside into the Depreciation and Contingency Fund to provide for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system. Transfers shall be made on or before the 20<sup>th</sup> day of each month until the Fund equals \$250,000. Payments are to be made in a sum equal to 5% of Net Revenues for the preceding month provided that sum is available after provision is made for the payments required under (a) – (c) above.

Not all required transfers were made for the year ended August 31, 2021.

(13) Employee Retirement

The City is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by four public employee retirement systems: the Municipal Employees' Retirement System of Louisiana (MERS) the Municipal Police Employees' Retirement System of Louisiana (MPERS), the Firefighters' Retirement System of Louisiana (FRS) and the Louisiana State Employees' Retirement System (LASERS).

Each of the retirement systems issue an annually publicly available stand-alone report on their financial statements and required supplementary information. These reports may be obtained on each retirement system's website or on the Louisiana Legislative Auditor's website as follows:

Municipal Employees' Retirement System – [www.mersla.com](http://www.mersla.com)  
Municipal Police Employees' Retirement System – [www.mpersla.com](http://www.mpersla.com)  
Firefighters' Retirement System – [www.ffmpeg.com](http://www.ffmpeg.com)  
Louisiana State Employees' Retirement System – [www.lasersonline.org](http://www.lasersonline.org)  
Louisiana Legislative Auditor – [www.lla.la.gov](http://www.lla.la.gov)

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### Plan description:

##### Municipal Employee's Retirement System of Louisiana (MERS)

The Municipal Employees' Retirement System of Louisiana (the System) was originally established by Act 356 of 1954 regular session of the Legislature of the State of Louisiana. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

Eligibility Requirements: Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the City are not eligible for membership in the System with exceptions as outlined in the statutes.

Any person eligible for membership but whose first employment making him eligible for membership in the System occurred on or after January 1, 2013 shall become a member of the Plan A Tier 2 or Plan B Tier 2 of the System as a condition of employment.

Retirement Benefits: Benefit provisions are authorized within Act 356 of the 1954 regular session and amended by LRS 11:1756-11:1785. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any member of Plan A, who commenced participation in the System prior to January 1, 2013 can retire providing the member meets one of the following criteria:

1. Any age with twenty-five (25) or more years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.
3. Any age with 20 years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to three percent of the member's monthly average final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Any member of Plan A Tier 2 can retire providing the member meets one of the following requirements:

1. Age 67 with seven (7) or more years of creditable service.
2. Age 62 with ten (10) or more years of creditable service.
3. Age 55 with thirty (30) years of creditable service.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual sick leave, with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A Tier 2 shall consist of an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits: Upon death of any member of Plan A with five (5) or more years of creditable service, not eligible for retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Deferred Retirement Option Plan (DROP) Benefits: In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in System.

Disability Benefits: For Plan A, a member shall be eligible to retire and receive a disability benefit if he has at least five years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of (1) an amount equal to three percent of his final compensation multiplied by his years of creditable service, but not less than forty-five percent of his final compensation, or (2) an amount equal to what the member's normal retirement benefit would be based on the member's current final compensation, but assuming the member remained in continuous service

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

until his earliest normal retirement age and using those retirement benefit computation factors which would be applicable to the member's normal retirement.

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

Deferred Benefits: Plan A provides for deferred benefits for members who terminate before being eligible for retirement. Once a member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

#### Municipal Police Employees' Retirement System of Louisiana

Eligibility Requirements: Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Retirement Benefits: Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service, not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member's average final compensation or \$200 per month, whichever is greater.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

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

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

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from twenty-five to fifty-five percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives ten percent of average final compensation or \$200 per month whichever is greater. If the deceased member had less than ten years of service, the beneficiary will receive a refund of employee contributions only.

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

No regular retiree, survivor or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

Deferred Retirement Option Plan: A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing

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### Notes to Basic Financial Statements

membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account and earn interest at the money market rate.

Initial Benefit Option Plan: In 1999, the State Legislature authorized the System to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on same criteria as DROP.

#### Firefighters' Retirement System (FRS)

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

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

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

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

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits there from may become a member of System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Retirement Benefits: Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement.

See R.S. 11:2256(A) for additional details on retirement benefits.

Disability Benefits: A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits: Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

Deferred Retirement Option Plan Benefits: After completing 20 years of creditable service and attaining the age of 50 years, or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the member's deferred retirement option plan account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No withdrawals may be made from the deferred retirement option plan account until the participant retires.



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Initial Benefit Option Plan: Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments (COLAs): Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. If there are not sufficient funds to fund the benefit at the rate of one dollar per year for such total number of years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the cost-of living adjustment.

Louisiana State Employees' Retirement System (LASERS)

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of LA R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits: The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. LASERS' rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015, may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

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### Notes to Basic Financial Statements

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

Deferred Retirement Benefits: The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During

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### Notes to Basic Financial Statements

DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30<sup>th</sup> immediately preceding the given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to be below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

Disability Benefits: Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

Members of the Harbor Police Retirement System who became disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service or 100% of final average compensation if the injury was the result of an intentional act of violence. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

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Survivor's Benefits: Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivor benefits paid to a surviving spouse without children are equal to 40% of final average compensation, and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation, and cease upon remarriage, and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, regardless of children. Line of duty survivor benefits cease upon remarriage, and then benefit is paid to children under 18.

Cost of Living Adjustments: As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Funding Policy:

Employer Contributions: According to state statute, contributions for all employers are actuarially determined each year. The employer contribution rates were as follows:

	<u>Status</u>	<u>Employer</u>
Municipal Employees' Retirement System of Louisiana (Plan A)	open	29.50%
Municipal Police Employees's Retirement System of Louisiana	open	29.75%
Firefighters Retirement System of Louisiana (above poverty line)	open	32.25%
Firefighters Retirement System of Louisiana (below poverty line)	open	34.25%
Louisiana State Employees' Retirement System (LASERS)		
Judges hired before 1/01/11	closed	43.70%

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

In accordance with state statute, the Systems receive ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. The City recognized non-employer contributions as follows:

Municipal Employees' Retirement System of Louisiana (Plan A)	\$ 61,337
Municipal Police Employees's Retirement System of Louisiana	103,365
Firefighters Retirement System of Louisiana	168,493
	<u>\$ 333,195</u>

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The following schedule lists the City's proportionate share of net pension liability allocated by each of the pension plans based on the measurement dates. The City uses this measurement to record its net pension liability and associated amounts in accordance with GASB Statement No. 68. The schedule also includes the proportionate share allocation rate used at the measurement date for each plan, along with the change compared to prior year rates. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, determined by an actuarial valuation as of the measurement date.

	Net Pension Liability (Asset)		Measurement Rate		Increase (Decrease)
	at Measurement Date		Current	Previous	
	Governmental Activities	Business-Type Activities			
MERS (Plan A) *	\$ 1,881,613	\$ 404,772	0.821996%	0.814473%	0.007523%
MPERS *	2,465,586	-	0.462539%	0.430059%	0.032480%
FRS *	2,090,171	-	0.589802%	0.610610%	-0.020808%
LASERS *	82,174	-	0.001490%	0.001440%	0.000050%
Total	<u>\$ 6,519,544</u>	<u>\$ 404,772</u>			

The following schedule lists each pension plan's recognized pension expense of the City for the year ended August 31, 2021:

Municipal Employees' Retirement System of Louisiana (Plan A)	\$ 79,755
Municipal Police Employees's Retirement System of Louisiana	99
Firefighters Retirement System of Louisiana	135,518
Louisiana State Employees' Retirement System	(8,998)
	<u>\$ 206,374</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

At August 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Municipal Employees' Retirement System (MERS)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ 678	\$ 21,516	\$ 146	\$ 4,629
Change of assumptions	68,760	-	14,792	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	15,857	138,075	3,410	29,703
Net differences between projected and actual earnings on plan investments	-	530,148	-	114,044
Contributions subsequent to the measurement date	58,236	-	12,528	-
Total	<u>\$ 143,531</u>	<u>\$ 689,739</u>	<u>\$ 30,876</u>	<u>\$ 148,376</u>

Municipal Police Employees' Retirement System (MPERS)

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 75,932
Change of assumptions	273,051	70,333
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	207,207	342,687
Net differences between projected and actual earnings on plan investments	-	1,151,234
Contributions subsequent to the measurement date	68,399	-
Total	<u>\$ 548,657</u>	<u>\$ 1,640,186</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Firefighters' Retirement System (FRS)

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 29,828	\$ 187,702
Change of assumptions	452,925	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	127,869	354,527
Net differences between projected and actual earnings on plan investments	-	1,268,438
Contributions subsequent to the measurement date	<u>79,911</u>	<u>-</u>
Total	<u>\$ 690,533</u>	<u>\$ 1,810,667</u>

Louisiana State Employees' Retirement System (LASERS)

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 81	\$ -
Change of assumptions	2,013	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	23,530
Contributions subsequent to the measurement date	<u>2,078</u>	<u>-</u>
Total	<u>\$ 4,172</u>	<u>\$ 23,530</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Deferred outflows of resources related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period as follows:

Municipal Employees' Retirement System of Louisiana (Plan A)	\$ 70,764
Municipal Police Employees's Retirement System of Louisiana	68,399
Firefighters Retirement System of Louisiana	79,911
Louisiana State Employees' Retirement System	<u>2,078</u>
	<u>\$ 221,152</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	MERS	MPERS	FRS	LASERS	Total
2022	\$ (242,487)	\$ (338,348)	\$ (249,516)	\$ (5,599)	\$ (835,950)
2023	(107,845)	(274,290)	(256,993)	(2,953)	(642,081)
2024	(166,078)	(150,664)	(322,138)	(4,354)	(643,234)
2025	(218,062)	(396,626)	(376,887)	(8,530)	(1,000,105)
2026	-	-	(6,731)	-	(6,731)
2027	-	-	12,220	-	12,220
	<u>\$ (734,472)</u>	<u>\$ (1,159,928)</u>	<u>\$ (1,200,045)</u>	<u>\$ (21,436)</u>	<u>\$ (3,115,881)</u>

Actuarial Methods and Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees’ past periods of service, less the amount of the pension plan’s fiduciary net position.



CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

A summary of the actuarial methods and assumptions used in determining the total pension liability are as follows:

	MERS	MPERS	FRS	LASERS
Valuation Date	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return	6.85%, net of pension plan investment expense, including inflation	6.75%, net of investment income	6.90% per annum, net of investment expense, including inflation	7.40% per annum, net of investment expenses
Projected Salary Increases	Varies from 6.4% in 1st 4 years and 4.5% with more than 4 years of service	Varies from 12.3% in the 1st 2 years, 4.70% above 2 years	Varies from 14.10% in 1st 2 years to 5.20% with 3 or more years of service	Varies from 2.60% to 13.80% depending on member type
Expected Remaining Service Lives	3 years	4 years	7 years, closed period	2 years

Mortality:

Municipal Employees' Retirement System (MERS) –

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

Employee mortality: PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales. Disables lives mortality: PubNS-2010(B) Disables Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

## CITY OF CROWLEY, LOUISIANA

### Notes to Basic Financial Statements

#### Municipal Police Employees' Retirement System (MPERS) –

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

Disabled lives: Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.

Employees: Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.

#### Firefighters' Retirement System (FRS) –

For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.

For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.

For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.

In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

#### Louisiana State Employees' Retirement System (LASERS) –

Non-disabled members - The RP-2014 Blue Collar (males/ females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.

Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

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

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation are summarized in the following table:

Asset Class	Target Allocation			
	MERS	MPERS	FRS	LASERS
Equity	53.00%	55.50%	56.00%	0.00%
Fixed Income	38.00%	30.50%	26.00%	0.00%
Alternatives	9.00%	14.00%	18.00%	0.00%
Totals	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

Asset Class	Long-Term Expected Portfolio Real Rate of Return			
	MERS	MPERS	FRS	LASERS
Cash	0.00%	0.00%	0.00%	-0.29%
Fixed Income	1.65%	0.59%	4.12%	4.43%
Equity	2.31%	3.48%	27.34%	9.21%
Alternatives	0.39%	1.01%	14.84%	6.93%
Other	0.00%	0.00%	8.34%	0.00%
Total Fund				5.81%
Inflation	<u>2.60%</u>	<u>2.22%</u>	<u>2.50%</u>	<u>2.30%</u>
Expected Arithmetic Nominal Return	<u>6.95%</u>	<u>7.30%</u>	<u>6.90%</u>	<u>7.75%</u>

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, approved by Board of Trustees and the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Sensitivity to Changes in the Discount Rate: The following table presents the City's proportionate share of net pension liability using the discount rate of each retirement system, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<b>MERS (Plan A)</b>			
Discount Rates	5.85%	6.85%	7.85%
Net Pension Liability (Asset)	\$3,386,253	\$2,286,385	\$1,357,394
<b>MPERS</b>			
Discount Rates	5.75%	6.75%	7.75%
Net Pension Liability (Asset)	\$4,297,126	\$2,465,586	\$ 936,867
<b>FRS</b>			
Discount Rates	5.90%	6.90%	7.90%
Net Pension Liability (Asset)	\$4,009,839	\$2,090,171	\$ 489,188
<b>LASERS</b>			
Discount Rates	6.40%	7.40%	8.40%
Net Pension Liability (Asset)	\$ 111,340	\$ 82,174	\$ 57,358

(14) Commitments and Contingencies

Litigation

At August 31, 2021, the City of Crowley was a defendant in several lawsuits. Reserves for claims losses are established and recorded as liabilities of the Risk Management Fund when information available indicates that it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. The City's legal counsel has reviewed the claims and lawsuits, in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, there are no claims and lawsuits that an unfavorable outcome would materially affect the financial statements. Also, the City may be exposed to losses for which the amounts cannot be determined at this time.

Grant Audits

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

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

(15) Leases

A. Operating Lease

The City leases property with lease terms of one year or less. The minimum annual commitments under these operating leases are considered to be immaterial. Income recognized for the year ended August 31, 2021 was \$73,874.

B. Capital Lease

In September of 2017, the City entered into a lease agreement for acquisition of body cameras for the police department. Also, in February 2019, the City entered into a lease agreement for acquisition of 19 police vehicles. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The future minimum lease obligation and the net present value of the minimum lease payments as of August 31, 2021 were as follows:

2022	\$ 140,441
2023	<u>40,332</u>
Total minimum lease payments	180,773
Less: amount representing interest	<u>(9,519)</u>
Present value of minimum lease payments	<u>\$ 171,254</u>

At August 31, 2021, the equipment is included in capital assets with a cost of \$673,425 and accumulated depreciation of \$326,061. Depreciation expense of \$134,684 was recorded for these assets at August 31, 2021.

(16) Risk Management

A. Workmen's Compensation and Commercial Insurance Coverage

Effective February 1, 1994, the City established a risk management program for its workman's compensation coverage and accounts for it in the Workmen's Compensation Fund. Interfund premiums are paid into this fund and are available to pay claims and administrative costs. All funds of the City participate in the program and make payments to the Workmen's Compensation Fund based on premiums needed to pay prior and current year claims, administrative costs, and commercial insurance premiums and to establish a reserve for losses relating to catastrophes.

For the year ended August 31, 2021, the claims liability of \$7,865 was reported in the Workmen's Compensation Fund. The claims liability is based on the requirements of GASB, which are that a liability for claims be reported as of the financial statement date if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Reconciliation of Claims Liabilities

	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning	\$ 31,397	\$ 24,916
Claims incurred	385,385	314,867
Claims payments	<u>(408,917)</u>	<u>(308,378)</u>
Unpaid claims, ending	<u>\$ 7,865</u>	<u>\$ 31,405</u>

Claims payable of \$7,865 at August 31, 2021 consisted of claims incurred prior to August 31, 2021 and paid in September, 2021 through October, 2021.

B. Group Self- Insurance

Effective May 1, 1990, the City established a risk management program for its group health and life insurance coverage and accounts for it in the Employee Benefit Plan Fund. Both the employer and employees' share of premiums are paid into this fund and are available to pay claims and administrative costs. Interfund premiums are based primarily upon the insured fund's number of participants.

For the year ended August 31, 2021, the claims liability of \$61,915 was reported in the Employee Benefit Plan Fund. The claims liability is based on the requirements of GASB, which are that a liability for claims be reported as of the financial statement date if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

Reconciliation of Claims Liabilities

	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning	\$ 205,897	\$ 171,163
Claims incurred	1,035,300	2,307,904
Claims payments	<u>(1,179,282)</u>	<u>(2,273,170)</u>
Unpaid claims, ending	<u>\$ 61,915</u>	<u>\$ 205,897</u>

Claims payable of \$61,915 at August 31, 2021 consisted of claims incurred prior to August 31, 2021 and paid in September, 2021 through November, 2021.

(17) Post-employment Benefits

Plan Description – The City of Crowley (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Crowley's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification.

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Benefits Provided – Medical insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. The employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; or, age 60 and 10 years of service. Employees hired on and after January 1, 2013 must meet the following retirement (D.R.O.P. entry) requirements: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Contribution Rates – Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. Prior to Medicare the employer pays 100% of the premium for employee retirement coverage but not dependents; during Medicare the employer does not pay for coverage. The plan provisions and contribution rates are contained in the official plan documents.

Employees covered by benefit terms – The following employees were covered by the benefit terms:

In active employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>109</u>
	<u>113</u>

The City’s total OPEB liability of \$1,497,299 was measured as of August 31, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the August 31, 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	2.0%
Salary increases	3.0%, including inflation
Prior Discount rate	2.20%
Discount rate	2.14%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	5.5% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of August 31, 2021, the end of the applicable measurement period.

The actuarial assumptions used in the August 31, 2021 valuation were based on the results of ongoing evaluations of the assumptions from September 1, 2009 to August 31, 2021.

The following presents changes in the total OPEB liability:

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

Balance at August 31, 2020	<u>\$ 1,380,726</u>
Changes for the year:	
Service cost	16,690
Interest	30,560
Differences between expected and actual experience	91,624
Changes in assumptions	10,149
Benefit payments and net transfers	<u>(32,450)</u>
Net changes	<u>116,573</u>
Balance at August 31, 2021	<u>\$ 1,497,299</u>

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

	1.0% Decrease <u>1.14%</u>	Current Discount Rate <u>2.14%</u>	1.0% Increase <u>3.14%</u>
Total OPEB liability	<u>\$ 1,696,122</u>	<u>\$ 1,497,299</u>	<u>\$ 1,327,304</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 or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease <u>4.50%</u>	Current Trend <u>5.50%</u>	1.0% Increase <u>6.50%</u>
Total OPEB liability	<u>\$ 1,323,236</u>	<u>\$ 1,497,299</u>	<u>\$ 1,702,347</u>



CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

For the year ended August 31, 2021, the City recognized OPEB expense of \$64,387. At August 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 139,160	\$ 74,073
Changes in assumptions	<u>169,412</u>	<u>34,629</u>
Total	<u>\$ 308,572</u>	<u>\$ 108,702</u>

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

<u>Year Ended August 31:</u>	
2022	\$ 17,137
2023	17,137
2024	17,137
2025	17,137
2026	17,137
2027 - 2041	<u>114,185</u>
	<u>\$ 199,870</u>

Actuarial Cost Method – Each employee’s service costs are calculated as a level percentage of that employee’s projected pay. The attribution period extends from the first period for which the employee provides service under the benefit terms through the assumed commencement of benefit payments for that employee. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are no plan assets since the OPEB benefits are not as yet funded.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 13%.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays the cost of the medical insurance for the retiree or dependents under a fully insured plan, reduced by any employee contributions, but the active employees and pre-Medicare retirees are assigned the same rate, a blended rate. Thus, since GASB 74/75 mandates that “unblended” rates be used, the “unblended” rates

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

have been estimated for retired members before Medicare eligibility to be an age and gender specific equivalent of the blended rates by applying an implied subsidy adjustment. The implied subsidy adjustment was developed for each gender at each retirement age before age 65 from data based on actual regional per-capita claims experience in recent years and as applied to the census data characteristics obtained historically for various regional employees.

(18) Interfund Receivables/Payables and Interfund Transfers

A. A summary of interfund receivables and payables follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 494,471	\$ -
Sales Tax Fund	-	818,986
One-Half Cent Sales Tax - Salary Fund	727,827	-
2012 Sales Tax - Infrastructure Imporvement fund	364,119	-
Nonmajor governmental funds	<u>14,167</u>	<u>24,123</u>
Total governmental funds	1,600,584	843,109
Internal service funds	-	50,000
Enterprise Fund	<u>-</u>	<u>707,475</u>
Total	<u>\$ 1,600,584</u>	<u>\$ 1,600,584</u>

The amounts due from the General Fund to various other funds are for reimbursements owed for expenditures paid for those funds.

B. Interfund transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 6,698,990	\$ 808,046
Sales Tax Fund	-	5,567,513
1/2 Cent Sales Tax - Salary Fund	122,121	1,555,699
2012 Sales Tax - Infrastructure Improvement Fund	3,367,258	3,287,915
Capital Project Fund	1,945,513	3,032,093
Nonmajor governmental funds	<u>1,778,592</u>	<u>71,390</u>
Total governmental funds	13,912,474	14,322,656
Internal service fund	520,000	-
Enterprise Fund	<u>-</u>	<u>109,818</u>
Total	<u>\$14,432,474</u>	<u>\$ 14,432,474</u>

CITY OF CROWLEY, LOUISIANA

Notes to Basic Financial Statements

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

(19) On-Behalf Payments

The City has recognized \$401,339 as revenue and expenditure for on-behalf salary payments, of which \$359,515 was made by the State of Louisiana, \$40,624 was made by the Acadia Parish Sheriff's Office, and \$1,200 was made by the Acadia Parish Police Jury.

(20) New Accounting Pronouncement

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases. The statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognizes as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after December 15, 2019. In April of 2020, GASB extended the implementation date of this standard by one year. The effect of implementation on the City's financial statements has not yet been determined.

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**REQUIRED  
SUPPLEMENTARY INFORMATION**

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CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended August 31, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues:</b>				
Taxes	\$2,553,993	\$2,553,993	\$ 2,741,970	\$ 187,977
Licenses and permits	666,500	666,500	716,121	49,621
Intergovernmental	486,200	486,200	986,026	499,826
Charges for services	36,530	36,530	34,317	(2,213)
Fines and fees	195,000	195,000	141,395	(53,605)
Investment income	28,500	28,500	4,635	(23,865)
Miscellaneous	231,385	374,396	338,853	(35,543)
Total revenues	<u>4,198,108</u>	<u>4,341,119</u>	<u>4,963,317</u>	<u>622,198</u>
<b>Expenditures:</b>				
Current -				
General government	1,633,259	1,718,343	2,387,601	(669,258)
Public safety	6,587,145	6,705,146	6,609,996	95,150
Public works	1,335,251	1,525,619	1,308,150	217,469
Economic development	44,500	44,500	55,453	(10,953)
Capital outlay	61,000	81,712	48,829	32,883
Debt service -				
Principal retirement	101,883	101,883	245,086	(143,203)
Interest and fiscal charges	13,133	13,133	16,351	(3,218)
Total expenditures	<u>9,776,171</u>	<u>10,190,336</u>	<u>10,671,466</u>	<u>(481,130)</u>
Deficiency of revenues over expenditures	<u>(5,578,063)</u>	<u>(5,849,217)</u>	<u>(5,708,149)</u>	<u>141,068</u>
<b>Other financing sources (uses):</b>				
Transfers in	5,966,437	5,966,437	6,698,990	732,553
Transfers out	(287,200)	(287,200)	(808,046)	(520,846)
Total other financing sources (uses)	<u>5,679,237</u>	<u>5,679,237</u>	<u>5,890,944</u>	<u>211,707</u>
Net change in fund balance	101,174	(169,980)	182,795	352,775
Fund balance, beginning	<u>1,768,724</u>	<u>1,768,724</u>	<u>1,768,724</u>	<u>-</u>
Fund balance, ending	<u>\$1,869,898</u>	<u>\$1,598,744</u>	<u>\$1,951,519</u>	<u>\$ 352,775</u>

CITY OF CROWLEY, LOUISIANA  
Sales Tax Fund

Budgetary Comparison Schedule  
For the Year Ended August 31, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$4,639,349	\$4,639,349	\$5,517,325	\$ 877,976
Investment income	<u>1,200</u>	<u>1,200</u>	<u>1,510</u>	<u>310</u>
Total revenues	<u>4,640,549</u>	<u>4,640,549</u>	<u>5,518,835</u>	<u>878,286</u>
Expenditures:				
Current -				
General government	<u>77,754</u>	<u>77,754</u>	<u>94,235</u>	<u>(16,481)</u>
Excess of revenues over expenditures	4,562,795	4,562,795	5,424,600	861,805
Other financing uses:				
Transfers out	<u>(4,562,795)</u>	<u>(4,562,795)</u>	<u>(5,567,513)</u>	<u>(1,004,718)</u>
Net change in fund balance	-	-	(142,913)	(142,913)
Fund balance, beginning	<u>1,166,358</u>	<u>1,166,358</u>	<u>1,166,358</u>	<u>-</u>
Fund balance, ending	<u>\$1,166,358</u>	<u>\$1,166,358</u>	<u>\$1,023,445</u>	<u>\$ (142,913)</u>



CITY OF CROWLEY, LOUISIANA  
One-Half Cent Sales Tax - Salary Fund

Budgetary Comparison Schedule  
For the Year Ended August 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 1,582,791	\$ 1,582,791	\$ 1,839,109	\$ 256,318
Investment income	<u>2,500</u>	<u>2,500</u>	<u>1,448</u>	<u>(1,052)</u>
Total revenues	1,585,291	1,585,291	1,840,557	255,266
Expenditures:				
Current -				
General government	<u>29,592</u>	<u>29,592</u>	<u>32,300</u>	<u>(2,708)</u>
Excess of revenues over expenditures	<u>1,555,699</u>	<u>1,555,699</u>	<u>1,808,257</u>	<u>252,558</u>
Other financing sources (uses):				
Transfers in	-	-	122,121	122,121
Transfers out	<u>(1,555,699)</u>	<u>(1,555,699)</u>	<u>(1,555,699)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,555,699)</u>	<u>(1,555,699)</u>	<u>(1,433,578)</u>	<u>122,121</u>
Net change in fund balance	-	-	374,679	374,679
Fund balance, beginning	<u>1,464,419</u>	<u>1,464,419</u>	<u>1,464,419</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,464,419</u>	<u>\$ 1,464,419</u>	<u>\$ 1,839,098</u>	<u>\$ 374,679</u>

CITY OF CROWLEY, LOUISIANA  
2012 Sales Tax - Infrastructure Improvement Fund

Budgetary Comparison Schedule  
For the Year Ended August 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Taxes	\$ 1,582,791	\$ 1,582,791	\$ 1,839,109	\$ 256,318
Net increase in fair value of investments	<u>200,000</u>	<u>200,000</u>	<u>(26,701)</u>	<u>(226,701)</u>
Total revenues	1,782,791	1,782,791	1,812,408	29,617
<b>Expenditures:</b>				
Current - General government	<u>28,042</u>	<u>28,042</u>	<u>32,877</u>	<u>(4,835)</u>
Excess of revenues over expenditures	<u>1,754,749</u>	<u>1,754,749</u>	<u>1,779,531</u>	<u>24,782</u>
<b>Other financing uses:</b>				
Transfers in	-	-	3,367,258	3,367,258
Transfers out	<u>(4,465,710)</u>	<u>(5,992,700)</u>	<u>(3,287,915)</u>	<u>2,704,785</u>
Total other financing sources (uses)	<u>(4,465,710)</u>	<u>(5,992,700)</u>	<u>79,343</u>	<u>6,072,043</u>
Net change in fund balance	(2,710,961)	(4,237,951)	1,858,874	2,729,567
Fund balance, beginning	<u>8,050,480</u>	<u>8,050,480</u>	<u>8,050,480</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,339,519</u>	<u>\$ 3,812,529</u>	<u>\$ 9,909,354</u>	<u>\$ 2,729,567</u>

CITY OF CROWLEY, LOUISIANA

Notes to Budgetary Comparison Schedule

(1) Budgets and Budgetary Accounting

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

- (a) The City Clerk prepares a proposed operating budget for the fiscal year and submits it to the Mayor and City Council not later than fifteen days prior to the beginning of each fiscal year.
- (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 held on the proposed budget at least ten days after publication of the call for the hearing.
- (d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- (e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.
- (f) All budgetary appropriations lapse at the end of each fiscal year.
- (g) Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Council.

The General Fund, Sales Tax Fund and the One-Half Cent Sales Tax – Salary Fund reported excess expenditures over appropriations.

CITY OF CROWLEY, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios  
For the Year Ended August 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Changes for the year:				
Service cost	\$ 16,690	\$ 14,299	\$ 11,442	\$ 12,787
Interest	30,560	41,027	47,127	42,104
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	91,624	(92,592)	21,457	50,179
Changes of assumptions	10,149	74,529	122,224	(44,522)
Benefit payments	<u>(32,450)</u>	<u>(30,758)</u>	<u>(36,930)</u>	<u>(35,005)</u>
Net change in total OPEB liability	116,573	6,505	165,320	25,543
Total OPEB liability - beginning	<u>1,380,726</u>	<u>1,374,221</u>	<u>1,208,901</u>	<u>1,183,358</u>
Total OPEB liability - ending	<u>\$1,497,299</u>	<u>\$1,380,726</u>	<u>\$1,374,221</u>	<u>\$ 1,208,901</u>
Covered - employee payroll	<u>\$3,778,006</u>	<u>\$3,667,967</u>	<u>\$4,201,335</u>	<u>\$ 4,078,966</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>39.63%</u>	<u>37.64%</u>	<u>32.71%</u>	<u>29.64%</u>
Notes to Schedule:				
Benefit Changes	None	None	None	None
Changes of Assumptions:				
Discount Rate	2.14%	2.20%	2.97%	3.88%
Mortality	RP-2014	RP-2014	RP-2000	RP-2000
Trend	Variable	Variable	5.50%	5.50%

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
Municipal Employees' Retirement System - Plan A  
For the Year Ended August 31, 2021

* 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
2015	1.016240%	\$ 3,630,168	\$ 1,751,109	207.31%	66.18%
2016	0.991152%	\$ 4,062,445	\$ 1,761,004	230.69%	62.11%
2017	0.983876%	\$ 4,115,968	\$ 1,782,810	230.87%	62.49%
2018	0.944911%	\$ 3,912,572	\$ 1,576,562	248.17%	63.94%
2019	0.948318%	\$ 3,962,700	\$ 1,688,062	234.75%	64.68%
2020	0.814473%	\$ 3,521,300	\$ 1,556,723	226.20%	64.52%
2021	0.821996%	\$ 2,286,385	\$ 1,552,926	147.23%	77.82%

\* The amounts presented have a measurement date of June 30.

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer Contributions  
Municipal Employees' Retirement System - Plan A  
For the Year Ended August 31, 2021

Year ended August 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2015	\$ 339,460	\$ 339,460	\$ -	\$ 1,773,145	19.14%
2016	\$ 349,690	\$ 349,690	\$ -	\$ 1,754,813	19.93%
2017	\$ 393,156	\$ 393,156	\$ -	\$ 1,707,230	23.03%
2018	\$ 416,092	\$ 416,092	\$ -	\$ 1,557,923	26.71%
2019	\$ 484,853	\$ 484,853	\$ -	\$ 1,719,220	28.20%
2020	\$ 426,436	\$ 426,436	\$ -	\$ 1,517,145	28.11%
2021	\$ 446,740	\$ 446,740	\$ -	\$ 1,560,318	28.63%

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
Municipal Police Employees' Retirement System  
For the Year Ended August 31, 2021

* 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
2015	0.483806%	\$ 3,790,114	\$ 1,281,284	295.81%	70.73%
2016	0.534363%	\$ 5,008,487	\$ 1,228,042	407.84%	66.04%
2017	0.529237%	\$ 4,620,463	\$ 1,568,181	294.64%	70.08%
2018	0.539208%	\$ 4,558,497	\$ 1,583,531	287.87%	71.89%
2019	0.489336%	\$ 4,443,990	\$ 1,518,571	292.64%	71.01%
2020	0.430059%	\$ 3,974,747	\$ 1,439,022	276.21%	70.94%
2021	0.462539%	\$ 2,465,586	\$ 1,411,124	174.72%	84.09%

\* The amounts presented have a measurement date of June 30.

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer Contributions  
Municipal Police Employees' Retirement System  
For the Year Ended August 31, 2021

<u>Year ended August 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2015	\$ 407,996	\$ 407,996	\$ -	\$ 1,290,437	31.62%
2016	\$ 420,498	\$ 420,498	\$ -	\$ 1,235,209	34.04%
2017	\$ 492,477	\$ 492,477	\$ -	\$ 1,562,453	31.52%
2018	\$ 491,991	\$ 491,991	\$ -	\$ 1,578,543	31.17%
2019	\$ 498,542	\$ 498,542	\$ -	\$ 1,495,624	33.33%
2020	\$ 477,407	\$ 477,407	\$ -	\$ 1,459,790	32.70%
2021	\$ 464,316	\$ 464,316	\$ -	\$ 1,403,001	33.09%

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



CITY OF CROWLEY, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
 Firefighters' Retirement System  
 For the Year Ended August 31, 2021

* 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
2015	0.653756%	\$ 3,528,395	\$ 1,401,307	251.79%	72.45%
2016	0.649170%	\$ 4,246,159	\$ 1,463,744	290.09%	68.16%
2017	0.646731%	\$ 3,706,964	\$ 1,510,026	245.49%	73.55%
2018	0.605011%	\$ 3,480,070	\$ 1,440,435	241.60%	74.76%
2019	0.646234%	\$ 4,046,659	\$ 1,544,847	261.95%	73.96%
2020	0.610610%	\$ 4,232,473	\$ 1,520,129	278.43%	72.61%
2021	0.589802%	\$ 2,090,171	\$ 1,487,549	140.51%	86.78%

\* The amounts presented have a measurement date of June 30.

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer Contributions  
 Firefighters' Retirement System  
 For the Year Ended August 31, 2021

<u>Year ended August 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2015	\$ 408,671	\$ 408,671	\$ -	\$ 1,408,210	29.02%
2016	\$ 396,009	\$ 396,009	\$ -	\$ 1,475,113	26.85%
2017	\$ 370,264	\$ 370,264	\$ -	\$ 1,452,523	25.49%
2018	\$ 386,559	\$ 386,559	\$ -	\$ 1,445,149	26.75%
2019	\$ 423,078	\$ 423,078	\$ -	\$ 1,556,545	27.18%
2020	\$ 421,850	\$ 421,850	\$ -	\$ 1,504,584	28.04%
2021	\$ 477,195	\$ 477,195	\$ -	\$ 1,487,549	32.08%

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
Louisiana State Employees' Retirement System  
For the Year Ended August 31, 2021

* 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
2015	0.001880%	\$ 84,679	\$ 23,003	368.12%	62.66%
2016	0.001300%	\$ 102,319	\$ 25,001	409.26%	57.70%
2017	0.002380%	\$ 167,595	\$ 27,124	617.88%	62.50%
2018	0.002290%	\$ 156,449	\$ 30,301	516.32%	64.30%
2019	0.001610%	\$ 116,933	\$ 29,625	394.71%	62.90%
2020	0.001440%	\$ 119,263	\$ 29,718	401.32%	58.00%
2021	0.149000%	\$ 82,174	\$ 30,907	265.88%	72.78%

\* The amounts presented have a measurement date of June 30.

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

CITY OF CROWLEY, LOUISIANA

Schedule of Employer Contributions  
Louisiana State Employees' Retirement System  
For the Year Ended August 31, 2021

<u>Year ended August 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2015	\$ 10,281	\$ 10,281	\$ -	\$ 24,039	42.77%
2016	\$ 9,545	\$ 9,545	\$ -	\$ 25,001	38.18%
2017	\$ 10,531	\$ 10,531	\$ -	\$ 26,978	39.04%
2018	\$ 12,193	\$ 12,193	\$ -	\$ 30,301	40.24%
2019	\$ 12,564	\$ 12,564	\$ -	\$ 29,718	42.28%
2020	\$ 12,603	\$ 12,603	\$ -	\$ 29,718	42.41%
2021	\$ 13,506	\$ 13,506	\$ -	\$ 30,907	43.70%

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

CITY OF CROWLEY, LOUISIANA

Notes to Retirement System Schedules

(1) Retirement Systems

A. Municipal Employees' Retirement System

Changes of benefit terms –

There were no changes of benefit terms for the year ended August 31, 2021.

Changes of assumptions –

* Year Ended August 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.500%	7.500%	2.875%	3	-	5.00%
2016	7.500%	7.500%	2.875%	3	-	5.00%
2017	7.400%	7.400%	2.775%	3	-	5.00%
2018	7.275%	7.275%	2.600%	3	-	5.00%
2019	7.000%	7.000%	2.500%	3	4.50%	6.40%
2020	6.950%	6.950%	2.500%	3	4.50%	6.40%
2021	6.850%	6.850%	2.500%	3	4.50%	6.40%

B. Municipal Police Employees' Retirement System

Changes of benefit terms –

There were no changes of benefit terms for the year ended August 31, 2021.

Changes of assumptions –

* Year Ended August 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.500%	7.500%	2.875%	4	4.25%	9.75%
2016	7.500%	7.500%	2.875%	4	4.25%	9.75%
2017	7.325%	7.500%	2.700%	4	4.25%	9.75%
2018	7.200%	7.200%	2.600%	4	4.25%	9.75%
2019	7.125%	7.125%	2.500%	4	4.25%	9.75%
2020	6.950%	6.950%	2.500%	4	4.70%	12.30%
2021	6.750%	6.750%	2.500%	4	4.70%	12.30%

\* The amounts presented have a measurement date of June 30.

CITY OF CROWLEY, LOUISIANA

Notes to Retirement System Schedules (Continued)

C. Firefighters' Retirement System

Changes of benefit terms –

There were no changes of benefit terms for the year ended August 31, 2021.

Changes of assumptions –

* Year Ended August 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.50%	7.50%	2.875%	7	4.75%	15.00%
2016	7.50%	7.50%	2.875%	7	4.75%	15.00%
2017	7.40%	7.40%	2.775%	7	4.75%	15.00%
2018	7.30%	7.30%	2.700%	7	4.75%	15.00%
2019	7.15%	7.15%	2.500%	7	4.50%	14.75%
2020	7.00%	7.00%	2.500%	7	5.20%	14.10%
2021	6.90%	6.90%	2.500%	7	5.20%	14.10%

\* The amounts presented have a measurement date of June 30.

D. Louisiana State Employees' Retirement System

Changes of benefit terms –

There were no changes of benefit terms for the year ended August 31, 2021.

Changes of assumptions –

* Year Ended August 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.750%	7.750%	3.000%	3	3.00%	5.50%
2016	7.750%	7.750%	3.000%	3	3.00%	5.50%
2017	7.700%	7.700%	2.750%	3	2.80%	5.30%
2018	7.650%	7.650%	2.750%	3	2.80%	5.30%
2019	7.600%	7.600%	2.500%	2	2.80%	5.30%
2020	7.550%	7.550%	2.300%	2	2.60%	5.10%
2021	7.400%	7.400%	2.300%	2	2.60%	5.10%

\* The amounts presented have a measurement date of June 30.

**OTHER SUPPLEMENTARY INFORMATION**

**OTHER FINANCIAL INFORMATION**



CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
<b>Taxes:</b>					
Ad valorem	\$ 1,649,493	\$ 1,649,493	\$ 1,777,461	\$ 127,968	\$ 1,697,123
Electric franchise	580,000	580,000	621,604	41,604	595,964
Gas franchise	87,500	87,500	80,188	(7,312)	87,698
Telephone franchise	22,000	22,000	19,779	(2,221)	17,792
Cable TV franchise	123,000	123,000	119,543	(3,457)	123,116
Water franchise	77,000	77,000	119,495	42,495	78,145
In lieu of tax payments	10,000	10,000	-	(10,000)	10,000
Interest and penalties on taxes	5,000	5,000	3,900	(1,100)	5,382
Total taxes	<u>2,553,993</u>	<u>2,553,993</u>	<u>2,741,970</u>	<u>187,977</u>	<u>2,615,220</u>
<b>Licenses and permits:</b>					
Occupational licenses	280,000	280,000	320,502	40,502	279,648
Insurance licenses	275,000	275,000	293,804	18,804	258,684
Liquor licenses	33,100	33,100	34,132	1,032	33,329
Building permits	67,900	67,900	57,497	(10,403)	56,319
Chain store licenses	10,500	10,500	10,186	(314)	10,733
Other licenses and permits	-	-	-	-	26,754
Total licenses and permits	<u>666,500</u>	<u>666,500</u>	<u>716,121</u>	<u>49,621</u>	<u>665,467</u>
<b>Intergovernmental:</b>					
Beer tax revenue	20,000	20,000	21,533	1,533	20,113
Video poker tax revenue	400,000	400,000	447,726	47,726	366,293
2% fire insurance proceeds	52,200	52,200	52,113	(87)	52,247
Federal grants	-	-	35,315	35,315	-
State grants	14,000	14,000	28,000	14,000	47,879
On-behalf payments	-	-	401,339	401,339	401,293
Total intergovernmental	<u>486,200</u>	<u>486,200</u>	<u>986,026</u>	<u>499,826</u>	<u>887,825</u>
<b>Charges for services:</b>					
Lot cutting fees	3,000	3,000	5,063	2,063	2,119
Animal control fees	1,500	1,500	590	(910)	1,265
Frame and grate income	1,300	1,300	-	(1,300)	1,363
State highway clean-up fees	24,730	24,730	24,730	-	26,254
Miscellaneous fees	6,000	6,000	3,934	(2,066)	2,024
Total charges for services	<u>36,530</u>	<u>36,530</u>	<u>34,317</u>	<u>(2,213)</u>	<u>33,025</u>

(continued)

CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Revenues (Continued)  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Budget				
	Original	Final			
Fines and fees:					
Court fines and fees	195,000	195,000	141,395	(53,605)	260,299
Investment income	28,500	28,500	4,635	(23,865)	15,212
Miscellaneous:					
Rental of property	73,475	73,475	73,874	399	70,858
Mardi Gras fundraiser	6,000	6,000	-	(6,000)	6,730
Gas and oil royalties	150	150	-	(150)	143
Miscellaneous police revenues	25,010	25,010	21,244	(3,766)	21,472
Retirees insurance reimbursements	34,000	34,000	26,239	(7,761)	30,426
Other	92,750	235,761	217,496	(18,265)	54,782
Total miscellaneous	231,385	374,396	338,853	(35,543)	184,411
 Total revenues	 \$4,198,108	 \$ 4,341,119	 \$ 4,963,317	 \$ 622,198	 \$4,661,459

CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Budget				
	Original	Final			
General government -					
Administrative:					
Salaries and wages	\$ 484,453	\$ 484,453	\$ 466,497	\$ 17,956	\$ 480,311
Payroll taxes	12,226	12,226	10,377	1,849	11,936
Retirement	112,780	112,780	104,363	8,417	98,080
Group insurance	174,444	174,444	107,630	66,814	125,150
General insurance	30,000	30,000	38,934	(8,934)	29,864
Office expense	11,000	11,000	33,132	(22,132)	19,313
Telephone and utilities	12,000	12,000	40,748	(28,748)	16,034
Professional services	99,500	149,500	396,988	(247,488)	186,393
Computer expense	125,500	150,584	114,792	35,792	66,530
Convention and schools	-	10,000	5,319	4,681	4,085
Dues	3,150	3,150	4,584	(1,434)	3,603
Publication expense	23,300	23,300	30,816	(7,516)	23,113
Tax roll expense	17,000	17,000	9,145	7,855	23,216
Collision loss	172,000	172,000	128,783	43,217	86,433
Repairs and maintenance	1,000	1,000	12,214	(11,214)	28,143
Miscellaneous	28,802	28,802	573,174	(544,372)	82,711
Total administrative	<u>1,307,155</u>	<u>1,392,239</u>	<u>2,077,496</u>	<u>(685,257)</u>	<u>1,284,915</u>
Courts:					
Salaries and wages	155,763	155,763	149,818	5,945	164,044
Payroll taxes	2,435	2,435	2,095	340	2,363
Retirement	51,938	51,938	49,574	2,364	52,855
Group insurance	55,268	55,268	41,978	13,290	41,837
General insurance	13,000	13,000	15,345	(2,345)	12,994
City court appropriation	40,000	40,000	40,000	-	10,000
Telephone and utilities	4,200	4,200	8,474	(4,274)	8,364
Miscellaneous	3,500	3,500	2,821	679	3,072
Total courts	<u>326,104</u>	<u>326,104</u>	<u>310,105</u>	<u>15,999</u>	<u>295,529</u>
Total general government	<u>1,633,259</u>	<u>1,718,343</u>	<u>2,387,601</u>	<u>(669,258)</u>	<u>1,580,444</u>

(continued)

CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
<b>Public safety -</b>					
<b>Fire department:</b>					
Salaries and wages	1,413,660	1,443,660	1,555,041	(111,381)	1,631,789
Payroll taxes	26,894	26,894	25,179	1,715	26,337
Retirement	497,960	497,960	462,198	35,762	426,187
Group insurance	495,164	495,164	403,490	91,674	317,117
General insurance	76,500	76,500	80,755	(4,255)	76,350
Office expense	2,400	2,400	2,437	(37)	2,394
Telephone and utilities	43,500	43,500	29,690	13,810	35,838
Gas and oil	10,000	10,000	11,623	(1,623)	9,225
Repairs and supplies	105,500	150,501	124,920	25,581	79,499
Uniforms	12,345	12,345	10,945	1,400	12,217
External appropriations	500	500	500	-	500
Fire prevention	3,280	3,280	3,100	180	2,830
Miscellaneous	14,700	31,700	26,487	5,213	4,687
Total fire department	<u>2,702,403</u>	<u>2,794,404</u>	<u>2,736,365</u>	<u>58,039</u>	<u>2,624,970</u>
<b>Police department:</b>					
Salaries and wages	1,608,494	1,621,494	1,722,013	(100,519)	1,783,711
Payroll taxes	32,212	32,212	28,764	3,448	29,061
Retirement	542,811	542,811	480,449	62,362	479,108
Group insurance	630,385	630,385	471,714	158,671	408,039
General insurance	291,000	291,000	329,855	(38,855)	290,543
Office expense	6,750	6,750	11,643	(4,893)	6,564
Telephone and utilities	50,000	50,000	56,114	(6,114)	42,851
Computer expense	48,500	48,500	62,781	(14,281)	50,887
Gas and oil	60,000	60,000	78,082	(18,082)	63,775
Repairs and maintenace	43,000	43,000	58,238	(15,238)	65,643
Conventions and schools	15,000	15,000	3,093	11,907	10,272
Building rental	90,000	90,000	65,880	24,120	84,300
Miscellaneous	91,490	91,490	157,233	(65,743)	80,422
Total police department	<u>3,509,642</u>	<u>3,522,642</u>	<u>3,525,859</u>	<u>(3,217)</u>	<u>3,395,176</u>

(continued)

CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Code enforcement:					
Salaries and wages	161,670	161,670	146,469	15,201	145,867
Payroll taxes	3,355	3,355	3,045	310	3,241
Retirement	42,757	42,757	38,981	3,776	37,484
Group insurance	48,918	48,918	35,676	13,242	36,469
General insurance	20,100	20,100	23,851	(3,751)	20,063
Office expense	5,000	5,000	3,113	1,887	5,285
Telephone and utilities	13,000	13,000	6,097	6,903	12,622
Gas and oil	5,000	5,000	6,704	(1,704)	3,914
Repairs and supplies	18,400	31,400	42,836	(11,436)	24,513
Trash clean-up	50,000	50,000	24,615	25,385	41,953
Animal control	2,000	2,000	-	2,000	2,097
Miscellaneous	4,900	4,900	16,385	(11,485)	8,686
Total code enforcement	<u>375,100</u>	<u>388,100</u>	<u>347,772</u>	<u>40,328</u>	<u>342,194</u>
Total public safety	<u>6,587,145</u>	<u>6,705,146</u>	<u>6,609,996</u>	<u>95,150</u>	<u>6,362,340</u>
Public works -					
Drainage and public buildings:					
Salaries and wages	181,554	181,554	163,877	17,677	192,761
Payroll taxes	3,731	3,731	2,686	1,045	4,409
Retirement	48,586	48,586	46,576	2,010	46,916
Group insurance	58,178	58,178	51,039	7,139	54,285
General insurance	35,000	35,000	31,900	3,100	34,817
Telephone and utilities	31,350	31,350	35,147	(3,797)	27,176
Gas and oil	5,000	5,000	4,325	675	4,498
Repairs and maintenance	45,000	235,368	93,159	142,209	264,232
Miscellaneous	9,375	9,375	6,789	2,586	12,339
Total drainage and public buildings	<u>417,774</u>	<u>608,142</u>	<u>435,498</u>	<u>172,644</u>	<u>641,433</u>

(continued)

CITY OF CROWLEY, LOUISIANA  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended August 31, 2021  
With Comparative Actual Amounts for the Year Ended August 31, 2020

	2021		Actual	Variance with Final Budget Positive (Negative)	2020 Actual
	Budget				
	Original	Final			
Street department:					
Salaries and wages	304,751	304,751	247,205	57,546	247,775
Payroll taxes	6,218	6,218	6,069	149	7,183
Retirement	74,083	74,083	61,340	12,743	52,150
Group insurance	120,650	120,650	65,197	55,453	66,833
General insurance	65,000	65,000	76,183	(11,183)	66,084
Gas and oil	22,000	22,000	23,674	(1,674)	20,955
Repairs and supplies	65,000	65,000	107,136	(42,136)	231,291
Asphalt, gravel, shell, and sand	13,000	13,000	18,299	(5,299)	15,796
Street signs and signals	5,000	5,000	4,135	865	1,150
Street and traffic lights	173,750	173,750	215,788	(42,038)	174,078
Telephone and utilities	10,000	10,000	7,302	2,698	25,782
Rice festival expense	-	-	-	-	10,395
Tree expense	2,500	2,500	3,234	(734)	261
Mosquito control	34,000	34,000	22,668	11,332	14,578
Miscellaneous	21,525	21,525	14,422	7,103	22,641
Total street department	<u>917,477</u>	<u>917,477</u>	<u>872,652</u>	<u>44,825</u>	<u>956,952</u>
Total public works	<u>1,335,251</u>	<u>1,525,619</u>	<u>1,308,150</u>	<u>217,469</u>	<u>1,598,385</u>
Economic development -					
Mardi Gras Fundraiser	10,000	10,000	-	10,000	11,409
Tourism and promotion	34,500	34,500	55,453	(20,953)	20,228
Total economic development	<u>44,500</u>	<u>44,500</u>	<u>55,453</u>	<u>(10,953)</u>	<u>31,637</u>
Capital outlay	<u>61,000</u>	<u>81,712</u>	<u>48,829</u>	<u>32,883</u>	<u>188,783</u>
Debt service -					
Principal retirement	101,883	101,883	245,086	(143,203)	192,750
Interest and fiscal charges	13,133	13,133	16,351	(3,218)	24,746
Total debt service	<u>115,016</u>	<u>115,016</u>	<u>261,437</u>	<u>(146,421)</u>	<u>217,496</u>
Total expenditures	<u>\$ 9,776,171</u>	<u>\$10,190,336</u>	<u>\$10,671,466</u>	<u>\$ (481,130)</u>	<u>\$ 9,979,085</u>

CITY OF CROWLEY, LOUISIANA  
Nonmajor Governmental Funds

Combining Balance Sheet  
August 31, 2021

	Special Revenue	Debt Service	Total
ASSETS			
Cash and interest-bearing deposits	\$1,407,133	\$ 873,681	\$ 2,280,814
Receivables:			
Accrued interest receivable	96	-	96
Due from other funds	14,167	-	14,167
Due from other governmental agencies	52,982	-	52,982
Total assets	\$1,474,378	\$ 873,681	\$ 2,348,059
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 217,416	\$ -	\$ 217,416
Accrued liabilities	20,208	-	20,208
Due to other funds	21,714	2,409	24,123
Total liabilities	259,338	2,409	261,747
Fund balances:			
Restricted	956,421	871,272	1,827,693
Assigned	258,619	-	258,619
Total fund balances	1,215,040	871,272	2,086,312
Total liabilities and fund balances	\$1,474,378	\$ 873,681	\$ 2,348,059

CITY OF CROWLEY, LOUISIANA  
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended August 31, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
Revenues:			
Taxes	\$ 414,362	\$ -	\$ 414,362
Intergovernmental	241,472	-	241,472
Charges for services	398,067	-	398,067
Investment income	7,126	51	7,177
Miscellaneous	35,039	-	35,039
Total revenues	<u>1,096,066</u>	<u>51</u>	<u>1,096,117</u>
Expenditures:			
Current -			
General government	23,563	320	23,883
Economic development	1,610	-	1,610
Culture and recreation	1,270,581	-	1,270,581
Cemetery	25,652	-	25,652
Capital outlay	297,713	-	297,713
Debt service -			
Principal retirement	-	310,000	310,000
Interest and fiscal charges	-	344,681	344,681
Total expenditures	<u>1,619,119</u>	<u>655,001</u>	<u>2,274,120</u>
Deficiency of revenues over expenditures	<u>(523,053)</u>	<u>(654,950)</u>	<u>(1,178,003)</u>
Other financing sources (uses):			
Transfers in	599,351	1,179,241	1,778,592
Transfers out	(71,390)	-	(71,390)
Total financing sources (uses)	<u>527,961</u>	<u>1,179,241</u>	<u>1,707,202</u>
Net changes in fund balances	4,908	524,291	529,199
Fund balance, beginning	<u>1,210,132</u>	<u>346,981</u>	<u>1,557,113</u>
Fund balance, ending	<u>\$ 1,215,040</u>	<u>\$ 871,272</u>	<u>\$ 2,086,312</u>



## NONMAJOR SPECIAL REVENUE FUNDS

### **Industrial Inducement Fund**

The Industrial Inducement fund is a restricted fund to be used for industrial development.

### **Rice City Civic Center Fund**

The Rice City Civic Center fund accounts for the receipt and disbursement of funds used in the maintenance and operation of the civic center.

### **Youth Recreation Operation Fund**

The Youth Recreation Operation fund accounts for the receipt and disbursement of funds to be used in the daily operations of the youth center.

### **Youth Recreation Building Maintenance Fund**

The Youth Recreation Building Maintenance fund accounts for the receipt and disbursement of funds received from the sales tax fund to be used for the maintenance of the youth center buildings.

### **Cemetery Maintenance Fund**

The Cemetery Maintenance fund accounts for the receipt and disbursement of funds used in the maintenance of the City cemetery.

### **Cemetery Development Fund**

The Cemetery Development fund accounts for the receipt and disbursement of the proceeds from the sale of cemetery plots. Proceeds are used for the development and maintenance of the new section of the South

### **Motor Vehicle Facility Fund**

The City owns the facility that is used by the State Motor Vehicle Department. The State reimburses a fee to the City and this fund is to account for the collection and disbursement of those fees. The fees changed from \$2.00 per eligible transaction to \$3.00 effective July 1, 2003.

### **Main Street Fund**

This fund is for operation and management expenses of main street projects.

### **Hotel/Motel Tax Fund**

The Hotel/Motel Tax fund accounts for the receipt and disbursement of the proceeds from the hotel/motel tax.

CITY OF CROWLEY, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Balance Sheet  
August 31, 2021

	<u>Industrial Inducement Fund</u>	<u>Rice City Civic Center Fund</u>	<u>Youth Recreation Operation Fund</u>	<u>Youth Recreation Building Maintenance Fund</u>
ASSETS				
Cash and interest-bearing deposits	\$ 567,477	\$ -	\$ 280,123	\$ 91,533
Receivables:				
Accrued interest receivable	96	-	-	-
Due from other funds	-	-	-	-
Due from other governmental agencies	-	8,273	-	24,528
Total assets	<u>\$ 567,573</u>	<u>\$ 8,273</u>	<u>\$ 280,123</u>	<u>\$ 116,061</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 1,280	\$ 193,196	\$ 22,940
Accrued liabilities	-	-	20,208	-
Due to other funds	-	-	-	13,673
Total liabilities	<u>-</u>	<u>1,280</u>	<u>213,404</u>	<u>36,613</u>
Fund balances:				
Restricted	567,573	-	66,719	79,448
Assigned	-	6,993	-	-
Total fund balance	<u>567,573</u>	<u>6,993</u>	<u>66,719</u>	<u>79,448</u>
 Total liabilities and fund balance	 <u>\$ 567,573</u>	 <u>\$ 8,273</u>	 <u>\$ 280,123</u>	 <u>\$ 116,061</u>

<u>Cemetery Maintenance Fund</u>	<u>Cemetery Development Fund</u>	<u>Motor Vehicle Facility Fund</u>	<u>Main Street Fund</u>	<u>Hotel/Motel Tax Fund</u>	<u>Total</u>
\$ 250,722	\$ 60,845	\$ 146,747	\$ 1,642	\$ 8,044	\$ 1,407,133
-	-	-	-	-	96
-	-	1	-	14,166	14,167
-	-	4,752	-	15,429	52,982
<u>\$ 250,722</u>	<u>\$ 60,845</u>	<u>\$ 151,500</u>	<u>\$ 1,642</u>	<u>\$ 37,639</u>	<u>\$ 1,474,378</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217,416
-	-	-	-	-	20,208
8,041	-	-	-	-	21,714
<u>8,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,338</u>
242,681	-	-	-	-	956,421
-	60,845	151,500	1,642	37,639	258,619
<u>242,681</u>	<u>60,845</u>	<u>151,500</u>	<u>1,642</u>	<u>37,639</u>	<u>1,215,040</u>
<u>\$ 250,722</u>	<u>\$ 60,845</u>	<u>\$ 151,500</u>	<u>\$ 1,642</u>	<u>\$ 37,639</u>	<u>\$ 1,474,378</u>

CITY OF CROWLEY, LOUISIANA  
Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended August 31, 2021

	Industrial Inducement Fund	Rice City Civic Center Fund	Youth Recreation Operation Fund	Youth Recreation Building Maintenance Fund
Revenues:				
Taxes	\$ -	\$ -	\$ 237,943	\$ 80,074
Intergovernmental	-	8,273	-	233,199
Charges for services	-	3,243	350,594	-
Investment income	6,921	-	111	8
Miscellaneous	-	5,000	5,511	24,528
Total revenues	<u>6,921</u>	<u>16,516</u>	<u>594,159</u>	<u>337,809</u>
Expenditures:				
Current -				
General government	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	40,508	1,106,065	124,008
Cemetery	-	-	-	-
Capital outlay	-	-	31,600	266,113
Total expenditures	<u>-</u>	<u>40,508</u>	<u>1,137,665</u>	<u>390,121</u>
Excess (deficiency) of revenues over expenditures	<u>6,921</u>	<u>(23,992)</u>	<u>(543,506)</u>	<u>(52,312)</u>
Other financing sources (uses):				
Transfers in	-	29,490	460,852	109,009
Transfers out	-	(8,796)	(40,374)	(12,220)
Total financing sources (uses)	<u>-</u>	<u>20,694</u>	<u>420,478</u>	<u>96,789</u>
Net changes in fund balances	6,921	(3,298)	(123,028)	44,477
Fund balances, beginning	<u>560,652</u>	<u>10,291</u>	<u>189,747</u>	<u>34,971</u>
Fund balances, ending	<u>\$ 567,573</u>	<u>\$ 6,993</u>	<u>\$ 66,719</u>	<u>\$ 79,448</u>

Cemetery Maintenance Fund	Cemetery Development Fund	Motor Vehicle Facility Fund	Main Street Fund	Hotel/Motel Tax Fund	Total
\$ 58,648	\$ -	\$ -	\$ -	\$ 37,697	\$ 414,362
-	-	-	-	-	241,472
-	4,975	39,255	-	-	398,067
-	-	86	-	-	7,126
-	-	-	-	-	35,039
<u>58,648</u>	<u>4,975</u>	<u>39,341</u>	<u>-</u>	<u>37,697</u>	<u>1,096,066</u>
-	-	23,505	-	58	23,563
-	-	1,610	-	-	1,610
-	-	-	-	-	1,270,581
25,447	205	-	-	-	25,652
-	-	-	-	-	297,713
<u>25,447</u>	<u>205</u>	<u>25,115</u>	<u>-</u>	<u>58</u>	<u>1,619,119</u>
<u>33,201</u>	<u>4,770</u>	<u>14,226</u>	<u>-</u>	<u>37,639</u>	<u>(523,053)</u>
-	-	-	-	-	599,351
-	-	(10,000)	-	-	(71,390)
-	-	(10,000)	-	-	527,961
33,201	4,770	4,226	-	37,639	4,908
<u>209,480</u>	<u>56,075</u>	<u>147,274</u>	<u>1,642</u>	<u>-</u>	<u>1,210,132</u>
<u>\$ 242,681</u>	<u>\$ 60,845</u>	<u>\$ 151,500</u>	<u>\$ 1,642</u>	<u>\$ 37,639</u>	<u>\$ 1,215,040</u>

## NONMAJOR DEBT SERVICE FUNDS

### **Refunding Bonds Series 2011**

To accumulate monies for payment of the \$5,780,000 Refunding Bonds, Series 2011. Debt service is financed by transfers from various funds.

### **2020 Bond Fund**

To accumulate monies for payment of the \$14,000,000 Bonds, Series 2020. Debt service is financed by transfers from Sales Tax Fund.

CITY OF CROWLEY, LOUISIANA  
Nonmajor Debt Service Funds

Combining Balance Sheet  
August 31, 2021

	<u>Refunding Bonds Series 2011 Fund</u>	<u>2020 Bond Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and interest-bearing deposits	<u>\$ 346,819</u>	<u>\$ 526,862</u>	<u>\$ 873,681</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Due to other funds	\$ 2,409	\$ -	\$ 2,409
Fund balance:			
Restricted	<u>344,410</u>	<u>526,862</u>	<u>871,272</u>
Total liabilities and fund balance	<u>\$ 346,819</u>	<u>\$ 526,862</u>	<u>\$ 873,681</u>

CITY OF CROWLEY, LOUISIANA  
Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended August 31, 2021

	<u>Refunding Bonds Series 2011 Fund</u>	<u>2020 Bond Fund</u>	<u>Total</u>
Revenues			
Investment income	\$ 22	\$ 29	\$ 51
Expenditures:			
Current -			
General government	320	-	320
Debt service -			
Principal retirement	310,000	-	310,000
Interest and fiscal charges	<u>140,858</u>	<u>203,823</u>	<u>344,681</u>
Total expenditures	<u>451,178</u>	<u>203,823</u>	<u>655,001</u>
Deficiency of revenues over expenditures	(451,156)	(203,794)	(654,950)
Other financing sources:			
Transfers in	<u>448,585</u>	<u>730,656</u>	<u>1,179,241</u>
Net change in fund balance	(2,571)	526,862	524,291
Fund balance, beginning	<u>346,981</u>	<u>-</u>	<u>346,981</u>
Fund balance, ending	<u>\$ 344,410</u>	<u>\$ 526,862</u>	<u>\$ 871,272</u>



## **INTERNAL SERVICE FUNDS**

### **Workman's Compensation Fund**

To account for the accumulation of funds designated for payment of liability insurance premiums, costs of the risk management department, and satisfaction of claims made against the City.

### **Employee Benefit Plan Fund**

To account for the accumulation of funds from self-insurance sources and from employees. Funds are also dedicated to the payment of health insurance premiums, and the satisfaction of health care claims incurred by employees and their dependents.

CITY OF CROWLEY, LOUISIANA  
Internal Service Funds

Combining Statement of Net Position  
August 31, 2021

	<u>Workman's Compensation Fund</u>	<u>Employee Benefit Plan Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	<u>\$ 445,046</u>	<u>\$ 111,807</u>	<u>\$ 556,853</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	19,010	-	19,010
Claims payable	7,865	61,915	69,780
Due to other funds	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total liabilities	<u>76,875</u>	<u>61,915</u>	<u>138,790</u>
<b>NET POSITION</b>			
Unrestricted	<u>\$ 368,171</u>	<u>\$ 49,892</u>	<u>\$ 418,063</u>

CITY OF CROWLEY, LOUISIANA  
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Year Ended August 31, 2021

	<u>Workman's Compensation Fund</u>	<u>Employee Health Insurance Fund</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 549,372	\$ 1,008,971	\$ 1,558,343
Miscellaneous	<u>265,160</u>	<u>159,846</u>	<u>425,006</u>
Total operating revenues	<u>814,532</u>	<u>1,168,817</u>	<u>1,983,349</u>
 Operating expenses:			
Insurance premiums	111,466	284,100	395,566
Claims	331,965	1,179,282	1,511,247
Loss time	76,952	-	76,952
Professional services	75,805	2,211	78,016
Miscellaneous	<u>236</u>	<u>75,209</u>	<u>75,445</u>
Total operating expenses	<u>596,424</u>	<u>1,540,802</u>	<u>2,137,226</u>
 Operating income (loss)	 218,108	 (371,985)	 (153,877)
 Nonoperating revenues:			
Investment income	<u>2,612</u>	<u>1</u>	<u>2,613</u>
 Income (loss) before transfers	 220,720	 (371,984)	 (151,264)
 Transfers in	 <u>-</u>	 <u>520,000</u>	 <u>520,000</u>
 Change in net position	 220,720	 148,016	 368,736
 Net position, beginning	 <u>147,451</u>	 <u>(98,124)</u>	 <u>49,327</u>
 Net position, ending	 <u>\$ 368,171</u>	 <u>\$ 49,892</u>	 <u>\$ 418,063</u>

CITY OF CROWLEY, LOUISIANA  
Internal Service Funds

Combining Statement of Cash Flows  
For the Year Ended August 31, 2021

	<u>Workman's Compensation Fund</u>	<u>Employee Benefit Plan Fund</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from insured	\$ -	\$ 1,008,971	\$ 1,008,971
Receipts from interfund services provided	549,372	-	549,372
Payments to suppliers	(168,497)	(361,520)	(530,017)
Payments for claims and loss time	(432,457)	(1,323,264)	(1,755,721)
Other receipts	<u>265,160</u>	<u>159,846</u>	<u>425,006</u>
Net cash provided (used) by operating activities	<u>213,578</u>	<u>(515,967)</u>	<u>(302,389)</u>
Cash flows from noncapital financing activities:			
Cash paid to other funds	-	2,073	2,073
Transfers in from other funds	<u>-</u>	<u>520,000</u>	<u>520,000</u>
Net cash provided by noncapital financing activities	<u>-</u>	<u>522,073</u>	<u>522,073</u>
Cash flows from investing activities:			
Purchase of interest-bearing deposits with maturity in excess of ninety days	(234,668)	-	(234,668)
Proceeds of interest-bearing deposits with maturity in excess of ninety days	233,615	-	233,615
Investment income	<u>2,742</u>	<u>1</u>	<u>2,743</u>
Net cash provided by investing activities	<u>1,689</u>	<u>1</u>	<u>1,690</u>
Net increase in cash and cash equivalents	215,267	6,107	221,374
Cash and cash equivalents, beginning	<u>(4,889)</u>	<u>105,700</u>	<u>100,811</u>
Cash and cash equivalents, ending	<u>\$ 210,378</u>	<u>\$ 111,807</u>	<u>\$ 322,185</u>

(continued)

CITY OF CROWLEY, LOUISIANA  
Internal Service Funds

Combining Statement of Cash Flows (Continued)  
For the Year Ended August 31, 2021

	<u>Workman's Compensation Fund</u>	<u>Employee Benefit Plan Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 218,108	\$ (371,985)	\$ (153,877)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities -			
Increase (decrease) current liabilities			
Accounts payable	19,010	-	19,010
Claims payable	<u>(23,540)</u>	<u>(143,982)</u>	<u>(167,522)</u>
Net cash provided (used) by operating activities	<u>\$ 213,578</u>	<u>\$ (515,967)</u>	<u>\$ (302,389)</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	\$ 228,726	\$ 105,700	\$ 334,426
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(233,615)</u>	<u>-</u>	<u>(233,615)</u>
Total cash and cash equivalents	<u>(4,889)</u>	<u>105,700</u>	<u>100,811</u>
Cash and cash equivalents, end of period -			
Cash and interest-bearing deposits - unrestricted	445,046	111,807	556,853
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(234,668)</u>	<u>-</u>	<u>(234,668)</u>
Total cash and cash equivalents	<u>210,378</u>	<u>111,807</u>	<u>322,185</u>
Net increase	<u>\$ 215,267</u>	<u>\$ 6,107</u>	<u>\$ 221,374</u>

CITY OF CROWLEY, LOUISIANA

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
Timothy Monceaux, Mayor  
Year Ended August 31, 2021

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 77,258
Benefits - insurance	8,400
Benefits - retirement	22,791
Benefits - medicare	1,120
Travel expense reimbursement - gas	643
Travel expense reimbursement - food	179
Conference registration fees	318
	<u>\$ 110,709</u>

CITY OF CROWLEY, LOUISIANA

Schedule of Compensation  
City Council  
Year Ended August 31, 2021

Steven C. Premeaux	\$ 11,350
Vernon Martin	10,150
Lyle Fogleman	10,150
Jeffery Cavell	10,150
Kimberly Stringfellow	10,150
Thompson Brad Core	10,150
Byron Wilridge, Sr.	10,150
Clinton Cradeur	10,150
Samuel J Reggie, III	10,150
	<u>\$ 92,550</u>

CITY OF CROWLEY, LOUISIANA

Justice System Funding Schedule  
Receiving Entity  
Year Ended August 31, 2021

Cash Basis Presentation	First Six Month Period Ended <u>02/28/2021</u>	Second Six Month Period Ended <u>08/31/2021</u>
Receipts From:		
Crowley City Court - Criminal Court - Other	\$ 14,499	\$ 21,431
Crowley City Court - Criminal Court Costs/Fees	<u>50,448</u>	<u>56,023</u>
Total receipts	<u>\$ 64,947</u>	<u>\$ 77,454</u>



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

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# KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Tim Monceaux, Mayor  
and Members of the City Council  
City of Crowley, 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Crowley, Louisiana, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Crowley, Louisiana's basic financial statements and have issued our report thereon dated May 6, 2022.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Crowley, Louisiana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Crowley, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Crowley, 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 have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of

current and prior year audit findings and management's corrective action plan as items 2021-001 through 2021-002 that we consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Crowley, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2021-003.

### **City of Crowley's Response to Finding**

The City of Crowley, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The City'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. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Abbeville, Louisiana  
May 6, 2022

CITY OF CROWLEY, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended August 31, 2021

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

2021-001 Financial Records/Reconciliations

Fiscal year finding initially occurred: 2018

CONDITION: The City of Crowley failed to adequately reconcile bank statements at year end.

CRITERIA: Internal control is a process - effected by those charged with governance, management, and other personnel - designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The City's internal controls over financial reporting include those policies and procedures that pertain to the City's ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements.

CAUSE: The cause of the condition was due to failure to adequately address outstanding/reconciling items on bank statements.

EFFECT: Failure to accurately reconcile accounts increases the risk that unrecorded and uncorrected items may go undetected and the City may not be able to determine actual cash balances, or if proper funding is available to pay vendors and/or monthly bills.

RECOMMENDATIONS: We recommend that the City implement internal controls to ensure that bank accounts are reconciled accurately and timely. Additionally, we recommend that the City properly train employees assigned to perform bank reconciliations, and review work performed on a monthly basis to determine that reconciliations are being performed correctly and in a timely manner.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The bank statements are now up to date and are being done by the City Clerk as they are received on a monthly basis. Additionally, we have engaged the City CPA to come in on a monthly basis and review and sign off on the bank statements.

CITY OF CROWLEY, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan (Continued)  
Year Ended August 31, 2021

2021-002 Sales Tax Transfers

Fiscal year finding initially occurred: 2021

CONDITION: Sales tax funds have large growing balances in the interfund receivable and payable accounts.

CRITERIA: The City's sales tax monies are dedicated for various purposes and should be transferred timely and accurately to remain in compliance with the sales tax propositions.

CAUSE: Transfers are not being made timely from the main Sales Tax Fund to the other sales tax funds in accordance with the designated purposes.

EFFECT: The City may not prevent sales tax monies from being spent on undesignated purposes.

RECOMMENDATION: Management needs to implement policies and procedures to ensure transfers of sales tax monies are done timely and accurately to remain in compliance with the sales tax propositions.

MANAGEMENT'S CORRECTIVE ACTION PLAN: A schedule has been made to track the transfers to ascertain that they are done timely and that none are forgotten. Additionally, when the CPA comes to review the bank statements, he checks that the proper transfers are made.

B. Compliance

2021-003 Debt Covenants – Sinking Fund payments

CONDITION: Sinking fund payments for the Series 2012 and 2013 bonds were not made for the months of July and August 2021.

CRITERIA: Section 13 of the bond covenants states that the City shall maintain a sinking fund sufficient in amount to pay promptly and fully the principal and interest on the bonds by transferring from the revenue fund to the fiscal agent of the issues monthly in advance on or before the 20<sup>th</sup> day of each month of each year a sum equal to the principal and interest accruing on said debt obligations.

CAUSE: The City failed to make the required monthly payments for July and August 2021.

EFFECT: The City did not comply with the provisions of the debt covenants.

CITY OF CROWLEY, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan (Continued)  
Year Ended August 31, 2021

RECOMMENDATION: We recommend that the City implement procedures to ensure that all required payments are made in compliance with the debt covenants.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The same procedures have been implemented for the debt covenant payments as those for the transfers noted in the previous finding.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2020-001 Financial Records/Reconciliation

CONDITION: The City of Crowley failed to adequately reconcile bank statements at year end.

RECOMMENDATION: We recommend that the City implement internal controls to ensure that these accounts are reconciled and agreed to the general ledger on a periodic basis. Additionally, we recommend that the City properly train employees assigned to perform bank reconciliations, and review work performed on a monthly basis to determine that reconciliations are being performed correctly and in a timely manner.

CURRENT STATUS: Unresolved. See item 2021-001.

2020-002 Sewer Fund operations

CONDITION: The City did not adjust sewer user fees to adequately cover the cost of operations of the Sewer Fund.

RECOMMENDATION: We recommend that the City implement procedures to ensure that sewer user fees are reviewed and adjusted at least annually to cover the cost of operations of the Sewer Fund.

CURRENT STATUS: Resolved.

CITY OF CROWLEY, LOUISIANA

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan (Continued)  
Year Ended August 31, 2021

2020-003 Unauthorized execution of equipment contract

CONDITION: Chief of Police may have violated the Lawrason Act and the City of Crowley's policies when he signed and entered into a contract for the purchase of equipment without council and mayor approval.

RECOMMENDATION: We recommend that the Chief of Police follow the Lawrason Act and the City's policies and procedures and obtain Council approval for all appropriations and changes to police department budget.

CURRENT STATUS: Resolved.

B. Compliance

2020-004 Budget noncompliance

CONDITION: Expenditures of the Sales Tax Fund and the 2012 Sales Tax – Infrastructure Improvement Fund exceeded budgeted expenditures by more than 5%. In addition, the proposed budget for fiscal year ending August 31, 2021 was not adopted timely.

RECOMMENDATION: The City should periodically compare actual activity to budgeted amounts and adopt budgetary amendments as necessary to comply with state statute. In addition, the Council should make every effort possible to timely adopt a proposed budget in accordance with state statute.

CURRENT STATUS: Resolved.

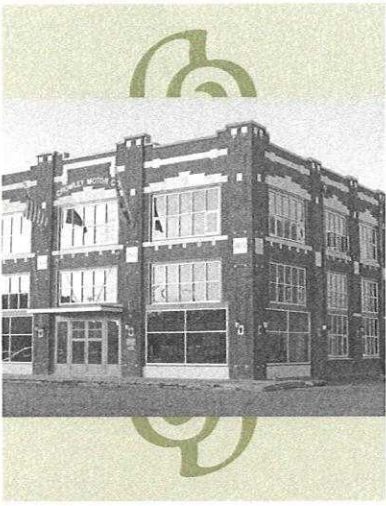
2020-005 Debt covenant noncompliance

CONDITION: Sewer user fees are not adequate to satisfy the requirements of the bond covenants.

RECOMMENDATION: We recommend that the City implement procedures to ensure that sewer user fees are reviewed at least annually to determine the adequacy of the sewer user fees to satisfy the requirements of the debt covenants.

CURRENT STATUS: Resolved.





*The Rice Capital of America.*

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TIMOTHY "TIM" MONCEAUX  
MAYOR

STEVEN PREMEAUX  
ALDERMAN-AT-LARGE  
MAYOR PRO-TEM

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BYRON K. WILRIDGE, SR.  
WARD III/DIV. B

CLINT CRADEUR  
WARD IV/DIV. A

SAMUEL J. REGGIE, III  
WARD IV/DIV. B

The City of Crowley, Louisiana respectfully submits the following corrective action plan for the year ended August 31, 2021.

**Audit conducted by:**  
Kolder, Slaven & Company, LLC  
200 South Main Street  
Abbeville, LA 70510

**Audit Period:** Fiscal year ended August 31, 2021

The findings from the August 31, 2021 schedule of current and prior year audit findings and management's corrective action plan are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS -FINANCIAL AUDIT**

Material Weaknesses

2021-001      Financial Records/Reconciliations

**RECOMMENDATION:** We recommend that the City implement internal controls to ensure that bank accounts are reconciled accurately and timely. Additionally, we recommend that the City properly train employees assigned to perform bank reconciliations, and review work performed on a monthly basis to determine that reconciliations are being performed correctly and in a timely manner.

**CORRECTIVE ACTION PLAN:**

The Bank Statements are now up to date and are being done by the Clerk as they are received on a monthly basis. Additionally we have engaged the City CPA to come in on a monthly basis and review and sign off on the Bank statements.

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2021-002

Sales Tax Transfers

RECOMMENDATION: Management needs to implement policies and procedures to ensure transfers of sales tax monies are done timely and accurately to remain in compliance with the sales tax propositions.

CORRECTIVE ACTION PLAN:

A schedule has been made to tract the transfers to ascertain that they are done timely and that none are forgotten. Additionally when the CPA comes in to review Bank Statements he checks that the proper Transfers are made.

Compliance

2021-003

Debt Covenants – Sinking fund payments


RECOMMENDATION: We recommend that the City implement procedures to ensure that all required payments are made in compliance with the debt covenants.

CORRECTIVE ACTION PLAN:

The same procedures have been implemented for the debt covenant payments as those for the Transfers in the prior point.

If there are questions regarding this plan, please call Mayor Tim Monceaux at 337-788-4100.

Sincerely,



Tim Monceaux  
Mayor

# KOLDER, SLAVEN & COMPANY, LLC

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## MANAGEMENT LETTER

Honorable Tim Monceaux, Mayor  
And City Council Members of  
City of Crowley  
P.O. Box 1463  
Crowley, LA 70527

During our audit of the basic financial statements of the City of Crowley, Louisiana for the year ended August 31, 2021, we noted the following area in which internal controls and processes could be improved.

1. Sound business practices recommend that policies be in place and enforced to provide adequate fees to cover the operating cost of an Enterprise fund. The City adopted, an ordinance that obligates itself to fix, establish, maintain, levy and collect such rates, fees, rents or other charges for services and facilities of the System and all parts thereof and to revise the same from time to time whenever necessary to always provide user fees in each fiscal year sufficient to cover the costs of operation, maintenance, and replacement; to pay debt services and administrative fee on the bonds and any parity obligations and make all required deposits to the funds and accounts.

It was noted that that although the City did take action and adjust the user fees, the Utility – Sewer Fund still had an operating loss. Once the ad valorem tax revenue received is considered, the fund shows income slightly more than break even. The City needs to continue to review sewer user fees, at least annually, to determine the adequacy of the fees to cover the cost of operations of the Sewer Fund.

We would like to express our appreciation to you and your staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance please feel free to contact us.

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

Abbeville, Louisiana  
May 6, 2022



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MAYOR

STEVEN PREMEAUX  
ALDERMAN-AT-LARGE  
MAYOR PRO-TEM

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*The Rice Capital of America.*

The City of Crowley, Louisiana respectfully submits the following corrective action plan for the year ended August 31, 2021.

**Audit conducted by:**  
Kolder, Slaven & Company, LLC  
200 South Main Street  
Abbeville, LA 70510

**Audit Period:** Fiscal year ended August 31, 2021

The management letter item, as it pertains to the City's assessment of sewer user fees, for the year ended August 31, 2021 and management's corrective action plan is discussed below.

**FINDINGS -FINANCIAL AUDIT – MANAGEMENT LETTER ITEM**

Assessment of sewer user fees

**RECOMMENDATION:** The City needs to continue to review sewer user fees, at least annually, to determine the adequacy of the fees to cover the cost of operations of the Sewer Fund.

**CORRECTIVE ACTION PLAN:**

Along with our City Engineer, Kolder, Slaven & Company, Louisiana Rural Water Association, and CPA for the city of Crowley will continue to monitor and adjust its sewer user rates annually after completion of the audit, and assessments from Louisiana Rural Water Association.

If there are questions regarding this plan, please call Mayor Tim Monceaux at 337-788-4100.

Sincerely,

Tim Monceaux  
Mayor

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