

**CITY OF PLAQUEMINE, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

**OCTOBER 31, 2021**

**CITY OF PLAQUEMINE, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
TABLE OF CONTENTS  
OCTOBER 31, 2021**

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
Independent Auditor's Report	-	-	1-3
Management's Discussion and Analysis	-	-	4-13
Basic Financial Statements	-	-	14
Statement of Net Position	A	-	15
Statement of Activities	B	-	16
Combined Balance Sheet - Governmental Funds	C	-	17
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	D	-	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	E	-	19
Statement of Net Position - Proprietary Fund	F		20
Statement of Revenue, Expenses, and Changes in Net Position - Proprietary Funds	G	-	21
Statement of Cash Flows - Proprietary Funds	H	-	22
Notes to the Financial Statements	-	-	23-80
Required Supplementary Information	-	-	81
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - General Fund	I	-	82

CITY OF PLAQUEMINE, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
TABLE OF CONTENTS  
OCTOBER 31, 2021

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Sales Tax Revenue Fund	J	-	83
Statement of Revenues, Expenditures, and Changes in Fund Balance - Sales Tax Bond Fund	K	-	84
Statement of Revenues, Expenditures, and Changes in Fund Balance - Street Improvements	L	-	85
Schedule of Proportionate Share of Net Pension Liability	M		86
Schedule of Contributions	N		87
Supplementary Information Exhibits	-	-	88
Non Major Fund Combining Statements	-		89
a. Combining Fund Balance Sheet	O-1	-	90
b. Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental	O-2	-	91
Non Major Special Revenue Funds	-	-	92
a. Combining Balance Sheet	P-1	-	93
b. Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	P-2	-	94
c. Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	P-3 thru P-5	-	95-97
Non Major Debt Service Funds	-	-	98
a. Combining Balance Sheet	Q-1	-	99
b. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	Q-2	-	100
Component Units	-	-	101-102
a. Combined Balance Sheet	R-1	-	103
b. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types	R-2	-	104
c. Statement of Fiduciary Responsibilities - Custodial Funds	R-3	-	105
d. Statement of Changes in Fiduciary Net Position - Custodial Funds	R-4	-	106

CITY OF PLAQUEMINE, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
TABLE OF CONTENTS  
OCTOBER 31, 2021

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
Supplementary Information Schedules	-	-	107
General governmental data	-	1	108
Assessed value and property tax revenues	-	2	109
Schedule of bonds outstanding (Proprietary Fund)	-	3	110
Schedule of bonds outstanding (Governmental Funds)	-	4	111
Operating income - Proprietary Fund	-	5	112
Operating expenses - Proprietary Fund	-	6	113
General and administrative expenses - Proprietary Fund	-	7	114
Changes in utility plant in service	-	8	115
Utility units provided and accounted for	-	9	116
Utility rate schedule	-	10	117
Insurance in force (unaudited)	-	11	118
Schedule of Compensation, Benefits and Other Payments to Agency Head	-	12	119
Schedule of Per Diem Paid to Board Members	-	13	120
Justice System Funding Schedule - Collecting/Disbursing Entity	-	14	121
Justice System Funding Schedule - Receiving Entity	-	15	122
Other Reports Required by GAS	-	-	123
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	-	16	124-125
Schedule of Findings	-	17	126
Schedule of Prior Findings	-	18	127



# BAXLEY AND ASSOCIATES, LLC

P. O. Box 482  
58225 Belleview Drive  
Plaquemine, Louisiana 70764  
Phone (225) 687-6630 Fax (225) 687-0365

Margaret A. Pritchard, CPA/CGMA

-----  
Staci H. Joffrion, CPA/CGMA  
Stephanie F. Morales, CPA

-----  
Hugh F. Baxley, CPA/CGMA – Retired

The Honorable Edwin M. Reeves, Jr. Mayor  
and Members of the Board of Selectmen  
City of Plaquemine, Louisiana

## INDEPENDENT AUDITOR'S REPORT

### ***Report on the Financial Statements***

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principle 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.

## INDEPENDENT AUDITOR'S REPORT (continued)

### *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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Plaquemine, Louisiana as of October 31, 2021, and the respective changes in financial position and, where applicable, cash flows 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 management's discussion and analysis and the other required supplementary information on pages 4 through 13 and 82 through 87 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.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Plaquemine, Louisiana's basic financial statements. The budgetary comparison schedules, non-major special revenue funds, combining and individual non-major fund financial statements, component unit financial statements, schedule of compensation, benefits, and other payments to agency head and other supplemental information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules, non-major special revenue funds, combining and individual non-major fund financial statements, component unit financial statements, schedule of compensation, benefits, and other payments to agency head, and other supplemental information as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, non-major special revenue funds, combining and individual non-major fund financial statements, component unit financial statements, schedule of compensation, benefits, and other payments to agency head, and other supplemental information as listed in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole.

## INDEPENDENT AUDITOR'S REPORT (continued)

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2022, on our consideration of the City of Plaquemine, 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 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 City of Plaquemine, Louisiana's internal control over financial reporting and compliance.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
March 21, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## CITY OF PLAQUEMINE, LOUISIANA MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Plaquemine, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Plaquemine for the fiscal year ended October 31, 2021. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the City's financial activities based on currently known facts, decisions or conditions. It is intended to provide readers with a broad overview of the City's finances.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information that is provided in addition to this MD&A.

### Financial Highlights

- The assets of the City of Plaquemine exceeded its liabilities at the close of the most recent fiscal year by \$40,602,000 (*net position*). Of this amount, \$1,270,090 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. The City's net position increased by \$962.
- As of the close of the current fiscal year, the City of Plaquemine's governmental funds reported combined ending fund balances of \$10,628,549 a decrease of \$65,895 in comparison with the prior year. The unassigned fund balance in the general fund \$4,183,228 is *available for spending* at the government's discretion (*unreserved fund balance*). All other fund balances are restricted for the purpose for which the fund was created.
- At the end of the current fiscal year, unreserved fund balance for the general fund was 53 percent of the total general fund expenditures.
- The City of Plaquemine's total liabilities decreased by \$4,865,638. Significant to this decrease was a decrease in Net Pension Liability of \$4,444,125 (Note L).

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Plaquemine's basic financial statements. The City of Plaquemine's basic financial statements comprise three components: 1) government wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Plaquemine's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Plaquemine's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net

position may serve as a useful indicator of whether the financial position of the City of Plaquemine is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the government-wide financial statements distinguish functions of the City of Plaquemine that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Plaquemine included general government, city court, police, fire, public works, recreation, public health, and debt service. The business-type activities of the City of Plaquemine include an electric, gas, water and sewer department. All business-type activities are included in a single enterprise fund, City Light & Water.

The government-wide financial statements include not only the City of Plaquemine itself (known as the *primary government*), but also a legally separate City Court of Plaquemine for which the City of Plaquemine is financially accountable. Financial information for this *component unit* is reported separately from the financial information for the primary government itself.

The government-wide financial statements can be found on pages 15-16 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Plaquemine, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Plaquemine can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.



The City of Plaquemine maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, sales tax revenue, sales tax bond fund, and street improvement fund, all of which are considered to be major funds. Data for the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Plaquemine adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-19 of this report.

**Proprietary funds.** The City of Plaquemine maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Plaquemine uses an enterprise fund to account for its utilities (electric, gas, water, and sewer).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-80 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Plaquemine's budgetary comparison schedules for its major governmental funds. The required supplementary information can be found on pages 82-87 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgetary comparison schedules. Combining and individual fund statements and schedules can be found on pages 90-106 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Plaquemine, assets exceed liabilities by \$40,602,000 at the close of the most recent fiscal year. The following is a summary of the City of Plaquemine's net position:

### CITY OF PLAQUEMINE Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
<b>ASSETS</b>						
Current and other assets	\$ 11,033,403	\$ 10,996	\$ 8,929,919	\$ 9,925,931	\$ 19,963,322	\$ 9,936,927
Capital assets	25,162,595	24,234,089	29,604,584	28,071,173	54,767,179	52,305,262
Total assets	36,195,998	24,245,085	38,534,503	37,997,104	74,730,501	62,242,189
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Related to pensions	2,215,139	1,637,471	989,831	620,516	3,204,970	2,257,987
<b>LIABILITIES</b>						
Current	1,793,475	1,658,999	3,126,133	4,666,915	4,919,608	6,325,914
Long-term	15,233,293	11,397,361	16,407,072	13,971,060	31,640,365	25,368,421
Total liabilities	17,026,768	13,056,360	19,533,205	18,637,975	36,559,973	31,694,335
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Related to pensions	688,148	2,320,535	86,314	839,036	774,462	3,159,571
<b>Net position</b>						
Invested in capital assets, net of related debt	17,116,847	17,009,199	16,290,584	15,625,173	33,407,431	32,634,372
Restricted	6,001,861	5,251,272	304,200	1,446,266	6,306,061	6,697,538
Unrestricted	(2,422,487)	(799,080)	3,310,033	2,069,170	887,546	1,270,090
Total net position	\$ 20,696,221	\$ 21,461,391	\$ 19,904,817	\$ 19,140,609	\$ 40,601,038	\$ 40,602,000

A large portion of the City of Plaquemine's net position (80%) reflects its investment in capital assets (e.g., land buildings, machinery, equipment, and utility plant) less any related debt used to acquire those assets that is still outstanding. The City of Plaquemine uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Plaquemine's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Plaquemine's net position (17%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$1,270,090) may be used to meet the government's on-going obligations to citizens and creditors. At the end of the current fiscal year, the City of Plaquemine is only able to report positive balances in all three categories of net position, for business-type activities. The City currently maintains a negative balance in governmental type activities. This is due to the recording of \$4,324,260 in pension liability.



The government's net position decreased by \$962 during the current fiscal year.

**CITY OF PLAQUEMINE**  
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
Revenues:						
Program Revenues:					-	-
Charges for Services	\$ 58,700	\$ 44,292	\$ 14,399,858	\$ 15,017,302	\$ 14,458,558	\$ 15,061,594
Operating grants and Contributions	453,165	520,457	-	-	453,165	520,457
Capital Grants and Contributions	70,894	18,336	-	-	70,894	18,336
General revenues:					-	-
Sales Taxes	8,911,784	8,473,275	-	-	8,911,784	8,473,275
Other taxes	500,830	507,228	-	-	500,830	507,228
Other general revenues	858,538	991,618	242,037	274,271	1,100,575	1,265,889
Total revenues	10,853,911	10,555,206	14,641,895	15,291,573	25,495,806	25,846,779
Expenses:						
General government	1,957,666	1,838,151	-	-	1,957,666	1,838,151
City court	448,160	411,909	-	-	448,160	411,909
Police department	2,957,977	2,630,649	-	-	2,957,977	2,630,649
Fire department	1,707,998	1,579,310	-	-	1,707,998	1,579,310
Public works	2,946,275	2,776,149	-	-	2,946,275	2,776,149
Recreation	673,739	810,565	-	-	673,739	810,565
Public health	12,600	12,600	-	-	12,600	12,600
Debt service	740,623	189,306	-	-	740,623	189,306
City light & water plant	-	-	14,907,995	15,597,178	14,907,995	15,597,178
Total expenses	11,445,038	10,248,639	14,907,995	15,597,178	26,353,033	25,845,817
Increase (decrease) in net position before transfers	(591,127)	306,567	(266,100)	(305,605)	(857,227)	962
Transfers	409,938	458,603	(409,938)	(458,603)	-	-
Increase (decrease) in net position	(181,189)	765,170	(676,038)	(764,208)	(857,227)	962
Net position 11/01	20,877,410	20,696,221	20,580,855	19,904,817	41,458,265	40,601,038
Restate net position	-	-	-	-	-	-
Net position 10/31	\$ 20,696,221	\$ 21,461,391	\$ 19,904,817	\$ 19,140,609	\$ 40,601,038	\$ 40,602,000

**Governmental activities.** Governmental activities increased the City of Plaquemine's net position by \$765,170. The key elements of this increase were a decrease in the net pension liability.

**Business-type activities.** Business-type activities decreased the City of Plaquemine's net position by \$764,208. The key elements of this decrease were a decrease in consumption and depreciation on the new Regional Wastewater Treatment Plant.

### **Financial Analysis of the Government's Funds**

As noted earlier, the City of Plaquemine uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City of Plaquemine's governmental funds reported combined ending fund balances of \$10,628,550, a decrease of \$65,895, in comparison with the prior year. Approximately 39% of this total amount (\$4,183,228) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is 1) restricted for debt service and special revenue funds (\$5,704,158) 2) committed for capital projects and next year's budget (\$544,696), 3) assigned (\$103,082) and 4) non-spendable (\$93,385).

The general fund is the chief operating fund of the City of Plaquemine. At the end of the current fiscal year fund balance of the general fund was \$4,774,822. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 60% of total general fund expenditures.

The fund balance of the City of Plaquemine's general fund decreased, by \$100,852 during the current fiscal year. The primary factor of this increase is due to the completion of the City's new community center.

The sales tax revenue fund has a total fund balance of \$103,082. All sales taxes collected flow into this fund. The City currently collects three separate sales taxes: 23.7649% of a 1% sales tax, 23.1441% of a 2/3% sales tax, and 23.7649% of a 1% sales tax.

The sales tax bond fund has a total fund balance of \$4,912,178, all of which is restricted for payment of debt service or reserved for road improvements. The net decrease in fund balance during the current fiscal year was \$225,528. The primary factor of this decrease was additional transfers to the Street Improvement fund for road repairs.

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

Unrestricted net position of City Light and Water Plant (Electric, Natural Gas, Water and Sewerage) at the end of the current fiscal year amounted to \$2,069,170. The decrease in net position was \$764,208. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Plaquemine's business-type activities.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were as follows:

#### **Revenues:**

- Revenues were amended down by \$31,650. This is mainly due to a decrease in Beer, video poker and motor vehicle taxes as a result of COVID.

#### **Expenditures:**

- General government decreased by \$187,000. This was mainly due to the Plaquemine Depot Square project which needed to be carried over into 2022.
- The Police Department's budget increase of \$144,365 was mainly for the payout of final leave for the unexpected retirement of employees.

#### **Other financing sources:**

- Transfers in from Sales Tax Revenue increased due to an increase in sales tax collections.

## Capital Asset and Debt Administration

**Capital Assets.** The City of Plaquemine's investment in capital assets for its governmental and business type activities as of October 31, 2021, amounts to \$52,305,262 (net of depreciation). This investment in capital assets includes land, buildings, improvements (other than buildings), infrastructure, equipment, furniture and fixtures and utility plant and equipment. The total decrease in the City of Plaquemine's investment in capital assets for the current fiscal year was 4.5% (a 3.69% decrease for the governmental activities and a 5.18% decrease for business-type activities).

### CITY OF PLAQUEMINE Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
Land	1,356,269	1,356,269	363,626	363,626	1,719,895	1,719,895
Construction in progress	-	-	29,592	75,001	29,592	75,001
Building	1,716,744	1,563,026	189,584	133,208	1,906,328	1,696,234
Improvements (other than buildings)	6,461,009	6,140,732	-	-	6,461,009	6,140,732
Infrastructure	14,074,131	13,803,099	-	-	14,074,131	13,803,099
Equipment	1,550,343	1,368,369	434,019	350,118	1,984,362	1,718,487
Furniture and Fixtures	4,099	2,594	32,785	14,761	36,884	17,355
Utility Plant and Equipment	-	-	28,343,978	26,923,459	28,343,978	26,923,459
Right of Way	-	-	211,000	211,000	211,000	211,000
Total assets	25,162,595	24,234,089	29,604,584	28,071,173	54,767,179	52,305,262

Major capital asset events during the current fiscal year included the following:

- New sound system was purchased for City Hall Court Room (\$9,994).
- New computers (\$8,327), a weather station (\$5,505) and evidence tracking system (\$19,513) was purchased for the Police Department.
- The Fire Department purchased bunker gear (\$2,375), exhaust fans (\$8,399) and thermal cameras (\$7,998)
- In the recreation department, restrooms were completed at the Herman Graham Park (\$37,643), pavilions were added to the North and Fort Area parks (\$37,200), and a walking path with lighting was added to the Fort Area Park (\$29,375).
- In an effort to improve public safety, additional street cameras were purchased for placement in high crime areas. (\$5,720)
- A relay panel was purchased for a new substation tie-in. (\$75,000)
- A shut-off valve was installed on the 16" water line in Addis (\$15,125)
- New handheld meter reading system and computers were purchased. (\$30,283).

Additional information on the City of Plaquemine's capital assets can be found in Note E on pages 39-41 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Plaquemine had total debt outstanding of \$19,459,890. Of this amount, a levy and collection of sales tax secures \$19,245,000 and \$214,890 is backed by the full faith and credit of the government.

**CITY OF PLAQUEMINE**  
General Obligation and Revenue Bond

	Governmental Activities		Business-type Activities		Total	
	2020	2021	2020	2021	2020	2021
General Obligation:						
Bonds	7,665,000	7,010,000	13,103,000	12,235,000	20,768,000	19,245,000
Certificate of Indebtedness	-	-	-	-	-	-
Notes Payable	354,600	214,890	-	-	354,600	214,890
Total	8,019,600	7,224,890	13,103,000	12,235,000	21,122,600	19,459,890

Additional information on the City of Plaquemine’s long-term debt can be found in Note I on pages 43-45 of this report.

**Economic Factors and Next Year’s Budget and Rates**

- The unemployment rate for the City of Plaquemine region (Iberville Parish) for the year 2021 was 7.8%, which is higher than the State of Louisiana (5.5%) and the United States (5.36%).
- The City’s general fund is heavily dependent upon the taxes derived from the petrochemical industry. Sales Tax decreased by 4.9% from 2020 to 2021. The impact of production and use on sales tax revenue will decrease in the short term and taxes are expected to increase in the long term.

All economic factors were considered in preparing the City of Plaquemine’s budget for the 2021-2022 fiscal year.

With the national health emergency of COVID-19 declared in March 2020, the City continues to closely monitor its financial situation for 2021-2022 impacts.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Plaquemine’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Plaquemine, 23640 Railroad Ave., Plaquemine, Louisiana, 70764.

## BASIC FINANCIAL STATEMENTS

CITY OF PLAQUEMINE  
STATEMENT OF NET POSITION  
OCTOBER 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 8,775,466	\$ 4,778,011	\$ 13,553,477	\$ 80,550
Receivables - (net of allowance for uncollectibles)	1,069,679	1,701,185	2,770,864	16,926
Prepaid expenses	138,861	128,824	267,685	1,200
Internal balances	982,720	(982,720)	-	-
Inventories	-	551,154	551,154	-
Restricted assets:				
Cash and cash equivalents	-	3,749,477	3,749,477	-
Capital assets (net of accumulated depreciation):				
Land	1,356,269	363,626	1,719,895	-
Construction in progress	-	75,001	75,001	-
Buildings	1,563,026	133,208	1,696,234	-
Improvements (other than buildings)	6,140,732	-	6,140,732	-
Infrastructure	13,803,099	-	13,803,099	-
Equipment	1,368,369	350,118	1,718,487	-
Furniture and fixtrues	2,594	14,761	17,355	-
Utility plant and equipment	-	26,923,459	26,923,459	-
Right of way	-	211,000	211,000	-
TOTAL ASSETS	35,200,815	37,997,104	73,197,919	98,676
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	1,637,471	620,516	2,257,987	53,337
LIABILITIES				
Accounts payable	304,204	984,464	1,288,668	-
Accrued expenses	136,792	67,816	204,608	-
Unearned revenue	-	1,209,232	1,209,232	-
Accumulated leave privileges	447,027	377,527	824,554	-
Retainage payable	33,972	24,635	58,607	-
Accrued interest	-	85,732	85,732	-
General obligation bonds payable in one year	665,000	922,000	1,587,000	-
Note payable in one year	72,004	-	72,004	-
Customer deposits	-	995,509	995,509	-
Non-current liabilities:				
General obligation bonds payable	6,345,000	11,313,000	17,658,000	-
Bond Premium	585,216	138,289	723,505	-
Note payable	142,885	-	142,885	-
Net pension liability	4,324,260	2,492,391	6,816,651	96,519
Other	-	27,380	27,380	-
TOTAL LIABILITIES	13,056,360	18,637,975	31,694,335	96,519
Pension related	2,320,535	839,036	3,159,571	69,198
NET POSITION				
Invested in capital assets, net of related debt	17,009,199	15,625,173	32,634,372	-
Restricted: for special revenue, capital				
Special revenue	895,062	-	895,062	-
Capital improvements, debt service and bonds	4,356,210	237,034	4,593,244	-
Grants	-	1,209,232	1,209,232	-
Unrestricted	(799,080)	2,069,170	1,270,090	(13,704)
TOTAL NET POSITION	\$ 21,461,391	\$ 19,140,609	\$ 40,602,000	\$ (13,704)

The accompanying notes are an integral part of this statement.



## Statement of Activities

For the Year Ended October 31, 2021

Functions/Programs	Expenses	Program Revenues			Net(Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General Government	\$ 1,838,151	\$ -	\$ 10,017	\$ 5,000	\$ (1,823,134)	\$ -	\$ (1,823,134)	\$ -
City Court	411,909	-	18,820	-	(393,089)	-	(393,089)	-
Police Department	2,630,649	11,702	147,097	13,336	(2,458,514)	-	(2,458,514)	-
Fire Department	1,579,310	-	344,523	-	(1,234,787)	-	(1,234,787)	-
Public Works	2,776,149	22,890	-	-	(2,753,259)	-	(2,753,259)	-
Recreation	810,565	9,700	-	-	(800,865)	-	(800,865)	-
Public Health	12,600	-	-	-	(12,600)	-	(12,600)	-
Debt Service	189,306	-	-	-	(189,306)	-	(189,306)	-
Total governmental activities	10,248,639	44,292	520,457	18,336	(9,665,554)	-	(9,665,554)	-
Business-type Activities:								
City Light & Water	15,597,178	15,017,302	-	-	-	(579,876)	(579,876)	-
Total business-type activities	15,597,178	15,017,302	-	-	-	(579,876)	(579,876)	-
Total primary government	25,845,817	15,061,594	520,457	18,336	(9,665,554)	(579,876)	(10,245,430)	-
Component units:								
City Court	526,749	1,090	-	-	-	-	-	(525,659)
Total Component Units	526,749	445,539	445,539	-	-	-	-	(525,659)
General revenues:								
					409,964	-	409,964	-
					8,473,275	-	8,473,275	-
					97,264	-	97,264	-
					404,769	-	404,769	-
					131,818	-	131,818	498,663
					117	54	171	41
					454,914	274,217	729,131	60,223
Transfers					458,603	(458,603)	-	-
					10,430,724	(184,332)	10,246,392	558,927
					765,170	(764,208)	962	33,268
					20,696,221	19,904,817	40,601,038	(46,972)
					\$ 21,461,391	\$ 19,140,609	\$ 40,602,000	\$ (13,704)

The accompanying notes are an integral part of this statement.



CITY OF PLAQUEMINE  
COMBINED BALANCE SHEET  
GOVERNMENTAL FUNDS  
OCTOBER 31, 2021

	General Fund	Sales Tax Revenue Fund	Sales Tax Bond Fund	Street Improvements	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,289,596	\$ 2,907,636	\$ 3,700,711	\$ 101,920	\$ 775,603	\$ 8,775,466
Receivables	328,989	-	-	-	-	328,989
Due from other govt units	-	724,313	-	-	16,377	740,690
Due from other funds	3,345,595	-	1,165,991	-	-	4,511,586
Prepaid expenses	93,349	-	45,476	36	-	138,861
<b>TOTAL ASSETS</b>	<b>\$ 5,057,529</b>	<b>\$ 3,631,949</b>	<b>\$ 4,912,178</b>	<b>\$ 101,956</b>	<b>\$ 791,980</b>	<b>\$ 14,495,592</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 264,480	\$ -	\$ -	\$ 39,724	\$ -	\$ 304,204
Due to other funds	-	3,528,867	-	-	-	3,528,867
Retainage payable	18,227	-	-	15,745	-	33,972
<b>Total Liabilities</b>	<b>282,707</b>	<b>3,528,867</b>	<b>-</b>	<b>55,469</b>	<b>-</b>	<b>3,867,043</b>
<b>Fund balance:</b>						
Nonspendable-not in spendable form	93,349	-	-	36	-	93,385
Restricted	-	-	4,912,178	-	791,980	5,704,158
Committed	498,245	-	-	46,451	-	544,696
Assigned	-	103,082	-	-	-	103,082
Unassigned	4,183,228	-	-	-	-	4,183,228
<b>Total fund balances</b>	<b>4,774,822</b>	<b>103,082</b>	<b>4,912,178</b>	<b>46,487</b>	<b>791,980</b>	<b>10,628,549</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,057,529</b>	<b>\$ 3,631,949</b>	<b>\$ 4,912,178</b>	<b>\$ 101,956</b>	<b>\$ 791,980</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

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

24,234,089

Change in net pension liability and deferred inflows and outflows in accordance with GASB 68.

(5,007,324)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

(8,393,923)

**\$ 21,461,391**

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
YEAR ENDED OCTOBER 31, 2021

	General Fund	Sales Tax Revenue Fund	Sales Tax Bond Fund	Street Improvement	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 277,222	\$ 8,287,314	\$ -	\$ -	\$ 415,966	\$ 8,980,502
Licenses and permits	404,770	-	-	-	-	404,770
Intergovernmental	614,112	-	-	-	-	614,112
Charges for services	27,130	-	-	-	-	27,130
Fines and forfeits	5,271	-	-	-	-	5,271
Miscellaneous revenue	100,772	-	-	101,941	-	202,713
<b>TOTAL REVENUES</b>	<b>1,429,277</b>	<b>8,287,314</b>	<b>-</b>	<b>101,941</b>	<b>415,966</b>	<b>10,234,498</b>
<b>EXPENDITURES</b>						
General Government	\$ 1,718,304	\$ -	\$ -	\$ -	\$ -	\$ 1,718,304
City Court	440,866	-	-	-	-	440,866
Police Department	2,891,883	-	-	-	-	2,891,883
Fire Department	1,516,445	-	-	-	-	1,516,445
Public Works	863,277	-	-	1,831,824	-	2,695,101
Recreation	499,780	-	-	-	-	499,780
Public Health	12,600	-	-	-	-	12,600
Debt Service	-	-	831,592	-	152,425	984,017
<b>TOTAL EXPENDITURES</b>	<b>7,943,155</b>	<b>-</b>	<b>831,592</b>	<b>1,831,824</b>	<b>152,425</b>	<b>10,758,996</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,513,878)</b>	<b>8,287,314</b>	<b>(831,592)</b>	<b>(1,729,883)</b>	<b>263,541</b>	<b>(524,498)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers in	6,614,730	-	2,081,064	1,616,534	152,425	10,464,753
Operating transfers out	-	(8,287,314)	(1,475,000)	-	(243,836)	(10,006,150)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>6,614,730</b>	<b>(8,287,314)</b>	<b>606,064</b>	<b>1,616,534</b>	<b>(91,411)</b>	<b>458,603</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>100,852</b>	<b>-</b>	<b>(225,528)</b>	<b>(113,349)</b>	<b>172,130</b>	<b>(65,895)</b>
<b>FUND BALANCE (DEFICIT), Beginning</b>	<b>4,673,970</b>	<b>103,082</b>	<b>5,137,706</b>	<b>159,837</b>	<b>619,850</b>	<b>10,694,445</b>
<b>FUND BALANCE (DEFICIT), Ending</b>	<b>\$ 4,774,822</b>	<b>\$ 103,082</b>	<b>\$ 4,912,178</b>	<b>\$ 46,488</b>	<b>\$ 791,980</b>	<b>\$ 10,628,550</b>

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED OCTOBER 31, 2021

Amounts reported for governmental activities in the statement of activities (page 16) are different because:

Net Changes in fund balances - Total governmental funds (page 18)	\$ (65,895)
Change in net pension liability and deferred inflows and outflows in accordance with GASB 68.	750,671
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(928,506)
The liability and expense for compensated absences are not reported in governmental funds. Payments for compensated absences are reported as salaries when they occur. Only the payment consumes current financial resources, and it would take a catastrophic event for this liability to become a current liability.	75,989
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, which the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	932,911
Change in net position of governmental activities (page 16)	\$ 765,170

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
OCTOBER 31, 2021

EXHIBIT F

	<u>City Light &amp; Water</u>
<b>ASSETS AND DEFERRED OUTFLOWS</b>	
<b>Assets</b>	
Cash	\$ 4,778,011
Accounts receivable	1,701,186
Prepaid expenses	128,824
Inventory, at cost	551,154
Restricted assets:	
Customer deposits	1,295,479
Bond Accounts	1,244,766
ARPA	1,209,232
Land	363,626
Construction in progress	75,001
Buildings	1,267,729
Equipment	4,830,593
Furniture and fixtures	332,048
Utility plant and equipment	63,658,532
Less: accumulated depreciation	(42,667,356)
Intangibles	211,000
<b>Total Assets</b>	<u>38,979,825</u>
<b>Deferred Outflows of Resources</b>	
Pension Related	<u>620,516</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$ 39,600,341</u></u>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	
<b>Liabilities</b>	
Current liabilities (payable from current assets)	
Accounts payable	\$ 984,464
Accrued expenses	67,816
Accumulated leave privileges	377,527
Due to other funds	982,721
Unearned revenue	1,209,232
Retainage payable	24,635
Payable from restricted assets	
Accrued interest payable	85,732
General obligation bonds	922,000
Customer deposits	995,509
Non-current liabilities:	
General obligation bonds	11,313,000
Bond premium	138,289
Net pension liability	2,492,391
Other	27,380
<b>Total Liabilities</b>	<u>19,620,696</u>
<b>Deferred Inflows of Resources</b>	
Pension Related	<u>839,036</u>
<b>Net Position</b>	
Investments in general fixed assets, net of related	15,625,173
Restricted:	
Bonds	237,034
Grants	1,209,232
Unrestricted	2,069,170
<b>Total Net Position</b>	<u>19,140,609</u>
<b>TOTAL LIABILITIES DEFERRED INFLOWS AND NET POSITION</b>	<u><u>\$ 39,600,341</u></u>

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR THE YEAR ENDED OCTOBER 31, 2021

	City Light & Water
OPERATING REVENUES	
Metered sales to general customers	\$ 14,284,137
Billings to municipality and utilities	697,349
Other operating revenue	35,816
TOTAL OPERATING REVENUES	<u>15,017,302</u>
OPERATING EXPENSES	<u>15,404,103</u>
OPERATING INCOME	<u>(386,801)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest Income	\$ 54
Miscellaneous	15,579
Rent	28,872
Finance charges	138,000
LEPA	24,902
Pension Expense	66,864
Interest expense	(176,870)
Paying agent fee	(16,205)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>81,196</u>
INCOME BEFORE TRANSFERS	<u>(305,605)</u>
TRANSFERS	
Transfers in	-
Transfers Out	(458,603)
TOTAL TRANSFERS	<u>(458,603)</u>
CHANGE IN NET POSITION	(764,208)
NET POSITION - Beginning	19,904,817
NET POSITION - Ending	<u>\$ 19,140,609</u>

The accompanying notes are an integral part of this statement.

City of Plaquemine  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended October 31, 2021

EXHIBIT H

	<u>City Light &amp; Water</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 15,041,501
Receipts from interfund	826
Payments to suppliers	(10,503,477)
Payments to employees	(3,204,484)
Payments to interfund	(43,667)
Other Payments	(53,496)
Net cash provided (used) by operating activities	<u>1,237,203</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Net operating transfers out to other funds	(458,603)
Non-operating receipts	1,416,586
Net cash provided (used) by noncapital financing activities	<u>957,983</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of capital assets	(127,881)
Principal paid on bond maturities	(868,000)
Interest paid on revenue bonds	(198,084)
Paying agent fees	(16,205)
Customer Deposits	22,146
Net cash provided (used) by capital and related financing activities	<u>(1,188,024)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	54
Net cash provided (used) by investing activities	<u>54</u>
Net increase (decrease) in cash and cash equivalents	1,007,216
Balances - beginning of year	<u>7,520,272</u>
Balances - end of the year	<u>\$ 8,527,488</u>
<b>SUMMARY OF CASH AND CASH EQUIVALENTS</b>	
Unrestricted cash and cash equivalents	\$ 4,778,011
Restricted cash and cash equivalents	3,749,477
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 8,527,488</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ (386,801)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	1,661,293
Pension expense adjustment	(294,498)
Changes in assets and liabilities:	
Accounts receivable	19,246
Prepaid expenses	4,953
Due from other funds	826
Inventory	26,841
Accounts payable	263,472
Due to other funds	(43,667)
Salaries & benefits payable	(1,749)
Accrued leave privileges	(12,713)
Net cash provided by operating activities	<u>\$ 1,237,203</u>

The accompanying notes are an integral part of this statement.

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The City of Plaquemine was incorporated in 1878, under the provisions of Act 109 of the 1878 General Assembly. The City operates under a Mayor–Board of Selectmen form of government.

The accounting and reporting practices of the City of Plaquemine, Louisiana, conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods. The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The City's proprietary fund applies all Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case, GASB pronouncements prevail. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices.

#### Financial Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 61, codified into Section 2100, *Defining the Financial Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since the City of Plaquemine, Louisiana is a general-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments, it is considered a primary government under the provisions of this Statement. As used in GASB Statement No. 61, fiscally independent means that the City may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The financial reporting entity consists of (a) the primary government (City), (b) the organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards established the criteria for determining which component units should be considered part of the Consolidated Government of the City for financial reporting purposes. The basic criteria includes the following:

1. Legal status of the potential component unit
2. Financial accountability
  - a. The primary government appoints a voting majority of the potential component unit's governing body and the primary government is able to impose its will on that organization or
  - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separated elected officials or boards.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

3. Financial benefit/burden relationship between the City and potential component unit.
4. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units 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.

As required by generally accepted accounting principles, these financial statements present the City of Plaquemine, Louisiana (the primary government) and its component units. The component units included in the accompanying financial statements are discretely presented.

**Discretely Presented Component Units**

Component units that are legally separate from the municipality but are financially accountable to the municipality, or whose relationship with the municipality are such that exclusion would cause the municipality's financial statements to be misleading or incomplete are discretely presented. The "Component Units" column of the combined financial statements includes the financial data of these discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the municipality.

The following component unit is discretely presented in the accompanying financial statements: City Court of Plaquemine, Louisiana.

The City Court of Plaquemine was created under the provisions of Louisiana Revised Statute 13:2488.61. The City Judge and Marshal are elected by the voters of the City of Plaquemine and serve a term of six years as provided by Louisiana Revised Statutes 13:1872 and 13:1879, respectively. The City Court of Plaquemine has a December 31, 2021 year end.

City Court Judges and City Marshals are independently elected officials and are part of the operations of the City Court system. The City Court system is fiscally dependent on the municipality for office space and courtrooms. The substance of the relationship between the City Court system and the municipality is that the municipality has approval authority over its capital budget. In addition, the nature and significance of the relationship between the City Court system and the municipality is such that exclusion from the municipality's financial statements would render the financial statements incomplete or misleading. We conclude that City Court is component unit of the City of Plaquemine, Louisiana.

The December 31, 2020 audit report of the City Court of Plaquemine is shown in discrete presentation in the October 31, 2021 audit report of the City of Plaquemine, Louisiana. Copies of the component unit report can be obtained from the City Marshal or Judge.



# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

The following presents the condensed financial statements for each of the discretely presented component units:

#### Condensed Balance Sheet:

	<u>Governmental</u>	<u>Fiduciary</u>
1. Current assets	\$ 110,691	\$ 77,123
2. Property, plant and equipment	-	-
3. Current liabilities	12,015	77,123

#### Condensed Statement of Revenues, Expenditures and Changes in Fund Balances for Component Unit - Governmental Funds:

1. Revenues	\$ 502,068
2. Current expenditures	526,973
3. Capital outlay expenditures	-
4. Other financial sources (uses)	57,949
5. Excess (deficiency) of revenues and expenditures	33,044

#### Fund Accounting

The accounts of the City of Plaquemine are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped in the financial statements in this report into three generic fund types as follows:

#### A. Governmental Funds

##### 1. 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.

##### 2. Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specific purposes.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

3. Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

4. Capital Projects Fund

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

**B. Proprietary Fund**

Enterprise Fund

Enterprise Funds are used to account for operations:

(a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or

(b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**C. Fiduciary Funds**

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the municipality. Fiduciary funds include:

Custodial Funds

Custodial Funds account for assets that the municipality holds on behalf of others as their agent. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the City of Plaquemine and its component units. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the City of Plaquemine is reported separately from certain legally separate *component units* for which the City of Plaquemine is financially accountable.

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as eligibility requirements imposed by the provider have been met.

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claim and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

City of Plaquemine, Louisiana reports the following governmental funds:

#### **Major Fund – General**

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

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

#### Major Special Revenue Funds

The *Sales Tax Revenue Fund* is the City's primary fund for maintenance and outlay of roads and bridges throughout the city. This fund is supported by parish-wide sales tax revenue.

#### Major Debt Service Fund

The *Sales Tax Bond Fund* accounts for the payment of principal and interest on bonds.

#### Non-Major Special Revenue Funds

The *Building Maintenance Tax Fund* accounts for taxes received from 2.76 mills that were levied on property.

The *Police Equipment Tax Fund* accounts for taxes received from 2.76 mills that were levied on property.

The *Fire Department Capital Improvements Fund* accounts for the funds received from the Iberville Parish Council which are designated for the specific purpose of fire department capital expenditures.

#### Major Capital Projects Fund

The *Street Improvement Fund* accounts for the major capital improvements on the streets.

#### Non-Major Debt Service Funds

The *Note Payables Fund – 2014, 2017 and 2019* accumulates monies for the payment of police vehicles and a fire truck, due in annual installments, plus interest due semiannually, through maturity in 2021 through 2024, respectively.

#### Major Proprietary Fund

The *Utility Department Fund* accounts for the sale of electricity, water, gas and sewer to customers within the City of Plaquemine.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's utility department and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. "Measurable" meaning the amount of the transaction can be determined and "available" meaning collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenue available if collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when obligations are expected to be liquidated with expendable available financial resources. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual funds use the following practices in recording revenues and expenditures:

#### **A. Revenues**

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Federal and state grants are recorded when the City is entitled to the funds.

Interest income on time deposits are recorded when the time deposits have matured and the income is available.

Sales and use tax revenues are recorded in the month collected by the City.

Substantially all other revenues are recorded when received.



## **CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS**

### **NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **B. Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt are recognized when due and compensated absences which are recognized when paid. Encumbrances are not recorded in the accounting records since no material amounts exist at year-end.

#### **C. Other Financing Sources (Uses)**

Transfers between funds, which are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses). Transfers are recorded when received or paid.

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

#### **Basis of Presentation**

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

#### **Use of Estimates**

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

#### **Budget and Budgetary Accounting**

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

1. The City Accountant prepares a proposed budget and submits same to the Mayor and Board of Selectmen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Selectmen.

The chief executive or administrative officer must advise the governing authority when:

Total revenue collection by budgeted fund plus projected revenue collections for the remainder of the year fail to meet the estimated annual budgeted revenues by fund by more than 5%.

Total actual expenditures by budgeted fund plus projected expenditures for the remainder of the year exceed the total estimated budgeted expenditures by fund by more than 5%.

Actual beginning fund balance fails to meet the estimated beginning fund balance by more than 5%.

6. All budgetary appropriations lapse at the end of each fiscal year.
7. A budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Selectmen. A budget for the enterprise fund was prepared.

Budgets for the Debt Service Funds and Recreation Fund were not prepared for the year ended October 31, 2021.

Budgetary data for discretely presented component units are not presented in Combined Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual.

#### **Recently Implemented Accounting Pronouncements**

GASB Statement 84, Fiduciary Activities: This standard will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The standard is effective for annual reporting periods beginning after December 15, 2019. The City adopted the requirements of this standard for the year ended October 31, 2021. The financial statements and related notes were updated to be in compliance with this pronouncement.

**CITY OF PLAQUEMINE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

GASB Statement 90, Majority Equity Interests – an amendment of GASB Statements 14 and 61. This pronouncement did not impact the basic financial statements.

**Assets, Liabilities, and Net Position or Equity**

**A. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**B. Receivables and Payables**

Customer receivables include amounts due from customers for the use of utilities. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts. The estimated amount is based on billings during the month following the close of the year. Customer accounts receivable of \$1,701,185 is reported net of a \$70,270 allowance for uncollectible accounts for the year ended October 31, 2021.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**C. Inventory**

Engine fuel and gasoline inventory is stated at cost (FIFO) based on an estimated number of gallons unused at year end.

In the governmental fund types, inventories of supplies are recorded as expenditures at the time of purchase. Inventories of business-type activities are stated at cost that approximates market value using the weighted average method.

**D. Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond October 31, 2021 are recorded as prepaid expenses.

**E. Restricted Assets**

Restricted assets include cash and cash equivalents that are legally restricted as to their use. The restricted assets are related to customers' deposits and bond resolution requirements.



# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

#### F. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and estimated useful lives in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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.

Property, plant and equipment for the primary government, as well as the component units and enterprise funds, is depreciated using the straight-line method using the following useful lives:

<u>Asset Class</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>
Buildings	40 Years	25-50 Years
Infrastructure	40 Years	N/A
Water/Gas/Sewerage Systems	N/A	5-50 Years
Furniture and Fixtures	5 -10 Years	3-15 Years
Vehicles	5 Years	4-8 Years

In accordance with GASB Statement No. 89, all interest incurred during construction is expensed.

#### G. Investments

Under state law, the City of Plaquemine may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at market value.

#### H. Vacation and Sick Leave

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation may be accumulated unlimited, but more than 40 hours per calendar year may be added to an employee's total accumulated leave. Vacation pay is accrued when incurred in proprietary funds and recorded as a liability. Sick pay is accrued when incurred and recorded as a liability according to the City's policy in the proprietary funds when an employee is eligible to retire. For governmental fund types the City's liability has been recorded on the Statement of Net Assets.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

**I. Amortization**

Bond premiums associated with bond issues are being amortized over the life of the issue using the effective interest rate method.

**J. Allocation of Administrative and General Expenses**

Administrative and general expenses are allocated to each individual utility system based on the percentage of each system's operating revenues to the total operating revenues for the entire Enterprise Fund.

**K. Long Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds Payable are reported net of applicable bond premium discount.

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

**L. Net Position**

In the Statement of Net Position, the difference between a government's assets and liabilities is recorded as net position. The three components of net position are as follows:

*Invested in Capital Assets, Net of Related Debt* – This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

*Restricted Net Position* – Assets are reserved by external sources, such as banks or by law, are reported separately as restricted net position.

*Unrestricted Net Position* – This category represents all assets not invested in capital assets or restricted.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

**M. Fund Balance**

City of Plaquemine, Louisiana elected to implement GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, fund balance of the governmental funds is classified as follows:

*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 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 City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Councilmen.

*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.

*Unassigned* – All other spendable amounts.

As of October 31, 2021, fund balances were composed of the following:

	General Fund	Sales Tax Revenue	Sales Tax Payable	Street Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid items	\$ 93,349	\$ -	\$ -	\$ 36	\$ -	\$ 93,385
Restricted:						
Sales Tax Payable	-	-	4,912,178	-	-	4,912,178
Police Equipment	-	-	-	-	85,812	85,812
Building Main.	-	-	-	-	361,562	361,562
Fire Dept	-	-	-	-	344,607	344,607
Committed:						
Capital Outlay	-	-	-	46,451	-	46,451
2021-2022 Budget	498,245	-	-	-	-	498,245
Assigned	-	103,082	-	-	-	103,082
Unassigned	4,183,228	-	-	-	-	4,183,228
Total Fund Balances	<u>\$ 4,774,822</u>	<u>\$ 103,082</u>	<u>\$ 4,912,178</u>	<u>\$ 46,487</u>	<u>\$ 791,981</u>	<u>\$ 10,628,550</u>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued**

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

**N. Pension Plans**

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

**O. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial 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 that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of financial 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 that applies to future periods and so will not be recognized as revenue until then. The governmental funds report unavailable revenue from property taxes and state revenue sharing. These amounts are deferred and recognized as an inflow of resources in the period that amounts become available.

In addition to assets, the statement of financial 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 that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditure) until then.

**NOTE B: CASH AND CASH EQUIVALENTS**

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits and certificates of deposit. Under state law, the City of Plaquemine, may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, or any other state in the Union, or the laws of the United States. Further, the City of Plaquemine may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE B: CASH AND CASH EQUIVALENTS, continued

For the year ended October 31, 2021, the City of Plaquemine entered into a fiscal agency contract with four (4) commercial banks domiciled within Iberville Parish. The contract provided that all deposits of the participating units (see below) are to be in Super NOW (negotiable orders of withdrawal) accounts paying a market rate of interest which approximates the interest rate on 13-week U.S. Treasury Bills. The contract called for participation by the banks in the ratio of their relative capital and surplus at October 31, 2021. The names of the banks and their participation percentages in the fiscal agency contract are as follows:

The First	21.46%
Citizens Bank & Trust Company	37.41%
Plaquemine Bank & Trust Company	26.66%
Anthem Bank & Trust Company	14.47%

Under the contract, Plaquemine Bank acted as the servicing bank or agent for the other banks and served as a clearinghouse for all deposits and withdrawals of the City. Each participating bank is to maintain an account in the name of the City and is required to pledge securities in excess of federal deposit (FDIC) insurance to protect the deposits of the City.

It has not been determined whether the component unit has a fiscal agency agreement of its own. Consequently, the information that follows refers only to the City's fiscal agency agreement.

At October 31, 2021, the City of Plaquemine has bank balances totaling \$18,112,695 and book balances totaling \$17,302,954 which includes restricted book balances of \$3,749,477 less petty cash of \$1,550. This amount is restricted for customer deposits and bond servicing.

Each of the four banks participating in the fiscal agency contract maintains an account in the name of the City of Plaquemine, and thus has separate federal deposit insurance for that account in the amount of \$250,000 for checking and savings accounts for a total of \$1,000,000 FDIC insurance. Any excess of deposits over federal deposit insurance must be secured under state law by the pledge of bank owned securities. The market value of the pledged securities plus the federal deposit insurance must at all times be at least equal to the amount on deposit with the banks. The pledged securities are held in the name of the pledging banks in an independent custodial bank that is mutually acceptable to the parties involved.

The following is a summary of cash and cash equivalents of the City of Plaquemine included in the fiscal agency contract at October 31, 2021, with the related federal deposit insurance and pledged securities:

	Bank Balances 10/31/2021	FDIC Insurance	Balances Uninsured
Cash	\$ 18,112,695	\$ 1,000,000	\$ 17,112,695
Uncollateralized Securities pledged and held by custodial banks in the name of fiscal agent banks, at fair market value, at 10-31-21			<u>17,632,468</u>
Excess (deficiency) of FDIC insurance and pledged securities over cash at 10-31-21			<u>\$ 519,773</u>



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE B: CASH AND CASH EQUIVALENTS, continued**

At December 31, 2020, the carrying amount of deposits for the City Court, a discretely presented component unit, was \$157,673 and the bank balance was \$223,789. The entire bank balance was covered by federal depository insurance.

**Custodial Credit Risk** – Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City does not have a deposit policy for custodial credit risk. The deposits above are secured from risk by federal deposit insurance and pledged securities held by the custodial bank's trust department not in the name of the City. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial banks to advertise and sell the pledged securities within ten (10) days of being notified by the City that the fiscal agency bank(s) has (have) failed to pay deposited funds upon demand.

**NOTE C: RECEIVABLES & DUE FROM GOVERNMENTAL UNITS**

The receivables at October 31, 2021 are as follows:

Description	Governmental Activities	Business-Type Activities
US Drug Enforcement Agency	\$ 2,617	\$ -
LA Dept of Motor Vehicles	2,975	-
Iberville Parish Sheriff Office	2,726	-
Sales taxes due from Iberville Parish	740,690	-
LA Commission on Law Enforcement	8,217	-
Video poker taxes from Louisiana State Treasurer's Office	22,130	-
Fines	675	-
Water Front Park	146,761	-
Code Enforcement	102,805	-
Charges for services	-	1,701,185
City Court	1,200	-
Refunds (insurance and other)	38,883	-
	<u>\$ 1,069,679</u>	<u>\$ 1,701,185</u>

**NOTE D: RESTRICTED ASSETS – PROPRIETARY FUND TYPE**

Restricted assets of the Utility Department Fund were applicable to the following at October 31, 2021:

	2021
Cash and Cash Equivalents:	
Customer meter deposits	\$ 1,295,479
Bond accounts	1,244,766
ARPA funds	1,209,232
Total	<u>\$ 3,749,477</u>



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE D: RESTRICTED ASSETS – PROPRIETARY FUND TYPE, continued**

The following schedule summarizes the current year transactions in the major categories of these reserved accounts:

	<u>Sinking Fund</u>	<u>Reserve Fund</u>	<u>Construction</u>	<u>Totals</u>
<b>Beginning balance</b>	\$ 950,366	\$ 298,260	\$ 2,911	\$ 1,251,537
<b>Add:</b>				
Earnings allowance adjustment	-	-	52	52
Transfers from unrestricted funds	1,216,572	-	-	1,216,572
Interest earned	-	-	-	-
<b>Total funds available</b>	<u>2,166,938</u>	<u>298,260</u>	<u>2,963</u>	<u>2,468,161</u>
<b>Less:</b>				
Principal payments	868,000	-	-	868,000
Interest payments	241,151	-	-	241,151
Cash disbursement	114,000	-	-	114,000
Trustee fees/Service charges	160	-	84	244
<b>Ending balance</b>	<u>\$ 943,627</u>	<u>\$ 298,260</u>	<u>\$ 2,879</u>	<u>\$ 1,244,766</u>

**NOTE E: CAPITAL ASSETS**

A summary of changes in capital assets is as follows:

	<u>Primary Government</u>		
	<u>Balance</u>		<u>Balance</u>
	<u>10/31/2020</u>	<u>Additions</u>	<u>10/31/2021</u>
Land	\$ 1,356,269	\$ -	\$ 1,356,269
Buildings	4,238,799	-	4,238,799
Improvements other than buildings	10,378,340	124,483	10,502,823
Infrastructure	26,154,893	314,900	26,469,793
Equipment	8,823,239	336,389	8,969,601
Furniture and fixtures	267,042	-	(1,155)
<b>Total Capital Assets</b>	<u>\$ 51,218,582</u>	<u>\$ 775,772</u>	<u>\$ 51,803,172</u>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE E: CAPITAL ASSETS, continued**

	Primary Government			Accumulated Depreciation Balance 10/31/2021	Capital Assets Net of Accumulated Depreciation
	Accumulated Depreciation Balance 10/31/2020	Additions	Deletions		
Land	\$ -	\$ -	\$ -	\$ -	\$ 1,356,269
Buildings	2,522,055	153,718	-	2,675,773	1,563,026
Improvements other than buildings	3,917,331	444,760	-	4,362,091	6,140,732
Infrastructure	12,080,762	585,932	-	12,666,694	13,803,099
Equipment	7,272,896	514,533	(186,197)	7,601,232	1,368,369
Furniture and fixtures	262,943	1,505	(1,155)	263,293	2,594
<b>Total Accumulated Depreciation</b>	<b>\$ 26,055,987</b>	<b>\$ 1,700,448</b>	<b>\$ (187,352)</b>	<b>\$ 27,569,083</b>	<b>\$ 24,234,089</b>

Depreciation expense was charged to the functions/programs of the governmental activities of the primary government as follows:

General & Administrative	\$ 189,505
City Court	3,526
Police Department	143,637
Fire Department	179,343
Public Works	712,661
Recreation	471,776
	<u>\$ 1,700,448</u>

	Component Unit				Capital Assets Net of Accumulated Depreciation
	Cost	Accumulated Depreciation Balance 1/1/2021	Additions	Deletions	
Equipment and furniture	\$ 142,903	\$ 142,903	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 142,903</b>	<b>\$ 142,903</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE E: CAPITAL ASSETS, continued**

A summary of the changes in proprietary type property, plant and equipment at October 31, 2021 is as follows:

	Proprietary				Balance 10/31/2021
	Balance 10/31/2020	Additions	Deletions	Reclass- ifications	
Land	\$ 363,626	\$ -	\$ -	\$ -	\$ 363,626
Construction in progress	29,592	45,409	-	-	75,001
Buildings	1,267,730	-	-	-	1,267,730
Equipment	4,764,622	65,973	-	-	4,830,595
Furniture and fixtures	332,047	-	-	-	332,047
Utility plant and equipment					
Electric generation / distribution system	30,355,187	-	-	-	30,355,187
Water pumping / distribution system	7,155,907	16,500	-	-	7,172,407
Sewerage system	24,887,610	-	-	-	24,887,610
Natural gas distribution system	1,243,327	-	-	-	1,243,327
Right of way	211,000	-	-	-	211,000
	<u>\$ 70,610,648</u>	<u>\$ 127,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,738,530</u>

	ACCUMULATED DEPRECIATION				Net of Accumulated Depreciation
	Accumulated Depreciation 10/31/2020	Additions	Deletions	Accumulated Depreciation 10/31/2021	
Land	\$ -	\$ -	\$ -	\$ -	\$ 363,626
Construction in progress	-	-	-	-	75,001
Buildings	1,078,145	56,376	-	1,134,521	133,209
Equipment	4,330,601	149,874	-	4,480,475	350,120
Furniture and fixtures	299,262	18,024	-	317,286	14,761
Utility plant and equipment					
Electric generation / distribution system	20,846,876	557,597	-	21,404,473	8,950,714
Water pumping / distribution system	5,432,845	162,846	-	5,595,691	1,576,716
Sewerage system	7,801,607	714,985	-	8,516,592	16,371,018
Natural gas distribution system	1,216,726	1,592	-	1,218,318	25,009
Right of way	-	-	-	-	211,000
	<u>\$ 41,006,062</u>	<u>\$ 1,661,294</u>	<u>\$ -</u>	<u>\$ 42,667,356</u>	<u>\$ 28,071,174</u>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE F: ACCOUNTS PAYABLE AND OTHER PAYABLES**

A summary of payables at October 31, 2021 is as follows:

<b>Class of Payables</b>	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Debt Service Funds</b>	<b>Proprietary Fund</b>
Accounts payable	\$ 264,481	\$ -	\$ 39,723	\$ -	\$ 984,464
Accrued expenses	128,861	-	7,931	-	67,816
<b>Total</b>	<b>\$ 393,342</b>	<b>\$ -</b>	<b>\$ 47,654</b>	<b>\$ -</b>	<b>\$ 1,052,280</b>

**NOTE G: ACCRUED LEAVE PRIVILEGES**

The following is a summary of changes in accumulated leave privileges for the year ended October 31, 2021:

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Balance at 10-31-20	\$ 543,078	\$ 390,240	\$ 933,318
Increase (decrease) in accumulated sick leave	(96,051)	(12,713)	(108,764)
<b>Balance at 10-31-21</b>	<b>\$ 447,027</b>	<b>\$ 377,527</b>	<b>\$ 824,554</b>

**NOTE H: BOND PREMIUM**

The City issued \$4,885,000 of sale tax bonds dated November 21, 2013. The bonds were issued for the purpose of (i) refunding the entire principal amount of its outstanding Utilities Revenue Bonds, Series 2000A, Utilities Revenue Bonds, Series 2000B, and Bond Anticipation Notes, Series 2012; (ii) constructing and acquiring extensions and improvements to the City's combined waterworks plant and system, sewerage system, natural gas system and electric plant and system; and (iii) paying the cost of issuance of the bonds. The bonds were issued at a \$168,454 premium which was being amortized over an 18-year period using the effective interest rate method as follows:

Bond Premium 2013	\$ 168,454
Amortization of premium	<u>(152,151)</u>
<b>Net Premium 10/31/2021</b>	<b><u>\$ 16,303</u></b>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE H: BOND PREMIUM, continued**

The City signed a purchase agreement for \$2,380,000 of sales tax bonds dated as of the delivery date, December 14, 2017. The bonds are being used for the purpose of (i) refunding the entire principal amount of its outstanding Sales Tax bonds, Series 2008, (ii) funding a reserve, and (iii) paying costs of issuance of the Bonds. The bonds were issued at a \$189,450 premium which was being amortized over a 15 year period using the effective interest rate method as follows:

Bond Premium 12/14/17	\$ 189,450
Amortization of premium	<u>(67,464)</u>
Net Premium 10/31/2021	<u>\$ 121,986</u>

The City signed a bond purchase agreement for \$7,010,000 of sales tax refunding bonds Series 2020A dated as of the delivery date, September 23, 2020. The bonds are being used for the purpose of (i) refunding all or a portion of the City's outstanding Sales Tax Bonds, Series 2010B (ii) funding a reserve, and (iii) paying costs of issuance of the Bonds. The bonds were issued at a \$822,980 discount which was being amortized over a 10 year period using the effective interest rate method as follows:

Bond Discount 9/23/2020	\$ 822,980
Amortization of discount	<u>(237,764)</u>
Net Discount 10/31/2021	<u>\$ 585,216</u>

**NOTE I: CHANGES IN LONG-TERM OBLIGATION**

The following is a summary of long-term debt transactions for the year ended October 31, 2021:

	General Obligation Bonds	Note Payable	Total
Long-term bonds payable 11-1-20	\$ 20,768,000	\$ 354,600	\$ 21,122,600
Bond proceeds			-
Bonds retired/defeased transferred to current liabilities	<u>(1,523,000)</u>	<u>(139,710)</u>	<u>(1,662,710)</u>
Bonds payable 10-31-21	<u>\$ 19,245,000</u>	<u>\$ 214,890</u>	<u>\$ 19,459,890</u>
Current portion (payable in 1 year)	<u>\$ 1,587,000</u>	<u>\$ 72,004</u>	
Non-current portion	<u>\$ 17,658,000</u>	<u>\$ 142,886</u>	

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE I: CHANGES IN LONG-TERM OBLIGATION, continued**

Long-term debt at October 31, 2021 is comprised of the following individual issues:

**GENERAL OBLIGATION BONDS**

\$12,340,000 Sales Tax Refunding bonds dated 7-1-10; due in annual installments at \$440,000-\$995,000 beginning Dec. 1, 2012 through Dec. 1, 2029. Interest at 3.000%-4.125%, payable semiannually. On 9-23-20, \$7,475,000 of these bonds was defeased with the Sales Tax Refunding bonds Series 2020A.	\$ -
\$7,010,000 Sales Tax Refunding bonds Series 2020A dated 9-23-20; due in annual installments at \$655,000-\$905,000 beginning Dec. 1, 2022 through Dec. 1, 2030. Interest at 3.000%-4.000%, payable semiannually.	7,010,000
\$2,850,000 Sales Tax Refunding bonds dated 9-23-20; due in annual installments at \$10,000-\$410,000 beginning Dec. 1, 2020 through Dec. 1, 2032. Interest at 1.0%-2.2%, payable semiannually.	2,840,000
\$1,500,000 Sales Tax bonds dated 6/8/10; interest rate 0.95% payable semiannually beginning 12/1/12 and ending 12/1/30; due in annual principal installments of \$68,000-\$82,000 through Dec. 1, 2030.	786,000
\$8,000,000 Sales Tax bonds dated 6-8-10; due in annual principal installments of \$368,000-\$472,000 beginning 12/1/16 and ending 12/1/33; interest at .95% payable semiannually.	5,804,000
\$4,885,000 Sales Tax Revenue & Refunding Bonds, Series 2013 dated 11/21/13; due in annual installments of \$215,000-\$405,000 beginning 12/1/14 through 12/1/32; Interest at 1%-5% payable semiannually beginning 6/1/14. On 9-23-20, \$2,395,000 of these bonds was defeased with the Sales Tax Refunding bonds Series 2020B.	690,000
\$2,380,000 Sales Tax Revenue & Refunding Bonds, Series 2017 dated 12/14/17, due in annual installments of \$130,000-\$215,000 beginning 12/1/19 through 12/1/32; Interest at 3%-4% payable semiannually beginning 12/1/18.	2,115,000
	<u>\$ 19,245,000</u>



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE I: CHANGES IN LONG-TERM OBLIGATION, continued**

**NOTE PAYABLE**

\$33,816 equipment lease purchase (police cars) dated 9/06/19; due in three annual installments of \$12,032 through 9/06/21 interest at 6.9% payable annually.	\$ -
\$60,481 equipment lease purchase (police cars) dated 1/10/19; due in annual installments of \$21,491 through 1/10/21; interest at 6.75% payable annually.	-
\$52,296 equipment lease purchase dated 10/1/19; due in two annual installments of \$26,148 through 10/1/21; interest at 0%.	-
\$37,545 equipment lease purchase (police cars) dated 3/30/19; due in three annual installments of \$13,250 through 3/30/21; interest at 5.99% payable annually.	-
\$630,000 equipment lease purchase (fire trucks) dated 6/20/14; due in annual installments of \$75,280 through 6/20/24; interest at 2.93% payable annually.	210,666
\$22,526 equipment lesase purchase (tazers) dated 11/1/17 due in four annual installments of \$4,224 through 2021; payable annually.	4,224
	<u>\$ 214,890</u>
<b>TOTAL BONDS AND NOTES PAYABLE</b>	<u><b>\$ 19,459,890</b></u>

The annual requirements to amortize all debt outstanding as of October 31, 2021 including interest payments and *administrative* fees of \$2,496,042 are as follows:

Year Ending October 31	General Obligation Bonds	Note Payable	Total
2022	2,002,841	79,504	2,082,345
2023	1,995,951	75,280	2,071,231
2024	1,997,152	75,280	2,072,432
2025	1,998,536	-	1,998,536
2026	1,992,845	-	1,992,845
2027	1,996,113	-	1,996,113
2028	1,992,609	-	1,992,609
2029	1,977,748	-	1,977,748
2030	1,969,837	-	1,969,837
2031	1,109,128	-	1,109,128
2032	1,110,349	-	1,110,349
2033	1,108,517	-	1,108,517
2034	474,242	-	474,242
	<u>\$ 21,725,868</u>	<u>\$ 230,064</u>	<u>\$ 21,955,932</u>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE J: AD VALOREM TAXES**

Ad valorem taxes attach as an enforceable lien on property in June of each year. Taxes are levied by the City in October or November and are actually billed to the taxpayers in December. Billed taxes become delinquent on December 31 of the following calendar year. Revenues are budgeted in the fiscal year billed.

The Iberville Parish Sheriff's Office bills and collects property taxes using the assessed values determined by the tax assessor or Iberville Parish. For the year ended October 31, 2021, the City levied taxes of 11.05 mills on property assessed valuations totaling \$37,699,865. These were dedicated as follows:

General corporate purposes	4.85 mills
Building maintenance	3.10 mills
Police equipment	3.10 mills

Total taxes levied were \$416,586, where approximately \$409,964 were collected for the fiscal year ended October 31, 2021. The Iberville Parish Sheriff's Office received a commission of \$8,366.

**NOTE K: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Interfund receivable and payable representing short-term borrowing at October 31, 2021 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Total Governmental Activities (Net)</u>	<u>Total Business-Type Activities (Net)</u>
General Fund	\$ 3,345,595	\$ -	\$ 3,345,595	\$ -
Major Funds:				
Sales Tax Revenue	-	(3,528,867)	(3,528,867)	-
Sales Tax Bond Fund	1,165,992	-	1,165,992	(982,720)
Non Major Funds:				
Police Equipment Fund	-	-	-	-
<b>Total</b>	<u>4,511,587</u>	<u>(3,528,867)</u>	<u>\$ 982,720</u>	
Major:				
Proprietary Fund	<u>-</u>	<u>982,720</u>		<u>\$ (982,720)</u>

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE K: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS, continued**

The following is an analysis of interfund transfers at October 31, 2021:

<u>Transfers In</u>	<u>Primary Government</u> <u>Transfers Out:</u>					<u>Total</u>
	<u>General</u>	<u>Major Governmental Funds</u> <u>Sales Tax Revenue</u>	<u>Sales Tax Payable</u>	<u>Non Major Government</u>	<u>Proprietary Fund</u>	
General Fund	\$ -	\$ 6,206,250	\$ -	\$ 91,411	\$ 317,069	\$ 6,614,730
Major Governmental:						
Sales Tax Revenue	-	-	-	-	-	-
Sales Tax Payable	-	2,081,064	-	-	-	2,081,064
Street Improvement	-	-	1,475,000	-	141,534	1,616,534
Non Major Funds		-	-	152,425	-	152,425
	<u>\$ -</u>	<u>\$ 8,287,314</u>	<u>\$ 1,475,000</u>	<u>\$ 243,836</u>	<u>\$ 458,603</u>	<u>\$ 10,464,753</u>

The principal purpose of the above interfund transfers is to supplement revenues for ongoing operations and to supplement future capital outlay purchases.

**NOTE L: PENSION PLAN**

The City of Plaquemine's office implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting Related to Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require that the City of Plaquemine's office to record its proportional share of each of the pension plan's Net Pension Liability and report the following disclosures:

Substantially all employees of the City of Plaquemine are members of either, the Municipal Employees Retirement System of Louisiana, the Municipal Police Employee's Retirement System of Louisiana, the Firefighters' Retirement System, or the Louisiana State Employees' Retirement System. The systems are cost-sharing, multiple-employer defined benefit pension plan administered by separate boards of trustees. Pertinent information relative to each plan follows:

**Municipal Employees Retirement System of Louisiana (MERS)**

**Plan Description:**

All of the City's full-time general employees participate in the MERS, a multiple-employer, cost-sharing pension plan administered by a separate board of trustees. The System was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana to provide retirement benefits to employees of all incorporated villages, towns and cities within the State which do not have their own retirement system and which elect to become members of the System. MERS has issued a stand-alone audit report on their financial statements for the year ended June 30, 2021. Access to the report can be found on the Louisiana Legislative Auditor's website, [www.lia.la.gov](http://www.lia.la.gov).

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**Retirement Benefits:**

Any member of Plan A who was 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 twenty (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 outlines in the statutes, the benefits are limited to specified amounts. An additional regular retirement benefit can be received for any city marshal or deputy city marshal.

Any member of Plan A Tier 2 can retire providing he or she meets one of the following requirements: (1) Age 67 with seven years of creditable service; (2) Age 62 with ten years of creditable service; (3) Age 55 with thirty years of creditable service; (4) Any age with twenty-five (25) 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 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 outline in the statutes, the benefits are limited to specified amounts. Any city marshal or deputy city marshal shall receive an additional regular benefit computed on supplemental marshal's earnings.

**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 and/or minor children 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.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**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 would be payable, had the person elected to cease employment and received 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 non, 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 the 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 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 becoming eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**Employer Contributions:**

Contributions for all plan members are established by statute. Member contributions are at 10% of earnable compensation for Plan A. The contributions are deducted from the member's salary and remitted by the participating municipality. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2021, the actual employer contribution rate was 29.5% for member's earnings for Plan A.

According to state statute, the System also received one-fourth (1/4) of 1% of ad valorem taxes collected within the respective parishes, except for Orleans. Tax monies are apportioned between Plan A and Plan B in proportion to salaries of plan participants. Tax monies received from East Baton Rouge Parish are apportioned between the Municipal Employee's Retirement System and the Employee's Retirement System of The City of Baton Rouge. The System also receives revenue sharing funds each year as apportioned by the Legislature. These additional sources of income are used as additional employer contributions and considered support from non-employer contributing entities. Administrative costs of the System are financed through employer contributions.

Plan members are required by state statute to contribute 10 percent of their annual covered salary to the System, and the City of Plaquemine is required to make contributions at an actuarially determined rate. The rate paid by the City during the past fiscal period was 29.5% from November 1, 2020 through June 30, 2021 and 29.50% from July 1, 2021 through October 31, 2021 of annual covered payroll. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the MERS during the years ended October 31, 2021, 2020, and 2019, totaled \$905,684, \$856,336 and \$796,781, respectively,

**Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:**

At October 31, 2021, the City reported a liability of \$1,790,067 for its governmental activities and \$2,492,391 for its business-type activities for its proportionate share of the net pension liability for MERS, totaling \$4,282,458. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation of that date. 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, actuarially determined. At June 30, 2021, the City's proportion for MERS was 1.539620%, which was a decrease of .040442% from its proportion measured as of June 30, 2020.

For the year ended October 31, 2021 the City recognized pension expense of \$189,535 for its governmental activities for MERS less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$22,473), and recognized pension expense of \$263,897 for its business-type activities for MERS less employer's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions, (\$31,289).



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

At October 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for its governmental activities and business-type activities for MERS from the following sources:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 645	\$ (20,470)	\$ 898	\$ (28,501)
Changes of assumptions	65,416	-	91,082	-
Net difference between projected and actual earnings on pension plan investments	-	(504,353)		(702,233)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	1,026	(77,784)	1,428	(108,302)
Employer contributions subsequent to the measurement date	378,576	-	527,108	-
Total	<u>\$ 445,663</u>	<u>\$ (602,607)</u>	<u>\$ 620,516</u>	<u>\$ (839,036)</u>

The City reported a total for MERS of \$378,576 for its governmental activities and \$527,108 for its business-type activities as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability for the year ended October 31, 2022.

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

<u>Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2022	\$ 113,611	\$ 158,186
2023	121,157	168,693
2024	130,026	181,042
2025	170,725	237,708
	<u>\$ 535,519</u>	<u>\$ 745,629</u>

**Actuarial Assumptions:**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples included assumptions about future employment mortality and future salary increases. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations, and net estimates are made about the future. The actuarial assumptions used in the June 30, 2021 valuation was based on the results of an actuarial experience study, for the period July 1, 2013 through June 30, 2018.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

A summary of actuarial methods and assumptions used in determining the total net pension liability for MERS as of June 30, 2021 is as follows:

<b>Valuation Date</b>	June 30, 2021
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	3 years for Plan A
<b>Investment Rate of Return</b>	6.85%, net of pension plan investment expense, including inflation
<b>Inflation Rate</b>	2.500%
<b>Salary increases, including inflation and merit increases</b>	1 to 4 years of service = 6.4% More than 4 years of service = 4.5%
<b>Annuitant and beneficiary mortality</b>	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
<b>Employee mortality</b>	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
<b>Disabled lives mortality</b>	PubNS-2010(B) Disabled Retirees Table set equal to 120% for males and females with the full generational MP2018 scale.

**Discount Rate:**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Portfolio Real Rate of Return</b>
Public equity	53%	2.31%
Public fixed income	38%	1.65%
Alternatives	9%	0.39%
Totals	100%	4.35%
Inflation		2.60%
Expected Arithmetic Nominal Return		6.95%

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

The discount rate used to measure the total pension liability was 6.85% for the year ended June 30, 2021. 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, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. 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.

The effects of certain other changes in the net pension liability are required to be included in pension expenses over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in the pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:**

The following table represents the City's proportionate share of the net pension liability (NPL) using the discount rate for MERS as well as the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage higher than the current rate used by MERS:

<b>Governmental Activities</b>			
	<b>1.0% Decrease 5.850%</b>	<b>Current Discount Rate 6.850%</b>	<b>1.0% Increase 7.850%</b>
Net Pension Liability	\$ 2,651,181	\$ 1,790,067	\$ 1,062,737
<b>Business-Type Activities</b>			
	<b>1.0% Decrease 5.850%</b>	<b>Current Discount Rate 6.850%</b>	<b>1.0% Increase 7.850%</b>
Net Pension Liability	\$ 3,691,358	\$ 2,492,391	\$ 1,479,697

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**Municipal Police Employees Retirement System of Louisiana (MPERS)**

**Plan Description:**

All of the City's full-time police employees participate in the MPERS, a multiple-employer, cost-sharing, defined benefit pension plan administered by a separate board of trustees. MPERS was established by Act 189 of 1973 and amended by LRS 11:2211-11:2233 to provide retirement, disability, and survivor benefits to municipal police officers of Louisiana. Benefits are established and amended by state statute. MPERS issued a stand-alone audit report on its financial statements for the year ended June 30, 2021. Access to the audit report can be found on the System's website: [www.lampers.org](http://www.lampers.org) or on the Office of Louisiana Legislative Auditor's official website: [www.lla.state.la.us](http://www.lla.state.la.us).

**Retirement Benefits:**

**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 of 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 3.33% 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.

**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 3% (generally) and 2.50%, 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.



## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

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 25% to 55% of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives 10% of average final compensation or \$200 per month whichever is greater. If deceased member had less than ten years of service, 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 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 36 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 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.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**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.

**Employer Contributions:**

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay.

For the year ended June 30, 2021, total contributions due for employers and employees was 43.75%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 33.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous Duty members hired after January 1, 2013 were 33.75% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than the poverty guidelines were 36.25% and 7.50%, respectively.

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2021 and excluded from pension expense.

Plan members are required by state statute to contribute 10.00 percent of their annual covered salary to the System, and the City of Plaquemine is required to make contributions at an actuarially determined rate. The rate paid by the City during the past fiscal period was 33.75 percent from November 1, 2020 through June 30, 2021 and 29.75 percent from July 1, 2021 through October 31, 2021 of annual covered payroll. The contribution requirements of plan members and the City of Plaquemine are established and amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the MPERS during the years ended October 31, 2021, 2020, and 2019, total \$295,765, \$309,319 and \$298,557, respectively.

**Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:**

At October 31, 2021, the City reported a liability of \$1,590,161 for its proportionate share of the net pension liability for MPERS. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation of that date. 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, actuarially determined. At June 30, 2021, the City's proportion for MPERS was .298311%, which was a decrease of .001467% from its proportion measured as of June 30, 2021.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

For the year ended October 31, 2021 the City recognized pension expense of \$46,996 for MPERS less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$4,672. At October 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for MPERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (48,972)
Changes of assumptions	176,102	(45,361)
Net difference between projected and actual earnings on pension plan investments	-	(742,480)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	110,729	(119,495)
Employer contributions subsequent to the measurement date	<u>295,765</u>	<u>-</u>
Total	<u>\$ 582,596</u>	<u>\$ (956,308)</u>

The City reported a total for MPERS of \$295,765 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability for the year ended October 31, 2022.

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

<u>Year</u>	
2022	\$ (166,121)
2023	(103,253)
2024	(144,303)
2025	<u>(255,800)</u>
	<u>\$ (669,477)</u>

# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

#### Actuarial Assumptions:

The actuarial assumptions used in the June 30, 2021 valuation were based on the assumptions used in the June 30, 2020 actuarial funding valuation and were based on the results of an actuarial experience study for the period of July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. A summary of actuarial methods and assumptions used in determining the total net pension liability for MPERS as of June 30, 2021 is as follows:

Valuation Date	June 30, 2021	
Actuarial Cost Method	Entry Age Normal Cost	
Actuarial Assumptions:		
Inflation Rate	2.50%	
Expected Remaining Service Lives	4 years	
Investment Rate of Return	6.750%, net of investment expense	
Projected Salary Increases	<u>Years of Service</u>	<u>Salary Growth Rate</u>
	1 - 2	12.30%
	Above 2	4.70%

#### Mortality

For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Health Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used. For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used. For employees, the 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 was used.

#### Cost of Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

#### Mortality Rate:

The mortality rate assumption used was verified by upon an experience study performed by the prior actuary on plan data for the period July 1, 2014 through June 30, 2019 and review of similar law enforcement mortality. A change was made in full generational mortality with combines the use of a base mortality with appropriate mortality improvement scales. In order to set the base mortality table, actual plan mortality experience was assigned a credibility weighting and combined with a standard table to produce current levels of mortality.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2021 are summarized in the following table:

<b>Asset Class</b>	<b>Target Asset Allocation</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Equity	55.5%	3.47%
Fixed income	30.5%	0.59%
Alternatives	14%	1.01%
Other	0%	0.00%
Totals	100%	5.08%
Inflation		2.22%
Expected Arithmetic Nominal Return		7.30%

**Discount Rate:**

The discount rate used to measure the total pension liability was 6.750%. 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 PRSAC taking into consideration the recommendation of the 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.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:**

The following table represents the City's proportionate share of the net pension liability (NPL) using the discount rate for MPERS as well as the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage higher than the current rate used by MPERS:

	<b>1.0% Decrease</b>	<b>Current Discount Rate</b>	<b>1.0% Increase</b>
	<b>5.750%</b>	<b>6.750%</b>	<b>7.750%</b>
Net Pension Liability	\$ 2,771,399	\$ 1,590,161	\$ 604,226

**Firefighters' Retirement System (FRS)**

**Plan Description:**

All of the City's full-time fire employees participate in the FRS, a multiple-employer, cost-sharing, defined benefit pension plan administered by a separate board of trustees. FRS was established by Act 434 of 1979 and amended by LRS 11:2251-11:2272 to provide retirement, disability, and survivor benefits to participating, eligible firefighters in Louisiana. Benefits are established and amended by state statute. FRS issued a stand-alone audit report on its financial statements for the year ended June 30, 2022. Access to the audit report can be found on the System's website: [www.ffret.com](http://www.ffret.com) or on the Office of Louisiana Legislative Auditor's official website: [www.la.state.la.us](http://www.la.state.la.us).

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**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 a 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 entitle 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) and (C).

**Deferred Retirement Option Plan:**

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 DROP 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 their 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 benefits.

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

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**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.

**Employer Contributions:**

Contribution requirements for employers, non-employer contributing entities, and employees are established and may be amended in accordance with Title 11 and Title 22 of the Louisiana Revised Statutes.

According to State statute, employer contributions are actuarially-determined each year. For the year ended June 30, 2021, employer and employee contribution rates for members above the poverty line were 32.25% and 10.00%, respectively. The employer and employee contribution rates for those members below the poverty line were 34.25% and 8.00%, respectively.

According to State statute, the System receives insurance premium tax funds from the State of Louisiana. The assessment is considered support from a non-employer contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2021, and were excluded from pension expense.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

Plan members are required by state statute to contribute 10.00 percent of their salary to the System, and the City of Plaquemine is required by this statute to contribute the remaining amounts necessary to pay benefits when due (32.25% for November 1, 2020 through June 30, 2021 and 33.75% for July 1, 2021 through October 31, 2021). The contribution requirements of plan members and the City of Plaquemine are established and amended by state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the FRS during the years ended October 31, 2021, 2020, and 2019, totaled \$200,989, \$167,547 and \$146,156, respectively, equal to the required contributions.

**Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:**

At October 31, 2021, the City reported a liability of \$841,328 for its proportionate share of the net pension liability for FRS. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation of that date. 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, actuarially determined. At June 30, 2021, the City's proportion for FRS was .237405%, which was a decrease of .18856% from its proportion measured as of June 30, 2020.

For the year ended October 31, 2021, the City recognized pension expense of \$99,331 for FRS less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$6,551).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 12,006	\$ (75,553)
Changes of assumptions	182,310	-
Net difference between projected and actual earnings on pension plan investments	-	(510,567)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	174,905	(136,130)
Employer contributions subsequent to the measurement date	200,989	-
Total	<u>\$ 570,210</u>	<u>\$ (722,250)</u>

The City reported a total for FRS of \$200,989 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability for the year ended October 31, 2022.



# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

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	
2022	\$ (62,962)
2023	(70,456)
2024	(100,998)
2025	(153,698)
2026	10,619
2027	24,466
	<u>\$ (353,029)</u>

#### Actuarial Assumptions:

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimate of future experience. A summary of actuarial methods and assumptions used in determining the total net pension liability for FRS as of June 30, 2021 is as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.500% per annum
Expected Remaining Service Lives	7 years, closed period
Investment Rate of Return	6.90% per annum (net of investment expenses, including inflation)
Projected Salary Increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases.
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

#### Mortality Rate:

For the June 30, 2021 valuation, assumptions for mortality rates were based on the following:

- 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 MP2019 scale.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

The estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2021 and the G.S. Curran & Company Consultant Average study for 2021. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long term standard deviation and then reduced the assumption by the long term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, The Board voted to amend the target asset allocation. These changes include an increase to target weight in public equity, a decrease in the target weight in fixed income, and the inclusion of a target weight in private real assets. The changes to the target asset allocation are reflected in the table below. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2021. Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

	<u>Asset Type</u>	<u>Allocation</u>	<u>Rate of Return</u>
Equity	U.S. Equity	27.50%	5.86%
	Non-U.S. Equity	11.50%	0.06%
	Global Equity	10.00%	6.40%
	Emerging Market Equity	7.00%	8.64%
Fixed Income	U.S. Core Fixed Income	18.00%	0.97%
	U.S. TIPS	3.00%	0.40%
	Emerging Market Debt	5.00%	2.75%
Multi-Asset	Global Tactical Asset Allocation	0.00%	4.17%
Strategies	Risk Parity	0.00%	4.17%
Alternatives	Private Equity	9.00%	9.53%
	Real Estate	6.00%	5.31%
	Real Assets	3.00%	***
		<u>100.00%</u>	

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**Discount Rate:**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these 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.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:**

The following table represents the City's proportionate share of the net pension liability (NPL) using the discount rate for FRS as well as the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage higher than the current rate used by FRS:

	1.0% Decrease 5.90%	Current Discount Rate 6.90%	1.0% Increase 7.90%
Net Pension Liability	\$ 1,614,026	\$ 841,328	\$ 196,906

**Louisiana State Employees' Retirement System**

**Plan Description:**

All of the Plaquemine's City Court (a component unit) employees, are provided with pensions through a multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org). The following is a description of the plan and its benefits and is provide for general information only.

**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. Our 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 and at age 60 upon completing ten years of creditable service depending on the 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 basis annual retirement annual retirement benefit for members 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.

## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

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 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 on 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 received 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 classifications.



## CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

#### **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 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 plan (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 at 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.

#### **Disability Benefits:**

All 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 age 60, 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.

#### **Survivor Benefits:**

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased 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.

# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

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.

#### **Permanent Benefit Increases/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.

#### **Employer Contributions:**

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership. Rates for the year ended June 30, 2021 are as follows:

Plan	Plan Status	Employer Contribution Rate
Appellate Law Clerks	Closed	40.1%
Appellate Law Clerks hired on or after 7/1/06	Open	40.1%
Alcohol Tobacco Control	Closed	38.1%
Bridge Police	Closed	38.5%
Bridge Police hired on or after 7/1/06	Closed	38.5%
Corrections Primary	Closed	38.7%
Corrections Secondary	Closed	43.0%
Harbor Police	Closed	12.1%
Hazardous Duty	Open	45.0%
Judges hired before 1/1/2011	Closed	42.5%
Judges hired after 12/31/2010	Closed	43.6%
Judges hired on or after 7/1/05	Open	43.6%
Legislators	Closed	36.5%
Optional Retirement Plan (ORP) before 7/1/06	Closed	40.1%
Optional Retirement Plan (ORP) after 7/1/06	Closed	40.1%
Peace Officers	Closed	40.9%
Regular Employees hired before 7/1/06	Closed	40.1%
Regular Employees hired after 7/1/06	Closed	40.1%
Regular Employees hired on or after 1/1/11	Closed	40.1%
Regular Employees hired on or after 7/1/15	Open	40.1%
Special Legislative Employees	Closed	38.5%
Wildlife Agents	Closed	50.5%
<b>Aggregate Rate</b>		<b>40.6%</b>



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

The City's contractually required composite contribution rate for the year ended October 31, 2021 was 43.7%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the City for the years ended October 31, 2021, 2020, and 2019, were \$15,296, \$14,369 and \$12,628, respectively.

**Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:**

At October 31, 2021, the City reported a liability of \$102,704 for its proportionate share of the net pension liability for LASERS. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation of that date. 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, actuarially determined. At June 30, 2021, the City's proportion for LASERS was .001187% which was an increase of .00025% from its proportion measured as of June 30, 2020.

For the year ended October 31, 2021, the City recognized pension expense of \$7,200 for LASERS plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$3,746).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 101	\$ -
Changes of assumptions	2,516	-
Net difference between projected and actual earnings on pension plan investments	-	(23,951)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	21,089	(15,419)
Employer contributions subsequent to the measurement date	<u>15,296</u>	<u>-</u>
Total	<u>\$ 39,002</u>	<u>\$ (39,370)</u>

The City reported a total for LASERS of \$15,296 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability for the year ended October 31, 2022.

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

# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE L: PENSION PLAN, continued

Year	
2022	\$ 2,330
2023	(1,891)
2024	(5,441)
2025	(10,662)
	\$ (15,664)

#### Actuarial Assumptions:

A summary of actuarial methods and assumptions used in determining the total net pension liability for LASERS as of June 30, 2021 is as follows:

Valuation Date	June 30, 2021																					
Actuarial Cost Method	Entry Age Normal																					
Actuarial Assumptions:																						
Inflation Rate	2.3% per annum																					
Expected Remaining Service Lives	2 years																					
Investment Rate of Return	7.4% per annum, net of investment expenses*																					
Mortality	<b>Non-disabled members</b> - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MIP-2018.  <b>Disabled members</b> - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.																					
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.																					
Salary increases	Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are: <table><tr><td></td><td>Lower</td><td>Upper</td></tr><tr><td><u>Member Type</u></td><td><u>Range</u></td><td><u>Range</u></td></tr><tr><td>Regular</td><td>3.0%</td><td>12.8%</td></tr><tr><td>Judges</td><td>2.6%</td><td>5.1%</td></tr><tr><td>Corrections</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Hazardous Duty</td><td>3.6%</td><td>13.8%</td></tr><tr><td>Wildlife</td><td>3.6%</td><td>13.8%</td></tr></table>		Lower	Upper	<u>Member Type</u>	<u>Range</u>	<u>Range</u>	Regular	3.0%	12.8%	Judges	2.6%	5.1%	Corrections	3.6%	13.8%	Hazardous Duty	3.6%	13.8%	Wildlife	3.6%	13.8%
	Lower	Upper																				
<u>Member Type</u>	<u>Range</u>	<u>Range</u>																				
Regular	3.0%	12.8%																				
Judges	2.6%	5.1%																				
Corrections	3.6%	13.8%																				
Hazardous Duty	3.6%	13.8%																				
Wildlife	3.6%	13.8%																				
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.																					

\*The investment rate of return used in the actuarial valuation of funding purposes was 7.75%, recognizing an additional 35 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.4%, which is the same as the discount rate. Therefore, the System's management concludes that the 7.4% discount is reasonable.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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 of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.61% for 2021. Best estimates of geometric real rates of return for each major asset class included in LASERS target asset allocation as of June 30, 2021 are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Cash	0.29%
Domestic equity	4.09%
International equity	5.12%
Domestic Fixed Income	0.49%
International Fixed Income	3.94%
Alternative Investments	6.93%
Risk Parity	0.00%
Total Fund	5.81%

**Discount Rate:**

The discount rate used to measure the total pension liability was 7.40%. 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 PRSAC taking into consideration the recommendation of the 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.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:**

The following table represents the City's proportionate share of the net pension liability (NPL) using the discount rate for LASERS as well as the City's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage higher than the current rate used by LASERS:

	<b>Primary Government</b>		
	<b>1.0% Decrease 6.40%</b>	<b>Current Discount Rate 7.40%</b>	<b>1.0% Increase 8.40%</b>
Net Pension Liability	\$ 139,156	\$ 102,704	\$ 71,688

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE L: PENSION PLAN, continued**

**Summarized Pension Liabilities, Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources (Including Component Unit)**

At October 31, 2021, the City reported a total liability of \$4,324,260 for its governmental activities and \$2,492,391 for its business-type activities for its proportionate share of the net pension liability, totaling \$6,816,651. The discretely presented component unit recognized a total liability of \$96,519 for its proportionate share of the net pension liability.

For the year ended October 31, 2021, the City recognized total pension expense of \$343,068 for its governmental activities and \$263,897 for its business activities less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions (\$52,096). The discretely presented component unit recognized total pension expense of \$12,437 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, (\$4,589).

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Component Unit</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 12,752	\$ (144,995)	\$ 898	\$ (28,501)	\$ -	\$ (925)
Changes of assumptions	426,344	(45,361)	91,082	-	309	-
Net difference between projected and actual earnings on pension plan investments	-	(1,781,351)	-	(702,233)	14,109	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	307,749	(348,828)	1,428	(108,302)	31,745	(68,273)
Employer contributions subsequent to the measurement date	890,626	-	527,108	-	7,174	-
<b>Total</b>	<b>\$ 1,637,471</b>	<b>\$ (2,320,535)</b>	<b>\$ 620,516</b>	<b>\$ (839,036)</b>	<b>\$ 53,337</b>	<b>\$ (69,198)</b>

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE M: DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan created in accordance with IRS Section 457. An independent plan administrator through an administrative service agreement administers the plan. The City's administrative involvement is limited to transmitting amounts withheld to the plan administrator who performs investing functions. Plan assets are held in trust for the exclusive benefit of the participants and their beneficiaries. The assets will not be diverted to any other purpose. Accordingly, the plan assets and related liabilities have not been included herein.

**NOTE N: FLOW OF FUNDS & RESTRICTIONS ON USE**

Sales Tax Bonds 2010, 2012, 2013, 2017 and 2020 Taxable Revenue Bonds

All of the avails and proceeds derived by the Issuer from the levy and collection of the Tax shall continue to be deposited daily as the same may be collected in a separate and special bank account maintained with the regularly designated fiscal agent of the Issuer and designated as the "2008 Sales Tax Fund" (the "Sales Tax Fund"). The Sales Tax Fund shall constitute a dedicated fund of the Issuer, from which appropriations and expenditures by the Issuer shall be made solely for the purposes designated in the propositions authorizing the levy of the Tax. Out of the funds on deposit in the Sales Tax Fund, the issuer shall first pay all reasonable and necessary costs and expenses of collection and administration of the Tax. After payment of such costs and expenses, then the remaining Net Revenues of the Tax in the Sales Tax Fund shall be administered and used in the following order of priority and for the following express purposes:

- (1) The maintenance of the "Sales tax Bond Sinking Fund" (the "Sinking Fund"), with the regularly designated fiscal agent of the Issuer, sufficient in amount to pay promptly and fully the principal of and the interest of the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds issued hereafter in the manner provided by this Bond Ordinance, as they severally become due and payable, by transferring from the Sales Tax Fund to the regularly designated fiscal agent of the Issuer, monthly in advance on or before the 20<sup>th</sup> day of each month of each year, a sum equal to pro-rata amount of interest falling due on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. Said fiscal agent shall transfer from the Sinking Fund to the paying agent bank or banks for all bonds payable from the Sinking Fund, at least one (1) day in advance of the date on which payment of principal or interest falls due, immediately available funds fully sufficient to pay promptly the principal and interest so falling due on such date.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE N: FLOW OF FUNDS & RESTRICTIONS ON USE, continued**

- (2) The maintenance of the "Sales Tax Bond Reserve Fund" (the "Reserve Fund"), with the regularly designated fiscal agent of the Issuer. On the date of issuance of the Bonds, the Issuer shall (i) deposit from the proceeds of the Bonds into the Reserve Fund an amount equal to the Reserve Fund requirement or (ii) deposit to the credit of the Reserve Fund a surety bond, letter of credit or insurance policy equal to the Reserve Fund Requirement. The Issuer intends to meet this requirement with respect to the Bonds by so depositing to the credit of the Reserve Fund an amount of the Bonds proceeds equal to the Reserve Fund Requirement. Moneys in the Reserve Fund shall be used solely for transfer to the Sinking Fund in amounts required to prevent any default in the payment of the principal of an interest on the Bonds and the Outstanding Parity Bonds and, at the option of the Issuer, for payment of the final principal and interest requirements on the Bonds.

Whenever the amount in the Reserve Fund, together with the amount in the Sinking Fund, is sufficient to pay in full all Bonds and Outstanding Parity Bonds in accordance with their terms (including principal or applicable premium and interest thereon), the funds on deposit in the Reserve Fund shall be transferred to the Sinking Fund and shall be available to pay all Bonds and the Outstanding Parity Bonds in accordance with their terms (including principal or applicable premium and interest thereon). Prior to said transfer, all investments held in Reserve Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or redemption premium) on the Bonds and Outstanding Parity Bonds.

In lieu of the required transfers to the Reserve Fund or to provide for the removal of all or a portion of the amounts on deposit in the Reserve Fund, the Issuer may cause to be deposited into the Reserve Fund a surety bond or an insurance policy for the benefit of the Owners or a letter of credit in an amount equal to (i) the difference between the Reserve Fund Requirement and the sums then on deposit in the Reserve Fund, if any or (ii) the Reserve Fund Requirement. The surety bond, insurance policy or letter of credit shall, while the Bonds and the Outstanding Parity Bonds are Outstanding, be subject to the prior written consent of the insurer, if any, and shall be payable (upon the giving of notice as required thereunder) on any due date on which moneys will be required to be withdrawn from the Reserve Fund and applied to the payment of principal of or interest on any Bonds and the Outstanding Parity Bonds which such withdrawal cannot be met by amounts on deposit in the Sinking Fund or the Reserve Fund or provided from any other fund or account under the Bond Resolution.

To the extent the Reserve Fund is funded in part with a surety bond or other credit facility issued by an entity other than the insurer, if any, and in part with the Surety Bond, if any, then, in the event of any draw upon the Reserve Fund, the Paying Agent must make claims pro rata (in the proportion which the maximum amount available under each surety bond or other credit facility bears to the total Reserve Fund Requirement) against the Surety Bond, if any, and all other surety bonds and other credit facilities on deposit in the Reserve Fund.



**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE N: FLOW OF FUNDS & RESTRICTIONS ON USE, continued**

In the event of the refunding of any bonds, the Issuer may withdraw from the Reserve Fund all, or any portion of, the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts to be held for the payment of the principal and redemption premium, if applicable and interest on the bonds being refunded; provided that such withdrawal shall not be made unless (i) immediately thereafter the Bonds being refunded shall be deemed to have been paid pursuant to Section 21 and (ii) the amount remaining in the Reserve Fund, after giving effect to the issuance of the Refunding Bonds and the disposition of the proceeds thereof, shall not be less than the Reserve Fund Requirement.

In the event that Additional Parity Bonds are issued hereafter in the manner provided by the Bond Ordinance, there shall be immediately transferred from the proceeds of such Additional Parity Bonds and/or from the Sales Tax Fund into the Reserve Fund such amount (as may be designated in the ordinance authorizing the issuance of such Additional Parity Bonds) as will increase the total amount on deposit in the Reserve Fund to a sum equal to the Reserve Fund Requirement for all outstanding bond payable from the Sinking Fund and any such Additional Parity Bonds; provided, however, that in the event of the issuance of Additional Parity Bonds, the Reserve Fund Requirement may be satisfied by cash or Reserve Fund Alternative Investment, or any combination thereof (provided, however, while the Bonds are Outstanding, any such Reserve Fund Alternative Investment shall be subject to the prior written consent of the insurer, if any).

- (3) All of any part of the monies in the Sales Tax Fund, the Sinking Fund or the Reserve Fund shall at the written request of the Governing Authority be invested in Qualified Investments maturing in five (5) years or less, in which event all income derived from such investments shall be added to the Sales Tax Fund, with the exception that any interest earnings from invested funds of the Reserve Fund shall be retained therein until an amount equal to the Reserve Fund Requirement is on deposit, therein, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purposes for which the Sales Tax Fund has been created.
- (4) Any monies remaining in the Sales Tax Fund on the 20th day of each month in excess of all reasonable and necessary expenses of collection and administration of the Tax and after making the requirement payments into the Sinking Fund and the Reserve Fund for the current month and for prior months during which the required payments may not have been made (including any amounts owed as provided of a Surety Bond, if any), shall be considered as surplus. Such surplus may be used by the Issuer for any of the purposes for which the Tax is authorized, or for the purpose of retiring Bonds in advance of their maturities, either by Purchase of Bonds then outstanding at prices not greater than the then redemption prices of said Bonds, or by redeeming such Bonds at the prices and in the manner set forth in the Bond Ordinance.

## **CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS**

### **NOTE O: LITIGATION**

The City is a defendant in several lawsuits. Damages are generally covered by insurance less deductible for risks retained by the City. The City persists in its vigorous defense of these lawsuits and maintains that the defenses available should shield the City from liability or, at a minimum, preclude the amount of damages sought by the plaintiffs. The City does not expect any material adverse impact relating to these lawsuits.

### **NOTE P: AGREEMENT WITH LEPA**

In December 2005, the City of Plaquemine entered into a full requirement service agreement with LEPA. It provides for the wholesale delivery of electricity required by the City to service its customers. The contract requires a two-year notice to exit.

In September 2013, the City entered into an additional power sales agreement with LEPA in connection with the construction of LEPA Unit No. 1, an approximately 64MW, nominal, combined cycle combustion turbine electric generating unit to be located in Morgan City, Louisiana. The contract was effective on the date LEPA Unit No. 1 was placed into normal, continuous operation, and continues until the later of (i) the date the principal of and interest on all debt associated with the construction have been paid or funds have been set aside for their payment, or (ii) the earlier of

(a) the date LEPA Unit No. 1 is no longer used and useful for the generation of electricity or (b) a date that is fifty (50) years from the date LEPA Unit No. 1 is placed into normal, continuous operation.

Under the power sales agreement, each member agrees to purchase its respective entitlement share of the electricity generated and to pay for such purchases on a monthly basis. The City's share is approximately 17%. Each member also covenants and agrees that it will not issue bonds, notes or other evidences of indebtedness, or enter into any contract or agreement or incur any expenses, payable from or secured by revenues superior to or having a priority over the obligations to make payments under the power sales agreement.

### **NOTE Q: RELATED PARTY TRANSACTIONS**

Salaries of the City Marshal, City Court Clerk, City Prosecutor, and other City Court employees are to be paid by the City of Plaquemine. Retirement systems contributions for eligible employees are paid by the City of Plaquemine. The Judge's salary is paid by the State Judiciary Department, the City of Plaquemine, and the Iberville Parish Council. The Public Defender's salary is paid by the City of Plaquemine. The City is reimbursed out of the Public Defender Fund for the Public Defender's salary.

The City of Plaquemine insures the General Fixed Assets of the City Court against any loss or damage. In addition, the City provides facilities, liability insurance, and services to the court at no cost to the court.

# CITY OF PLAQUEMINE, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### NOTE Q: RELATED PARTY TRANSACTIONS, continued

The City paid Berthelot's Automotive \$3,321 from the period November 1, 2020 to October 31, 2021. The husband of the City's finance director owns Berthelot's Automotive. The Louisiana Board of Ethics has conducted two audits of transactions between the City and Berthelot's Automotive.

The Docket Numbers are 2009-783 and 2017-506. In both instances, the Board concluded that no apparent violation of the Code of Governmental Ethics occurred. A disqualification plan, Docket Number 2018-111, was approved by the Board at its March 16, 2018 meeting.

### NOTE R: INTERGOVERNMENTAL REVENUE

#### Component Unit

The special revenue funds received funds totaling \$148,817 from the City of Plaquemine and \$73,357 from the Iberville Parish Council during 2020. The general fund received \$90,735 from the Iberville Parish Council, \$185,754 from the City of Plaquemine.

### NOTE S: MISSING FUNDS

During the fiscal year ending October 31, 2008, missing funds were detected by a City of Plaquemine employee while performing routine bank reconciliations. We were informed of the discrepancies and immediately began procedures to test susceptible areas of theft such as retired employees' insurance, payroll and receipts from the point of entering the system to the point of exiting the system. No deficiencies were noted in performing tests of retired employees' insurance and payroll. Several discrepancies were noted in performing tests of receipts. The City's finance director has implemented proper internal controls over the collections and recording of receipts to prevent any reoccurrences. The following is a recap of the theft and the amount paid back to the City as of October 31, 2021:

	<u>General Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
Balance at October 31, 2020	\$ 20,775	\$ -	\$ 20,775
Amount Paid	(1,000)	-	(1,000)
Balance at October 31, 2021	<u>\$ 19,775</u>	<u>\$ -</u>	<u>\$ 19,775</u>

### NOTE T: LEASES

City of Plaquemine had the following operating leases as of October 31, 2021:

- Pitney Bowes – postage meters. The lease payments are broken down into 3 monthly lease payments ranging from \$85 - \$376. The terms of the leases vary from 48-60 with the final lease payment in February 2021.
- De Lang Landen – copiers. The lease payments are broken down into 9 monthly lease payments ranging from \$126 to \$269. The terms of the leases vary from 36 to 60 months with the final lease ending in 2024.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE T: LEASES, continued**

- Union Pacific – This lease is a year-to-year lease with annual lease payments increasing 3% each year.
- Custom Security – The lease payments are broken down into 12 monthly payments of \$34.50. The terms of the lease are 36 months, ending January 2023.
- Canon Financial Services – copiers. The lease payments are broken down into 12 monthly payments of \$168.80. The terms of the lease are 60 months ending May 2024.

Lease expense for the year ending October 31, 2021, was \$38,357. The following is a schedule of future minimum lease payments required under the operating leases:

<u>October</u>	
2022	\$ 34,275
2023	26,088
2024	16,049
2025	9,135
2026	9,409

**NOTE U: NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED**

GASB Statement 87, Leases: This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases including those previously reported as operating leases. All leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The City will include the requirements of this standard, as applicable, in its October 31, 2022 financial statement. All of the City's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the City is unknown at this time.

GASB Statement 96, Subscription-Based Information Technology Arrangements: This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangement for government end users. This Statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for the IRS Section 457 Deferred Compensation Plans. The requirements of this Statement related to the accounting and financial reporting for IRS Code Section 457 plans are effective for periods beginning after June 15, 2021.



## **CITY OF PLAQUEMINE, LOUISIANA NOTES TO FINANCIAL STATEMENTS**

### **NOTE U: NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED, continued**

GASB Statement 91, Conduit Debt Obligations: The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement is effect for reporting periods beginning with the fiscal year that ends December 31, 2022.

GASB Statement 92, Omnibus 2020: The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issue that have been identified during implementation and application of certain GASB statements. This statement is effective for reporting periods beginning after June 15, 2021.

GASB Statement 93, Replacement of Interbank Offered Rates: The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. The requirement in paragraph 11b will take effect for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for reporting periods beginning after June 15, 2021.

GASB Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements: The primary object of this statement is to improve financial reporting by addressing issues related to these arrangements. This statement is effective for reporting periods beginning after June 15, 2022.

Management is currently assessing the impact that the implementation of these pronouncements will have on the basic financial statements, if any.

### **NOTE V: COMMITMENTS AND CONTINGENCIES**

The City is exposed to various risks of loss related to damage and destruction of assets, errors and omissions, and injuries to employees. The City has contracted with various insurers to cover its risk of loss in these areas. The City has also contracted with insurers to provide health insurance coverage to its workers.

### **NOTE W: SUBSEQUENT EVENTS**

The City adopted an ordinance, March 8, 2022, authorizing the issuance of Taxable Sales Tax Bonds not exceeding One Million Five Hundred Thousand Dollars (\$1,500,000) thru the DEQ revolving loan fund. The proceeds will be used to convert the North Plaquemine Wastewater Plant into a pumping station and routing waste to the Plaquemine Regional Plant.

The City received \$1,209,232 in State and Local Fiscal Recovery Funds (SLFRF) by way of the American Rescue Plan Act (ARPA). The City will receive an additional \$1,209,232 in June 2022. These funds, along with the Taxable Sales Tax Bonds, will be used to fund the North Wastewater Plant Conversion Project.

**CITY OF PLAQUEMINE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE W: SUBSEQUENT EVENTS, continued**

The City has evaluated subsequent events through the date that the financial statements were available to be issued, March 21, 2022. As a result of COVID-19 coronavirus, economic uncertainties have arisen which are likely to have a negative impact on operations and cause business disruption. However, the related financial impact and duration cannot be reasonably estimated at this time. The City is closely monitoring its financial statements for 2021-2022 impacts.



## REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLAQUEMINE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET TO ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED OCTOBER 31, 2021

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes	\$ 255,600	\$ 267,300	\$ 277,222	\$ 9,922
License and permits	413,900	403,300	404,770	1,470
Intergovernmental	608,370	563,120	614,112	50,992
Charges for services	39,500	28,500	27,130	(1,370)
Fines and forfeits	9,000	6,000	5,271	(729)
Miscellaneous	43,750	70,250	100,772	30,522
<b>TOTAL REVENUES</b>	<b>1,370,120</b>	<b>1,338,470</b>	<b>1,429,277</b>	<b>90,807</b>
<b>EXPENDITURES</b>				
General Government	1,956,340	1,769,340	1,718,304	51,036
City Court	446,880	446,880	440,866	6,014
Police Department	2,930,085	3,074,450	2,891,883	182,567
Fire Department	1,539,020	1,550,420	1,516,445	33,975
Public Works	942,285	935,785	863,277	72,508
Recreation	493,910	502,085	499,780	2,305
Public Health	12,600	12,600	12,600	-
<b>TOTAL EXPENDITURES</b>	<b>8,321,120</b>	<b>8,291,560</b>	<b>7,943,155</b>	<b>348,405</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(6,951,000)</b>	<b>(6,953,090)</b>	<b>(6,513,878)</b>	<b>439,212</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	6,316,270	6,482,010	6,614,730	132,720
Operating transfers out				
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>6,316,270</b>	<b>6,482,010</b>	<b>6,614,730</b>	<b>132,720</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b>(634,730)</b>	<b>(471,080)</b>	<b>100,852</b>	<b>571,932</b>
<b>FUND BALANCE - BEGINNING</b>	<b>4,673,970</b>	<b>4,673,970</b>	<b>4,673,970</b>	<b>-</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 4,039,240</b>	<b>\$ 4,202,890</b>	<b>\$ 4,774,822</b>	<b>\$ 571,932</b>

CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
SALES TAX REVENUE FUND  
FOR THE YEAR ENDED OCTOBER 31, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Sales Tax - General	\$ 3,025,000	\$ 3,125,000	\$ 3,207,434	\$ 82,434
Sales Tax - 2006	2,836,000	2,936,000	2,998,816	62,816
Sales Tax - Roads	1,963,000	2,010,000	2,081,064	71,064
Interest earned	25,000	-	-	-
<b>TOTAL REVENUES</b>	<b>7,849,000</b>	<b>8,071,000</b>	<b>8,287,314</b>	<b>216,314</b>
<b>EXPENDITURES</b>				
Other expenditures	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>7,849,000</b>	<b>8,071,000</b>	<b>8,287,314</b>	<b>216,314</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	(7,849,000)	(8,071,000)	(8,287,314)	(216,314)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(7,849,000)</b>	<b>(8,071,000)</b>	<b>(8,287,314)</b>	<b>(216,314)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, BEGINNING</b>	<b>103,082</b>	<b>103,082</b>	<b>103,082</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 103,082</b>	<b>\$ 103,082</b>	<b>\$ 103,082</b>	<b>\$ -</b>

CITY OF PLAQUEMINE, LOUISIANA  
DEBT SERVICE FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
SALES TAX BOND FUND  
FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Sales Tax Bond Fund</u>
<b>REVENUES</b>	
Interest income	\$ -
Gain on sale of assets	-
<b>TOTAL REVENUES</b>	<u>-</u>
<b>EXPENDITURES</b>	
Principal retirement	655,000
Interest	170,167
Other	6,425
<b>TOTAL EXPENDITURES</b>	<u>831,592</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(831,592)</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Debt defeased	-
Debt proceeds	-
Bond Premium	-
Operating transfers in	2,081,064
Operating transfers out	(1,475,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>606,064</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES (USES) OVER EXPENDITURES</b>	<u>(225,528)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>5,137,706</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 4,912,178</u></u>

CITY OF PLAQUEMINE, LOUISIANA  
 CAPITAL PROJECTS FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 STREET IMPROVEMENTS  
 FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Street Improvements</u>
<b>REVENUES</b>	
Miscellaneous revenues	\$ 101,940
<b>TOTAL REVENUES</b>	<u>101,940</u>
<b>EXPENDITURES</b>	
Capital outlay - current expenditures	536,094
Other expenditures	1,295,730
<b>TOTAL EXPENDITURES</b>	<u>1,831,824</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(1,729,884)</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers from other funds	1,616,534
Transfers to other funds	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,616,534</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	(113,350)
<b>FUND BALANCE, BEGINNING</b>	<u>159,838</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 46,488</u></u>



CITY OF PLAQUEMINE, LOUISIANA  
SCHEDULE OF PROPORTIONATE  
SHARE OF NET PENSION LIABILITY  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT M

Retirement System	Year Ended October 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System	2021	1.5400%	\$ 4,282,458	\$ 3,070,117	139.4884%	77.82%
	2020	1.5801%	\$ 6,831,254	\$ 3,022,232	226.0334%	64.52%
	2019	1.6019%	\$ 6,693,769	\$ 2,950,303	226.8841%	64.68%
	2018	1.5660%	\$ 6,484,480	\$ 2,886,692	224.6336%	63.94%
	2017	1.5113%	\$ 6,322,242	\$ 2,791,323	226.4963%	62.49%
	2016	1.4380%	\$ 5,893,790	\$ 2,601,050	226.5927%	62.11%
	2015	1.4383%	\$ 5,137,715	\$ 2,485,742	206.6874%	66.18%
Municipal Police Employees' Retirement System	2021	0.2983%	\$ 1,590,161	\$ 912,992	174.1703%	84.09%
	2020	0.2998%	\$ 2,770,647	\$ 924,524	299.6836%	70.08%
	2019	0.2790%	\$ 2,534,023	\$ 925,769	273.7209%	71.01%
	2018	0.3233%	\$ 2,732,911	\$ 929,498	294.0201%	71.89%
	2017	0.3195%	\$ 2,789,126	\$ 965,621	288.8427%	70.08%
	2016	0.3267%	\$ 3,062,362	\$ 813,588	376.4021%	66.04%
	2015	0.3188%	\$ 2,497,543	\$ 824,373	302.9627%	70.73%
Firefighters' Retirement System	2021	0.2374%	\$ 841,328	\$ 613,175	137.2085%	86.78%
	2020	0.2185%	\$ 1,514,883	\$ 571,614	265.0185%	72.61%
	2019	0.2396%	\$ 1,500,228	\$ 543,474	276.0441%	73.96%
	2018	0.2438%	\$ 1,402,351	\$ 600,939	233.3600%	74.76%
	2017	0.2165%	\$ 1,240,676	\$ 519,229	238.9458%	73.55%
	2016	0.2121%	\$ 1,387,561	\$ 490,974	282.6139%	68.16%
	2015	0.2074%	\$ 1,119,464	\$ 454,302	246.4141%	72.45%
Louisiana State Employees' Retirement System	2021	0.0019%	\$ 102,704	\$ 35,655	288.0494%	72.80%
	2020	0.0017%	\$ 143,992	\$ 33,856	425.3072%	58.00%
	2019	0.0016%	\$ 117,223	\$ 30,900	379.3625%	62.90%
	2018	0.0016%	\$ 110,756	\$ 29,700	372.9158%	64.30%
	2017	0.0017%	\$ 118,604	\$ 29,700	399.3401%	62.50%
	2016	0.0017%	\$ 131,687	\$ 29,700	443.3906%	57.70%
	2015	0.0016%	\$ 109,028	\$ 29,300	372.1092%	62.70%

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

CITY OF PLAQUEMINE, LOUISIANA  
SCHEDULE OF CONTRIBUTIONS  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT N

Retirement System	Year Ended October 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
Municipal Employees' Retirement System	2021	\$ 905,684	\$ 905,684	\$ -	\$ 3,070,117	29.5000%
	2020	\$ 856,336	\$ 856,336	\$ -	\$ 3,022,232	28.3346%
	2019	\$ 796,781	\$ 796,781	\$ -	\$ 2,950,303	27.0068%
	2018	\$ 726,780	\$ 726,780	\$ -	\$ 2,886,692	25.1769%
	2017	\$ 654,009	\$ 654,009	\$ -	\$ 2,791,323	23.4301%
	2016	\$ 540,682	\$ 540,682	\$ -	\$ 2,601,050	20.7871%
	2015	\$ 490,934	\$ 490,934	\$ -	\$ 2,485,742	19.7500%
Municipal Police Employees' Retirement System	2021	\$ 295,765	\$ 295,765	\$ -	\$ 912,992	32.3951%
	2020	\$ 309,319	\$ 309,319	\$ -	\$ 924,524	33.4571%
	2019	\$ 298,557	\$ 298,557	\$ -	\$ 925,769	32.2496%
	2018	\$ 290,373	\$ 290,373	\$ -	\$ 929,498	31.2398%
	2017	\$ 304,200	\$ 304,200	\$ -	\$ 965,621	31.5030%
	2016	\$ 277,496	\$ 277,496	\$ -	\$ 813,588	34.1077%
	2015	\$ 269,477	\$ 269,477	\$ -	\$ 824,373	32.6887%
Firefighters' Retirement System	2021	\$ 200,989	\$ 200,989	\$ -	\$ 613,175	32.7784%
	2020	\$ 167,547	\$ 167,547	\$ -	\$ 571,614	29.3112%
	2019	\$ 146,156	\$ 146,156	\$ -	\$ 543,474	26.8929%
	2018	\$ 159,249	\$ 159,249	\$ -	\$ 600,939	26.5000%
	2017	\$ 133,458	\$ 133,458	\$ -	\$ 519,229	25.7031%
	2016	\$ 130,382	\$ 130,382	\$ -	\$ 490,974	26.5558%
	2015	\$ 129,728	\$ 129,728	\$ -	\$ 454,302	28.5555%
Louisiana State Employees' Retirement System	2021	\$ 15,296	\$ 15,296	\$ -	\$ 35,655	42.9000%
	2020	\$ 14,369	\$ 14,369	\$ -	\$ 33,856	42.4415%
	2019	\$ 12,628	\$ 12,628	\$ -	\$ 30,900	40.8673%
	2018	\$ 11,910	\$ 11,910	\$ -	\$ 29,700	40.1010%
	2017	\$ 11,494	\$ 11,494	\$ -	\$ 29,700	38.7003%
	2016	\$ 11,306	\$ 11,306	\$ -	\$ 29,700	38.0673%
	2015	\$ 11,823	\$ 11,823	\$ -	\$ 29,300	40.3515%

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

## **SUPPLEMENTARY INFORMATION EXHIBITS**

**NON MAJOR FUND  
COMBINING STATEMENTS**

CITY OF PLAQUEMINE, LOUISIANA  
 COMBINING FUND BALANCE SHEET- NON MAJOR FUNDS  
 OCTOBER 31, 2021

	Special Revenue Fund	Debt Service Fund	Totals 2021
<b>ASSETS</b>			
Cash	\$ 775,604	\$ -	\$ 775,604
Other receivables	-	-	-
Due from other govt. unit	16,377	-	16,377
Due from other funds	-	-	-
Prepaid expenses	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 791,981</b>	<b>\$ -</b>	<b>\$ 791,981</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Retainage payable	-	-	-
Fund balance - nonspendable - not in spendable form	-	-	-
Fund balance - restricted	791,981	-	791,981
Fund balance - committed	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 791,981</b>	<b>\$ -</b>	<b>\$ 791,981</b>



**CITY OF PLAQUEMINE, LOUISIANA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL - NON MAJOR FUNDS**  
**FOR THE YEAR ENDED OCTOBER 31, 2021**

	Special Revenue Fund	Debt Service Fund	Totals 2021
<b>REVENUES</b>			
Taxes	\$ 415,967	\$ -	\$ 415,967
Intergovernmental	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	-
<b>TOTAL REVENUES</b>	<u>415,967</u>	<u>-</u>	<u>415,967</u>
<b>EXPENDITURES</b>			
Building Maintenance & Police Equip. tax	-	-	-
Debt service	-	152,425	152,425
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>152,425</u>	<u>152,425</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>415,967</u>	<u>(152,425)</u>	<u>263,542</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Debt proceeds	-	-	-
Operating transfers in	-	152,425	152,425
Operating transfers out	(243,836)	-	(243,836)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(243,836)</u>	<u>152,425</u>	<u>(91,411)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)</b>	172,131	-	172,131
<b>FUND BALANCE - BEGINNING</b>	<u>619,850</u>	<u>-</u>	<u>619,850</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 791,981</u>	<u>\$ -</u>	<u>\$ 791,981</u>

## NON MAJOR SPECIAL REVENUE FUNDS

### **Building Maintenance Tax**

To account for taxes received from 2.76 mills that were levied on property.

### **Police Equipment Tax**

To account for taxes received from 2.76 mills that were levied on property.

### **Fire Department Capital Improvements**

To account for the funds received from Iberville Parish Council which are designated for the specific purpose of fire department capital expenditures.

CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
OCTOBER 31, 2021

	Building Maintenance Tax	Police Equipment Tax	Fire Dept. Capital Improvement	Totals 2021
<b>ASSETS</b>				
Cash	\$ 361,562	\$ 85,812	\$ 328,230	\$ 775,604
Other receivables	-	-	-	-
Due from other govt. unit	-	-	16,377	16,377
<b>TOTAL ASSETS</b>	<b>\$ 361,562</b>	<b>\$ 85,812</b>	<b>\$ 344,607</b>	<b>\$ 791,981</b>
<b>LIABILITIES AND FUND BALANCE</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Fund balance - restricted	361,562	85,812	344,607	791,981
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 361,562</b>	<b>\$ 85,812</b>	<b>\$ 344,607</b>	<b>\$ 791,981</b>

CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED OCTOBER 31, 2021

	Building Maintenance Tax	Police Equipment Tax	Fire Dept. Capital Improvement	Totals 2021
<b>REVENUES</b>				
Taxes	\$ 115,003	\$ 115,003	\$ 185,961	\$ 415,967
Intergovernmental	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>115,003</u>	<u>115,003</u>	<u>185,961</u>	<u>415,967</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>115,003</u>	<u>115,003</u>	<u>185,961</u>	<u>415,967</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	-	-
Operating transfers out	<u>(27,040)</u>	<u>(122,744)</u>	<u>(94,052)</u>	<u>(243,836)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	87,963	(7,741)	91,909	172,131
<b>FUND BALANCE, BEGINNING</b>	<u>273,599</u>	<u>93,553</u>	<u>252,698</u>	<u>619,850</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 361,562</u></u>	<u><u>\$ 85,812</u></u>	<u><u>\$ 344,607</u></u>	<u><u>\$ 791,981</u></u>

CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
BUILDING MAINTENANCE TAX  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Taxes - Ad valorem	\$ 114,400	\$ 115,003	\$ 603
Interest income	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>114,400</u>	<u>115,003</u>	<u>603</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>114,400</u>	<u>115,003</u>	<u>603</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	<u>(27,040)</u>	<u>(27,040)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(27,040)</u>	<u>(27,040)</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	<u>87,360</u>	<u>87,963</u>	<u>603</u>
<b>FUND BALANCE, BEGINNING</b>	<u>273,599</u>	<u>273,599</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 360,959</u></u>	<u><u>\$ 361,562</u></u>	<u><u>\$ 603</u></u>

CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
POLICE EQUIPMENT TAX  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Taxes - Ad valorem	\$ 114,400	\$ 115,003	\$ 603
Interest income	500	-	(500)
<b>TOTAL REVENUES</b>	<u>114,900</u>	<u>115,003</u>	<u>103</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>114,900</u>	<u>115,003</u>	<u>103</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	(124,142)	(122,744)	1,398
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(124,142)</u>	<u>(122,744)</u>	<u>1,398</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	<u>(9,242)</u>	<u>(7,741)</u>	<u>1,501</u>
<b>FUND BALANCE, BEGINNING</b>	<u>93,553</u>	<u>93,553</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 84,311</u>	<u>\$ 85,812</u>	<u>\$ 1,501</u>



CITY OF PLAQUEMINE, LOUISIANA  
SPECIAL REVENUE FUNDS  
FIRE DEPARTMENT CAPITAL IMPROVEMENTS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Intergovernmental - Fire Tax	\$ 180,000	\$ 185,961	\$ 5,961
Interest income	-	-	-
<b>TOTAL REVENUES</b>	<u>180,000</u>	<u>185,961</u>	<u>5,961</u>
<b>EXPENDITURES</b>	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>180,000</u>	<u>185,961</u>	<u>5,961</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers out	(124,750)	(94,052)	30,698
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(124,750)</u>	<u>(94,052)</u>	<u>30,698</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES</b>	55,250	91,909	36,659
<b>FUND BALANCE, BEGINNING</b>	<u>252,698</u>	<u>252,698</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 307,948</u>	<u>\$ 344,607</u>	<u>\$ 36,659</u>

## NON MAJOR DEBT SERVICE FUND

### **Notes Payable – 2019**

To accumulate monies for payment of a note to purchase four police vehicles due in annual installments through maturity in 2021.

### **Notes Payable – 2019**

To accumulate monies for payment of a note to purchase equipment due in annual installments through maturity in 2021.

### **Notes Payable- 2017**

To accumulate monies for payment of a note to purchase tasers due in annual installments through maturity in 2021.

### **Notes Payable- 2014**

To accumulate monies for payment of a note to purchase a fire truck due in annual installments through maturity in 2024.

CITY OF PLAQUEMINE, LOUISIANA  
DEBT SERVICE FUNDS  
BALANCE SHEET  
OCTOBER 31, 2021

	Notes Payable - 2014/2017/2019
<b>ASSETS</b>	
Cash	\$ -
<b>TOTAL ASSETS</b>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Due to Street Improvement	\$ -
<b>TOTAL LIABILITIES</b>	<u>-</u>
<b>FUND BALANCE</b>	
Restricted for debt service	<u>-</u>
<b>TOTAL FUND BALANCE</b>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ -</u>

CITY OF PLAQUEMINE, LOUISIANA  
DEBT SERVICE FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED OCTOBER 31, 2021

	Notes
	<u>Payable - 2014/2017/2019</u>
<b>REVENUES</b>	
Intergovernmental revenue	\$ -
Interest income	-
<b>TOTAL REVENUES</b>	<u>-</u>
<b>EXPENDITURES</b>	
Principal retirement	139,711
Interest	12,714
<b>TOTAL EXPENDITURES</b>	<u>152,425</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(152,425)</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Debt proceeds	-
Transfers to other funds	-
Transfers from other funds	152,425
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>152,425</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	-
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>

**CITY OF PLAQUEMINE, LOUISIANA  
COMPONENT UNIT**

**CITY COURT OF PLAQUEMINE, LOUISIANA**

**General Fund** is the general operating fund of the City Court. The Court Expense Fund is the general fund of the City Court and is used to account for the general operating expenditures except those required to be accounted for in other funds.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Marshal's Fund**

The Marshal's Fund is used to account for the activities of the Marshal's office financed by revenue from court costs designated for that purpose.

**City Prosecutor Fund**

The City Prosecutor Fund is used to account for activities of the City Prosecutor's office financed by revenue from court costs designated for that purpose.

**Public Defender Fund**

The Public Defender Fund was created in 1988 to account for the activities of the Public Defender financed by revenue from court costs designated for that purpose, as provided by R.S. 13:2488.61(c).

**Probation Fund**

This fund is used to account for probation fees collected by the City Court.

**Pre-Trial Diversion Fund**

This fund is used to account for pre-trial diversion costs.

**Custodial Funds** are used to account for assets held by the City Court as a custodial for other funds and/or other governments. Custodial Funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

**Fines, Fees, and Costs Fund**

The Fines, Fees, and Costs Fund is used to account for fines and costs collected for and payable to the City of Plaquemine, General--Court Expense Fund, and Marshal's, Subpoena, and Public Defender Special Revenue Funds. The Fines, Fees, and Costs Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations and, as such, a statement of operations is not included in the accompanying financial statements.

CITY OF PLAQUEMINE, LOUISIANA  
COMPONENT UNIT

CITY COURT OF PLAQUEMINE, LOUISIANA

Custodial Funds, continued

Civil Fund

The Civil Fund is used to account for advance costs collected from plaintiffs filing civil suits. These costs are payable to the City Court of Plaquemine Judge and Marshal and to the Judges' Supplemental Compensation Fund, as costs are assessed. The difference between the costs advanced by the plaintiffs and the costs assessed against the advance is classified as receivable from or payable to the plaintiff. The Civil Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations and, as such, a statement of operations is not included in the accompanying financial statements.

Garnishment Fund

The Garnishment Fund is used to account for collection and distribution of garnishments by the City Marshal. Garnishments are collected from garnishees, by the Marshal on behalf of petitioners, to be paid to the petitioners less a fee paid to the Marshal.



CITY OF PLAQUEMINE, LOUISIANA  
 COMPONENT UNIT  
 COMBINED BALANCE SHEET  
 OCTOBER 31, 2021

	<u>City Court of Plaquemine 12/31/2020</u>
<b>ASSETS</b>	
Cash	\$ 80,550
Accounts receivable	1,926
Prepaid expense	1,200
Intergovernmental receivables	15,000
Interfund receivables	<u>12,015</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 110,691</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities:</b>	
Interfund payables	<u>\$ 12,015</u>
<b>Total Liabilities</b>	<u>12,015</u>
 <b>Fund Balance</b>	
Nonspendable	1,200
Restricted	28,619
Unassigned	<u>68,857</u>
<b>Fund Balance</b>	<u>98,676</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 110,691</u></u>

CITY OF PLAQUEMINE, LOUISIANA  
 COMPONENT UNIT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE-ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED OCTOBER 31, 2021

	<u>City Court of Plaquemine 12/31/2020</u>
<b>REVENUES</b>	
Court fees, fines and costs	\$ 1,090
Intergovernmental	498,663
Interest	41
Miscellaneous revenues	<u>2,274</u>
<b>TOTAL REVENUES</b>	<u><b>502,068</b></u>
<b>EXPENDITURES</b>	
Current:	
Auto and travel	15,292
Drug Testing	1,309
Dues and seminars	2,826
Office supplies and expense	4,592
Professional fees	33,000
Personnel services and related benefits	457,716
Domestic Violence Grant expense	-
Repairs and maintenance	2,585
Telephone	3,470
Miscellaneous	<u>6,183</u>
<b>TOTAL EXPENDITURES</b>	<u><b>526,973</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u><b>(24,905)</b></u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Operating transfers in	112,422
Operating transfers out	<u>(54,473)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u><b>57,949</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES (USES) OVER EXPENDITURES</b>	<b>33,044</b>
<b>FUND BALANCE, BEGINNING</b>	<u><b>65,632</b></u>
<b>FUND BALANCE (DEFICIT), ENDING</b>	<u><u><b>\$ 98,676</b></u></u>

CITY OF PLAQUEMINE, LOUISIANA  
 COMPONENT UNIT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 OCTOBER 31, 2021

	City Court of Plaquemine 12/31/20			
	Fines, Fees, & Costs Fund	Civil Fund	Garnishment Fund	Totals 2020
<b>ASSETS</b>				
Cash	\$ 2,057	\$ 38,833	\$ 36,233	\$ 77,123
<b>TOTAL ASSETS</b>	<u>\$ 2,057</u>	<u>\$ 38,833</u>	<u>\$ 36,233</u>	<u>\$ 77,123</u>
<b>NET POSITION</b>				
Restricted for individuals and other govt.	\$ 2,057	\$ 38,833	\$ 36,233	\$ 77,123
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,057</u>	<u>\$ 38,833</u>	<u>\$ 36,233</u>	<u>\$ 77,123</u>

CITY OF PLAQUEMINE, LOUISIANA  
 COMPONENT UNIT  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 YEAR ENDED OCTOBER 31, 2021

	<u>City Court of Plaquemine 12/31/2020</u>
<b>ADDITIONS:</b>	
Contributions:	
Individuals for garnishments	\$ 205,821
Fines and fees collected for other agencies	128,121
<b>Total Additions</b>	<u><b>333,942</b></u>
<b>DEDUCTIONS:</b>	
Payments to City of Plaquemine	10,558
Payments to other governments	162,904
Payments to individuals	171,870
<b>TOTAL EXPENDITURES</b>	<u><b>345,332</b></u>
<b>CHANGE IN NET POSITION</b>	<u><b>(11,390)</b></u>
<b>Net Position - Beginning of year</b>	<u><b>88,513</b></u>
<b>Net Position - End of year</b>	<u><u><b>\$ 77,123</b></u></u>

## **SUPPLEMENTARY INFORMATION SCHEDULES**

CITY OF PLAQUEMINE, LOUISIANA  
GENERAL GOVERNMENTAL DATA  
FOR LAST TEN FISCAL YEARS

	FYE 10-31-12	FYE 10-31-13	FYE 10-31-14	FYE 10-31-15	FYE 10-31-16	FYE 10-31-17	FYE 10-31-18	FYE 10-31-19	FYE 10-31-20	FYE 10-31-21
<b>REVENUES BY SOURCE</b>										
Taxes	\$ 242,355	\$ 221,595	\$ 220,350	\$ 215,530	\$ 217,957	\$ 220,769	\$ 245,107	\$ 309,449	\$ 273,814	\$ 277,222
License and permits	414,882	426,646	412,140	429,539	439,113	458,977	433,582	422,716	401,645	404,770
Intergovernmental	750,858	664,172	617,830	629,024	640,404	638,844	920,902	607,275	562,456	614,112
Charges for services	49,325	49,213	54,475	36,153	55,210	35,009	58,673	39,811	36,200	27,130
Fines and forfeits	5,721	6,431	8,390	3,395	4,679	10,951	7,106	7,444	10,610	5,271
Miscellaneous	70,891	67,651	128,130	69,184	98,556	93,366	136,814	133,628	107,983	100,765
Other financing sources	4,512,324	5,367,257	7,093,683	5,939,206	6,499,960	7,175,818	6,015,879	6,722,609	7,561,760	6,614,730
<b>TOTALS</b>	<b>\$6,046,356</b>	<b>\$6,802,965</b>	<b>\$8,534,998</b>	<b>\$7,322,031</b>	<b>\$7,955,879</b>	<b>\$8,633,734</b>	<b>\$ 7,818,063</b>	<b>\$8,242,932</b>	<b>\$8,954,468</b>	<b>\$ 8,044,000</b>
<b>EXPENDITURES BY FUNCTION</b>										
General Government	\$1,202,273	\$1,340,590	\$1,296,969	\$1,375,591	\$1,274,179	\$1,308,578	\$ 1,514,462	\$1,547,888	\$1,770,290	\$ 1,718,873
City Court	344,512	353,059	390,445	364,681	361,795	380,029	454,604	402,646	422,455	440,950
Police Department	2,288,810	2,241,325	2,487,297	2,216,820	2,350,711	2,599,921	2,623,021	2,784,609	2,800,655	2,891,883
Fire Department	1,187,282	1,101,908	1,807,751	1,206,503	1,569,928	1,507,977	1,510,015	1,429,741	1,465,574	1,516,445
Public Works	593,423	643,089	664,280	668,258	705,591	802,379	822,943	837,726	834,600	863,277
Recreation	648,424	809,334	1,050,645	350,324	435,198	879,512	752,172	1,363,028	2,326,505	499,121
Public Health	10,632	10,632	10,632	13,204	11,808	11,808	16,367	12,734	12,600	12,600
Transfers to Debt Service Fund	26,585	-	-	-	-	-	-	-	26,148	-
<b>TOTALS</b>	<b>\$6,301,941</b>	<b>\$6,499,937</b>	<b>\$7,708,019</b>	<b>\$6,195,381</b>	<b>\$6,709,210</b>	<b>\$7,490,204</b>	<b>\$ 7,693,584</b>	<b>\$8,378,372</b>	<b>\$9,658,827</b>	<b>\$ 7,943,149</b>



CITY OF PLAQUEMINE, LOUISIANA  
 ASSESSED VALUE AND PROPERTY TAX REVENUES  
 FOR LAST TEN FISCAL YEARS

	FYE 10-31-12	FYE 10-31-13	FYE 10-31-14	FYE 10-31-15	FYE 10-31-16	FYE 10-31-17	FYE 10-31-18	FYE 10-31-19	FYE 10-31-20	FYE 10-31-21
<b>ASSESSED VALUE</b>										
Assessed value of land and improvements	\$ 31,999,485	\$ 32,698,110	\$ 32,391,840	\$ 33,121,650	\$ 33,412,450	\$ 33,808,235	\$ 34,906,235	\$ 36,627,835	\$ 37,309,965	\$ 37,699,865
Assessed value of all other property	-	-	-	-	-	-	-	-	-	-
	<u>\$ 31,999,485</u>	<u>\$ 32,698,110</u>	<u>\$ 32,391,840</u>	<u>\$ 33,121,650</u>	<u>\$ 33,412,450</u>	<u>\$ 33,808,235</u>	<u>\$ 34,906,235</u>	<u>\$ 36,627,835</u>	<u>\$ 37,309,965</u>	<u>\$ 37,699,865</u>
<b>PROPERTY TAX REVENUE GENERAL FUND</b>										
General property taxes	\$ 156,189	\$ 157,888	\$ 157,412	\$ 157,015	\$ 160,999	\$ 165,229	\$ 177,263	\$ 186,720	\$ 178,613	\$ 179,959
<b>SPECIAL REVENUE FUND</b>										
Ad valorem taxes:										
Building maintenance tax	88,114	89,359	88,905	88,525	91,217	92,787	99,967	105,307	113,509	115,003
Police equipment tax	88,114	89,359	88,905	88,525	91,217	92,787	99,967	105,307	113,507	115,003
<b>DEBT SERVICE FUND</b>										
Drainage Bonds	-	-	-	-	-	-	-	-	-	-
Sewerage Bonds	-	-	-	-	-	-	-	-	-	-
	<u>176,228</u>	<u>178,718</u>	<u>177,810</u>	<u>177,050</u>	<u>182,434</u>	<u>185,574</u>	<u>199,934</u>	<u>210,614</u>	<u>227,016</u>	<u>230,006</u>
<b>TOTAL PROPERTY TAX REVENUES</b>	<u>\$ 332,417</u>	<u>\$ 336,606</u>	<u>\$ 335,222</u>	<u>\$ 334,065</u>	<u>\$ 343,433</u>	<u>\$ 350,803</u>	<u>\$ 377,197</u>	<u>\$ 397,334</u>	<u>\$ 405,629</u>	<u>\$ 409,965</u>

CITY OF PLAQUEMINE, LOUISIANA  
 PROPRIETARY FUND  
 SCHEDULE OF BONDS OUTSTANDING  
 OCTOBER 31, 2021

Date Issued:	6-10-2010		10-20-2012		11/21/2013		12-14-17		9-23-20		
Original Amount:	\$1,500,000		\$8,000,000		\$4,885,000		\$2,380,000		\$2,850,000		
Description of Bonds:	Sales Tax Bonds		Taxable Revenue Bonds		Sales Tax Bonds Series 2013		Sales Tax Bonds Series 2017		Sales Tax Bonds Series 2020B		Total Maturities
	Interest Rate (Percentage)	Maturities	Interest Rate (Percentage)	Maturities	Interest Rate (Percentage)	Maturities	Interest Rate (Percentage)	Maturities	Interest Rate (Percentage)	Maturities	
2022	4.50%	75,000	4.50%	422,000	2.75%	235,000	3.50%	140,000	1.00%	50,000	922,000
2023	4.50%	76,000	4.50%	426,000	3.00%	230,000	3.50%	145,000	1.00%	50,000	927,000
2024	4.50%	77,000	4.50%	430,000	3.25%	225,000	3.50%	155,000	1.00%	50,000	937,000
2025	4.50%	77,000	4.50%	434,000	-	-	3.00%	155,000	1.00%	280,000	946,000
2026	4.50%	78,000	4.50%	438,000	-	-	3.00%	165,000	1.00%	270,000	951,000
2027	4.50%	79,000	4.50%	442,000	-	-	3.00%	175,000	1.25%	265,000	961,000
2028	4.50%	80,000	4.50%	446,000	-	-	3.50%	180,000	1.50%	260,000	966,000
2029	4.50%	81,000	4.50%	450,000	-	-	3.83%	185,000	1.70%	250,000	966,000
2030	4.50%	81,000	4.50%	454,000	-	-	4.00%	190,000	2.00%	245,000	970,000
2031	4.50%	82,000	4.50%	459,000	-	-	4.00%	200,000	2.20%	310,000	1,051,000
2032	-	-	4.50%	463,000	-	-	4.00%	210,000	2.20%	400,000	1,073,000
2033	-	-	4.50%	468,000	-	-	-	215,000	2.20%	410,000	1,093,000
2034	-	-	4.50%	472,000	-	-	-	-	-	-	472,000
Total		786,000		5,804,000		690,000		2,115,000		2,840,000	12,235,000
Less: Current Maturities		(75,000)		(422,000)		(235,000)		(140,000)		(50,000)	(922,000)
Long-term		\$ 711,000		\$ 5,382,000		\$ 455,000		\$ 1,975,000		\$ 2,790,000	\$ 11,313,000

CITY OF PLAQUEMINE, LOUISIANA  
GOVERNMENTAL FUNDS  
SCHEDULE OF BONDS OUTSTANDING  
OCTOBER 31, 2021

Date Issued: 9/23/2020  
Original Amount: \$7,010,000

Description of Bonds: Sales Tax Bonds,  
Series 2020 A  
Interest Payment Dates: 6-1; 12-1

<u>Maturing in Fiscal Year Ended 10/31</u>	<u>Interest Rate</u>	<u>Total Maturities</u>
2022	3.000%	665,000
2023	3.000%	690,000
2024	3.000%	720,000
2025	3.000%	750,000
2026	3.000%	775,000
2027	3.000%	805,000
2028	3.000%	835,000
2029	4.000%	865,000
2030	4.000%	905,000
Totals	\$	<u>7,010,000</u>

CITY OF PLAQUEMINE, LOUISIANA  
 PROPRIETARY FUND  
 OPERATING INCOME  
 FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>Total</u>	<u>Electricity</u>	<u>Water</u>	<u>Sewerage</u>	<u>Gas</u>
<b>OPERATING REVENUE</b>					
Metered sales to general customers (less return and allowances)	\$ 14,284,137	\$ 10,413,885	\$ 1,228,734	\$ 1,330,356	\$ 1,311,162
Billings to municipality and utilities system	697,349	637,532	11,307	-	48,510
Other operating revenue	<u>35,816</u>	<u>16,855</u>	<u>13,286</u>	<u>875</u>	<u>4,800</u>
<b>TOTAL OPERATING REVENUE</b>	<u>15,017,302</u>	<u>11,068,272</u>	<u>1,253,327</u>	<u>1,331,231</u>	<u>1,364,472</u>
<b>OPERATING EXPENSES</b>	<u>15,404,103</u>	<u>10,206,067</u>	<u>1,884,749</u>	<u>2,175,529</u>	<u>1,137,759</u>
<b>OPERATING INCOME</b>	<u>\$ (386,801)</u>	<u>\$ 862,205</u>	<u>\$ (631,422)</u>	<u>\$ (844,298)</u>	<u>\$ 226,713</u>
 <b>PERCENT OF TOTAL OPERATING REVENUE</b>	 100%	 73.7%	 8.3%	 8.9%	 9.1%

CITY OF PLAQUEMINE, LOUISIANA  
 PROPRIETARY FUND  
 OPERATING EXPENSES  
 FOR THE YEAR ENDED OCTOBER 31, 2021

	Electric Distribution	Water Distribution	Sewerage	Gas Distribution	Total
Salaries and wages	\$ 437,650	\$ 285,244	\$ 242,861	\$ 139,487	\$ 1,105,242
Maintenance of lines and equipment	480,635	780,149	419,841	96,778	1,777,403
Supplies	39,437	124,546	47,857	19,252	231,092
Compensation and liability insurance	61,127	37,427	43,282	14,052	155,888
Other insurance and retirement	166,754	124,723	145,874	47,889	485,240
Utilities	3,541	117,460	264,476	3,035	388,512
Engineer and other professional fees	5,292	32,000	56,930	22,726	116,948
Current purchased	6,745,326	-	-	-	6,745,326
Sludge disposal	-	-	11,230	-	11,230
Natural gas purchased	-	-	-	574,194	574,194
All other	38,872	31,268	27,353	12,901	110,394
Depreciation	557,597	162,846	714,985	1,592	1,437,020
	8,536,231	1,695,663	1,974,689	931,906	13,138,489
General and administrative expenses	1,669,836	189,086	200,839	205,853	2,265,614
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 10,206,067</b>	<b>\$ 1,884,749</b>	<b>\$ 2,175,528</b>	<b>\$ 1,137,759</b>	<b>\$ 15,404,103</b>

CITY OF PLAQUEMINE, LOUISIANA  
 PROPRIETARY FUND  
 GENERAL AND ADMINISTRATIVE EXPENSES  
 FOR THE YEAR ENDED OCTOBER 31, 2021

	<u>2021</u>
<b>GENERAL AND ADMINISTRATIVE</b>	
Salaries - office warehouse and superintendent	\$ 921,713
Payroll taxes, retirement and compensated absences	196,801
Other professional fees	39,161
Outsourcing	51,809
Bad debts (net of recoveries)	53,496
Insurance	280,385
Depreciation:	
Automobile and trucks	31,014
Furniture and fixtures	18,024
Warehouse	56,376
Other equipment and computer system	118,860
Automobile and truck expense	15,513
Supplies and expense	48,312
Utilities	56,995
Postage and telephone	34,802
Rent	19,453
Audit fee	26,500
Dues	3,922
Repairs and maintenance on building and equipment	98,842
Uniforms	2,713
Travel and conventions	1,230
Advertising	42,984
All other	146,709
<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b><u>\$ 2,265,614</u></b>

  

	<u>Percent</u>	<u>Amount</u>
Electricity	73.7%	\$ 1,669,836
Water	8.3%	189,086
Sewerage	8.9%	200,839
Gas	9.1%	205,853
	<b><u>100.0%</u></b>	<b><u>\$ 2,265,614</u></b>

Based on a percent of total operating revenue as shown on Schedule 5.



CITY OF PLAQUEMINE, LOUISIANA  
CHANGES IN UTILITY PLANT IN SERVICE  
FOR THE YEAR ENDED OCTOBER 31, 2021

	PLANT IN SERVICE					ACCUMULATED DEPRECIATION			
	BALANCE 10/31/2020	Additions	Deletions	Reclassification	BALANCE 10/31/2021	BALANCE 10/31/2020	Additions	Deletions	BALANCE 10/31/2021
Electric generation and distribution system	\$ 30,355,187		\$ -		\$ 30,355,187	\$ 20,846,876	\$ 557,597	\$ -	21,404,473
Water pumping and distribution system	7,155,907	16,500	-		7,172,407	5,432,845	162,846	-	5,595,691
Sewerage system	24,887,610	-	-	-	24,887,610	7,801,607	714,985	-	8,516,592
Natural gas distribution system	1,243,327	-	-	-	1,243,327	1,216,726	1,592	-	1,218,318
Construction in Progress	29,592	45,409	-		75,001	-	-	-	-
Land	363,626	-	-	-	363,626	-	-	-	-
Buildings	1,267,729	-	-	-	1,267,729	1,078,145	56,376	-	1,134,521
Equipment	4,764,622	65,973	-	-	4,830,595	4,330,601	149,874	-	4,480,475
Furniture and fixtures	332,048	-	-	-	332,048	299,262	18,024	-	317,286
Right of way	211,000	-	-	-	211,000	-	-	-	-
UTILITY PLANT IN SERVICE	<u>\$ 70,610,648</u>	<u>\$ 127,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,738,530</u>	<u>\$ 41,006,062</u>	<u>\$ 1,661,294</u>	<u>\$ -</u>	<u>\$ 42,667,356</u>

**CITY OF PLAQUEMINE, LOUISIANA  
ENTERPRISE FUND  
UTILITY UNITS PROVIDED AND ACCOUNTED FOR  
FOR THE YEAR ENDED OCTOBER 31, 2021**

<b>ELECTRICITY</b>	<b>2021</b>
KWH purchased (invoiced) and available	<u>100,220,000</u>
KWH metered to customers:	
Residential	53,016,864
Commercial	12,378,795
Industrial	25,970,850
KWH metered to municipality and utilities system:	<u>4,343,881</u>
KWH accounted for	<u>95,710,390</u>
KWH unaccounted for	4,509,610
Percentage unaccounted for	4.50%
Cost per KWH utilized	\$ 0.1066
<b>NATURAL GAS</b>	
MCF purchased and available	<u>159,614</u>
MCF metered to customers	144,797
MCF metered to municipality	<u>7,635</u>
	<u>152,432</u>
MCF loss	<u>7,182</u>
Percentage unaccounted for	4.50%
Cost per MCF utilized	\$ 7.46
<b>AVERAGE NUMBER OF BILLINGS PER MONTH</b>	
Electric	4,507
Gas	2,784
Water	4,692
<b>AVERAGE METERED BILLINGS PER MONTH</b>	
Electric	\$192.55
Gas	\$39.25
Water	\$21.82

**Utility Rates**  
Revised Nov 1, 2019

**SCHEDULE 10**

**Residential Electrical Rates**

Energy Charge:	7.8 Cents per kWh
plus	
Customer Charge:	Inside City No charge
	Outside City \$6.00 per month
plus	
Power Cost Adjustment	

**Commercial Electrical Rates**  
(Less or equal to 40 kW Demand)

Energy Charge:	8.5 Cents per kWh
plus	
Customer Charge:	Inside City \$10.00 per month
	Outside City \$15.00 per month
plus	
Power Cost Adjustment*	

**Industrial Electric Rates**  
(More than 40 kW Demand)

Energy Charge:	5.7 Cents per kWh
plus	
Demand Charge:	\$6.50 per kW
First 300 kW	
plus	
Off-Peak	\$6.50 per kW
	Excess kW off-peak
plus	
Customer Charge:	Inside City \$20.00 per month
	Outside City \$25.00 per month
plus	
Power Cost Adjustment*	

**Security Lighting Service**

100 & 175 Watt Lamp	\$6.00 per month
250 & 400 Watt Lamp	\$12.00 per month

**Special Street Light Charge**

\$1.00 per month per customer for streets out of the City Limits that have street lighting

**Power Cost Adjustment**

\*\*\*All kWh will be charged (or credited) a Power Cost Adjustment equal to the amount the cost of purchased power adjusted for system losses exceeded (or was less than) .03813 cents per kWh in the previous month.

**General Gas Rates**

Commodity Charge:	4.00 per mcf
plus	
Res Customer Charge:	Inside City \$5.00 per month
	Outside City \$6.00 per month
Com Customer Charge	Inside City \$ 10.00 per month
	Outside City \$ 15.00 per month
Plus	

**Natural Gas Cost Adjustment\*\***

\*\*\* All mcf will be charged (or credited) a Natural Gas Cost Adjustment equal to the amount the cost of natural gas adjusted for system losses exceeded (or was less than) \$ 0.00 per mcf in the previous month.

**General Water Rates**

Commodity Charge:	\$2.50 per 1,000 gallons (Inside City, District 1)
	\$3.00 per 1,000 gallons (Outside City, District 2 & 3)
Res Customer Charge:	Inside City \$5.00 per month
	Outside City \$7.00 per month
Com Customer Charge	Inside City \$ 11.00 per month
	Outside City \$ 13.00 per month

**Sewerage Rates**

Commodity Charge:	\$3.65 per 1,000 gallons actual water usage (Inside City, District 1)
	\$4.15 per 1,000 gallons actual water usage (Outside City, District 2&3)
Res Customer Charge:	\$5.00 per month (Inside City - Residential)
	\$7.00 per month (Outside City -Residential)
Com Customer Charge	\$11.00 per month (Inside City - Commercial)
	\$13.00 per month (Outside City - Commercial)

CITY OF PLAQUEMINE, LOUISIANA  
ENTERPRISE FUND  
INSURANCE IN FORCE  
OCTOBER 31, 2021  
(Unaudited)

Insurance	Type of Coverage	Amount	Policy Inception Date	Term in Months
Hartford Steam Boiler Insurance Co.	Boiler and machinery	\$20,000,000 maximum limit	11/1/2020	12
Travelers Insurance	Comprehensive general liability; auto liability; Police Professional Liability; Errors and Omissions Liability Comprehensive	\$1,000,000 per occurrence	11/1/2020	12
LA Workers Compensation Corp. (LWCC)	Workmen's Compensation	Statutory	1/1/2021	12
AmRisc - Lloyds London	Property	Buildings at replacement value	4/25/2021	12
National Union Fire Insurance	Fire	Various	6/1/2021	12

\*Includes vehicles owned by General Government.

The above schedule of insurance coverage is intended only as a descriptive summary and the independent accountants express no opinion as to the adequacy of such coverage.

CITY OF PLAQUEMINE, LOUISIANA  
 SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
 TO AGENCY HEAD  
 FOR THE YEAR ENDED OCTOBER 31, 2021

Agency Head Name: Edwin M. Reeves, Jr.

PURPOSE	AMOUNT
Salary	\$ 92,606
Benefits - insurance	27,407
Benefits- retirement	16,534
Car allowance	14,400
Registration fees	375
Travel	1,533
Dues	1,245
<b>TOTAL</b>	<b>\$ 154,100</b>

CITY OF PLAQUEMINE, LOUISIANA  
 SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS  
 FOR THE YEAR ENDED OCTOBER 31, 2021

<u>Board Members</u>	<u>Amount</u>
Lindon Rivet, Jr. - District 1	\$ 14,160
Oscar Mellion - District 2	14,160
Wanda Jones - District 3	2,360
Christine Stassi - District 3	11,800
Thomas LeBlanc - District 4	2,360
Russell Gerace - District 4	11,800
Timmy Martinez - District 5	2,360
Shannon Courtade - District 5	11,800
Jimmie Randle - District 6	<u>14,160</u>
Total	<u>\$ 84,960</u>



## SCHEDULE 14

CITY OF PLAQUEMINE, LOUISIANA  
 JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
 AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
 OCTOBER 31, 2021

	First Six Month Period Ended 04/30/21	Second Six Month Period Ended 10/31/21
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	34,656	35,239
Add: Collections		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	-	-
Bond Fees	945	1,415
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	-	-
Subtotal Collections	945	1,415
Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)		
City of Plaquemine Marshall - Bond Fees	330	490
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency (must include a separate line for each collection type, as applicable) - Example: Criminal Fines - Other (Additional rows may be added as necessary)	-	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	32	31
Subtotal Disbursements/Retainage	362	521
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	35,239	36,134
Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed Retained above.	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	-	-

CITY OF PLAQUEMINE, LOUISIANA  
 JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY  
 AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
 OCTOBER 31, 2021

	First Six Month Period Ended 04/30/21	Second Six Month Period Ended 10/31/21
Cash Basis Presentation		
Receipts From: <i>(Must include one agency name and one collection type - see below - on each line)</i>		
<i>Plaquemine City Court, Criminal Fines</i>	3,690	1,575
Subtotal Receipts	3,690	1,575
Ending Balance of Amounts Assessed but Not Received <i>(only applies to those agencies that assess on behalf of themselves, such as courts)</i>	-	-

## OTHER REPORTS REQUIRED BY GAS

# BAXLEY AND ASSOCIATES, LLC

P. O. Box 482  
58225 Belleview Drive  
Plaquemine, Louisiana 70764  
Phone (225) 687-6630 Fax (225) 687-0365

Margaret A. Pritchard, CPA/CGMA

Staci H. Joffrion, CPA/CGMA  
Stephanie F. Morales, CPA

Hugh F. Baxley, CPA/CGMA – Retired

## SCHEDULE 16

The Honorable Edwin M. Reeves, Jr., Mayor  
and Members of the Board of Selectmen  
City of Plaquemine, Louisiana

### **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**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Plaquemine, Louisiana, as of and for the year ended October 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Plaquemine, Louisiana's basic financial statements, and have issued our report thereon dated March 21, 2022.

#### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Plaquemine, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Plaquemine, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Plaquemine, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Plaquemine, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
March 21, 2022

CITY OF PLAQUEMINE, LOUISIANA  
SCHEDULE OF FINDINGS  
YEAR ENDED OCTOBER 31, 2021

**A. SUMMARY OF AUDIT RESULTS***Financial Statements*

Type of auditor's report issued: *unqualified*

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ yes      X   no
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      X   no
- Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

There were no findings.

CITY OF PLAQUEMINE, LOUISIANA  
SCHEDULE OF PRIOR FINDINGS  
FOR THE YEAR ENDED OCTOBER 31, 2021

There were no findings in the prior year.