

CITY OF RAYNE, LOUISIANA

Financial Report

Year Ended September 30, 2025

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THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

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

Adverse, Qualified, and Unmodified Opinions

We have audited the accompanying primary government financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Rayne, Louisiana, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

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

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matter described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the City of Rayne, Louisiana, as of September 30, 2025, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities, and Each Major Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the City of Rayne, Louisiana, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse, Qualified, and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Rayne, Louisiana, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse, qualified, and unmodified audit opinions.

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

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units and Qualified Opinion on the Aggregate Remaining Fund Information

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rayne, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Rayne's internal control. Accordingly, no such opinion is expressed. We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. We conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rayne's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules: General Fund, Sales Tax Special Revenue Fund and Capital Projects Fund, schedule of changes in net OPEB liability and related ratios, schedule of employer's share of net pension liability, schedules of employer contributions and notes to employer's proportionate share of net pension liability and schedule of employer

contributions and notes to the required supplementary information on pages 48 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rayne's financial statements as a whole. The other supplementary information on pages 56 through 75 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information, except for the portion marked "unaudited" (page 76) on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

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



Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 25, 2026

BASIC FINANCIAL STATEMENTS

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

CITY OF RAYNE, LOUISIANA

Statement of Net Position
September 30, 2025

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 2,803,333	\$ 2,351,418	\$ 5,154,751
Investments	2,814,721	1,042,243	3,856,964
Receivables, net	6,535	1,603,020	1,609,555
Internal balances	268,731	(268,731)	-
Due from other governmental units	313,788	164,971	478,759
Prepaid items	119,944	65,791	185,735
Inventory	-	402,454	402,454
Total current assets	<u>6,327,052</u>	<u>5,361,166</u>	<u>11,688,218</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	607,052	607,052
Capital assets:			
Land and construction in progress	912,882	718,020	1,630,902
Other capital assets, net	<u>8,466,312</u>	<u>11,577,103</u>	<u>20,043,415</u>
Total noncurrent assets	<u>9,379,194</u>	<u>12,902,175</u>	<u>22,281,369</u>
Total assets	<u>15,706,246</u>	<u>18,263,341</u>	<u>33,969,587</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	299,165	44,348	343,513
Deferred outflows related to other postemployment benefits	<u>935,059</u>	-	<u>935,059</u>
Total deferred outflows of resources	<u>1,234,224</u>	<u>44,348</u>	<u>1,278,572</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	231,432	789,664	1,021,096
Customers deposits payable	26,810	307,861	334,671
Loans payable	-	163,000	163,000
Accrued interest payable	-	4,075	4,075
Total current liabilities	<u>258,242</u>	<u>1,264,600</u>	<u>1,522,842</u>
Noncurrent liabilities:			
Compensated absences payable	419,343	194,124	613,467
Loans payable	-	2,851,000	2,851,000
Net pension liability	2,765,556	607,787	3,373,343
Other postemployment benefit payable	<u>6,077,731</u>	-	<u>6,077,731</u>
Total noncurrent liabilities	<u>9,262,630</u>	<u>3,652,911</u>	<u>12,915,541</u>
Total liabilities	<u>9,520,872</u>	<u>4,917,511</u>	<u>14,438,383</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	424,666	93,421	518,087
Deferred inflows related to other postemployment benefits	<u>2,769,133</u>	-	<u>2,769,133</u>
Total deferred inflows of resources	<u>3,193,799</u>	<u>93,421</u>	<u>3,287,220</u>
NET POSITION			
Net investment in capital assets	9,379,194	9,277,048	18,656,242
Restricted -			
Sales tax & operations and maintenance	1,907,256	-	1,907,256
Purpose of grantors, trustees and donors	56,622	-	56,622
Debt service	-	299,191	299,191
Unrestricted (deficit)	<u>(7,117,273)</u>	<u>3,720,518</u>	<u>(3,396,755)</u>
Total net position	<u>\$ 4,225,799</u>	<u>\$ 13,296,757</u>	<u>\$ 17,522,556</u>

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

CITY OF RAYNE, LOUISIANA

Statement of Activities
For the Year Ended September 30, 2025

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,657,813	\$ 374,838	\$ -	\$ -	\$ (1,282,975)	\$ -	\$ (1,282,975)
Public safety	2,941,670	820,676	-	-	(2,120,994)	-	(2,120,994)
Public works	1,547,749	-	-	-	(1,547,749)	-	(1,547,749)
Culture and recreation	867,533	190,040	-	-	(677,493)	-	(677,493)
Urban redevelopment and housing	654,681	-	1,158,411	-	503,730	-	503,730
Total governmental activities	<u>7,669,446</u>	<u>1,385,554</u>	<u>1,158,411</u>	<u>-</u>	<u>(5,125,481)</u>	<u>-</u>	<u>(5,125,481)</u>
Business-type activities:							
Electric	9,693,000	11,433,853	-	-	-	1,740,853	1,740,853
Water	1,137,157	1,382,120	-	204,057	-	449,020	449,020
Sewer	482,315	1,035,664	-	-	-	553,349	553,349
Total business-type activities	<u>11,312,472</u>	<u>13,851,637</u>	<u>-</u>	<u>204,057</u>	<u>-</u>	<u>2,743,222</u>	<u>2,743,222</u>
Total	<u>\$ 18,981,918</u>	<u>\$ 15,237,191</u>	<u>\$ 1,158,411</u>	<u>\$ 204,057</u>	<u>(5,125,481)</u>	<u>2,743,222</u>	<u>(2,382,259)</u>
General revenues:							
Taxes -							
Property					495,733	-	495,733
Sales and use					2,933,522	-	2,933,522
Franchise fees					92,071	-	92,071
Other					440,062	-	440,062
Grants and contributions not restricted to specific programs -							
State sources					161,211	-	161,211
Non employer pension contribution					136,512	-	136,512
Interest and investment earnings					116,447	158,534	274,981
Miscellaneous					210,323	49,067	259,390
Transfers					2,569,532	(2,569,532)	-
Total general revenues and transfers					<u>7,155,413</u>	<u>(2,361,931)</u>	<u>4,793,482</u>
Change in net position					2,029,932	381,291	2,411,223
Net position, beginning					<u>2,195,867</u>	<u>12,915,466</u>	<u>15,111,333</u>
Net position, ending					<u>\$ 4,225,799</u>	<u>\$ 13,296,757</u>	<u>\$ 17,522,556</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

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

Special Revenue Funds

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

Sales Tax Fund -

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

Capital Projects Fund

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Capital Projects Fund -

To account for the improvements of various projects using proceeds from grant revenue and City's funds.

Enterprise Funds

Utility Fund-

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

CITY OF RAYNE, LOUISIANA

Balance Sheet
Governmental Funds
September 30, 2025

	General	Sales Tax	Capital Projects	Other Governmental	Total
ASSETS					
Cash and interest bearing deposits	\$ 292,722	\$ 1,566,798	\$ 764,931	\$ 178,882	\$2,803,333
Investments	994,828	-	1,819,893	-	2,814,721
Other receivables	6,535	-	-	-	6,535
Due from other governmental agencies	82,336	231,452	-	-	313,788
Due from other funds	268,731	-	-	-	268,731
Prepaid items	117,235	-	-	2,709	119,944
Total assets	<u>\$ 1,762,387</u>	<u>\$ 1,798,250</u>	<u>\$ 2,584,824</u>	<u>\$ 181,591</u>	<u>\$ 6,327,052</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 108,423	\$ -	\$ -	\$ 7,309	\$ 115,732
Accrued liabilities	107,046	1,655	-	6,999	115,700
Customer deposit payable	<u>26,810</u>	-	-	-	<u>26,810</u>
Total liabilities	<u>242,279</u>	<u>1,655</u>	<u>-</u>	<u>14,308</u>	<u>258,242</u>
Fund balances:					
Nonspendable - prepaid items	117,235	-	-	-	117,235
Restricted -					
Operations and maintenance	-	1,796,595	-	110,661	1,907,256
Purpose of grantors, trustees, and donors	-	-	-	56,622	56,622
Unassigned	<u>1,402,873</u>	-	<u>2,584,824</u>	-	<u>3,987,697</u>
Total fund balances	<u>1,520,108</u>	<u>1,796,595</u>	<u>2,584,824</u>	<u>167,283</u>	<u>6,068,810</u>
Total liabilities and fund balances	<u>\$ 1,762,387</u>	<u>\$ 1,798,250</u>	<u>\$ 2,584,824</u>	<u>\$ 181,591</u>	<u>\$ 6,327,052</u>

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

CITY OF RAYNE, LOUISIANA

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

Total fund balances for governmental funds at September 30, 2025		\$ 6,068,810
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 397,260	
Construction in progress	515,622	
Buildings and improvements, net of \$3,318,353 accumulated depreciation	2,092,482	
Infrastructure, net of \$5,865,280 accumulated depreciation	5,442,971	
Equipment, furniture, and fixtures net of \$1,554,597 accumulated depreciation	<u>930,859</u>	9,379,194
The deferred outflows of expenditures for the municipal and police employees retirement systems and other postemployment benefit are not a use of current resources, and therefore, are not reported in the funds		
		1,234,224
Long-term liabilities at September 30, 2025:		
Compensated absences	(419,343)	
Other postemployment benefit	(6,077,731)	
Net pension liability	<u>(2,765,556)</u>	(9,262,630)
The deferred inflows of contributions for the municipal and police employees retirement systems and other postemployment benefit obligation are not available resources, and therefore, are not reported in the funds		
		<u>(3,193,799)</u>
Total net position of governmental activities at September 30, 2025		<u>\$ 4,225,799</u>

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

CITY OF RAYNE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended September 30, 2025

	General	Sales Tax	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 385,160	\$ 2,933,522	\$ -	\$ 202,644	\$ 3,521,326
Licenses and permits	348,506	-	-	-	348,506
Intergovernmental	1,122,987	-	-	648,056	1,771,043
Charges for services	99,781	-	-	105,232	205,013
Fines and forfeits	820,676	-	-	-	820,676
Interest on investments	31,587	2,810	82,607	150	117,154
Miscellaneous	206,366	-	-	3,957	210,323
Total revenues	<u>3,015,063</u>	<u>2,936,332</u>	<u>82,607</u>	<u>960,039</u>	<u>6,994,041</u>
Expenditures:					
Current -					
General government	1,628,377	110,389	-	-	1,738,766
Public safety	2,996,738	-	-	-	2,996,738
Public works	1,166,508	-	-	-	1,166,508
Culture and recreation	332,142	-	-	372,069	704,211
Urban redevelopment and housing	-	-	-	636,896	636,896
Capital outlay	929,123	-	-	44,823	973,946
Total expenditures	<u>7,052,888</u>	<u>110,389</u>	<u>-</u>	<u>1,053,788</u>	<u>8,217,065</u>
Excess (deficiency) of revenues over expenditures	<u>(4,037,825)</u>	<u>2,825,943</u>	<u>82,607</u>	<u>(93,749)</u>	<u>(1,223,024)</u>
Other financing sources (uses):					
Transfers in	4,178,546	-	1,000,000	130,000	5,308,546
Transfers out	-	(2,739,014)	-	-	(2,739,014)
Total other financing sources (uses)	<u>4,178,546</u>	<u>(2,739,014)</u>	<u>1,000,000</u>	<u>130,000</u>	<u>2,569,532</u>
Net changes in fund balances	140,721	86,929	1,082,607	36,251	1,346,508
Fund balances, beginning	<u>1,379,387</u>	<u>1,709,666</u>	<u>1,502,217</u>	<u>131,032</u>	<u>4,722,302</u>
Fund balances, ending	<u>\$ 1,520,108</u>	<u>\$ 1,796,595</u>	<u>\$ 2,584,824</u>	<u>\$ 167,283</u>	<u>\$ 6,068,810</u>

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

CITY OF RAYNE, LOUISIANA

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

Total net changes in fund balances at September 30, 2025 per statement of revenues, expenditures and changes in fund balances	\$ 1,346,508
 The change in net position reported for governmental activities in the statement of activities is different because:	
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	\$ 973,946
Depreciation expense	(661,957)
Loss on disposal of assets	<u>(8,188)</u>
	303,801
 Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(106,505)
Other postemployment benefit expense	34,643
Pension expense	314,973
Non-employer's contributions to the pension plans	<u>136,512</u>
 Total changes in net position at September 30, 2025 per statement of activities	 <u>\$ 2,029,932</u>

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

CITY OF RAYNE, LOUISIANA

Statement of Net Position
 Proprietary Fund
 September 30, 2025

	<u>Utility Fund</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 2,351,418
Investments	1,042,243
Accounts receivable, net	1,603,020
Inventory	402,454
Prepaid items	<u>65,791</u>
Total current assets	<u>5,629,897</u>
Noncurrent assets:	
Restricted assets -	
Cash and interest-bearing deposits	607,052
Capital assets -	
Land and construction in progress	718,020
Other capital assets, net	<u>11,577,103</u>
Total noncurrent assets	<u>12,902,175</u>
Total assets	<u>18,532,072</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>44,348</u>
LIABILITIES	
Current liabilities:	
Accounts and other payables	789,664
Due to other funds	268,731
Payable from restricted assets -	
Customers' deposits payable	307,861
Loans payable	163,000
Accrued interest payable	<u>4,075</u>
Total current liabilities	<u>1,533,331</u>
Noncurrent liabilities:	
Compensated absences payable	194,124
Loans payable	2,851,000
Net pension liability	<u>607,787</u>
Total noncurrent liabilities	<u>3,652,911</u>
Total liabilities	<u>5,186,242</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>93,421</u>
NET POSITION	
Net investment in capital assets	9,277,048
Restricted for debt service	299,191
Unrestricted	<u>3,720,518</u>
Total net position	<u>\$ 13,296,757</u>

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

CITY OF RAYNE, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position -
Proprietary Fund

For the Year Ended September 30, 2025

	<u>Utility Fund</u>
Operating revenues:	
Charges for services -	
Electric sales	\$ 10,982,872
Water service charges	1,380,020
Sewer service charges	1,035,664
Delinquent charges and other fees	270,056
Miscellaneous	<u>183,025</u>
Total operating revenues	<u>13,851,637</u>
 Operating expenses:	
Salaries	1,812,339
Payroll taxes	130,809
Group health insurance	313,804
General insurance	187,530
Contract labor	25,938
Retirement - current	128,116
Professional fees	210,675
Electric purchases	6,625,178
Uniforms	24,613
Utilities	189,811
Repairs and maintenance	414,245
Supplies	153,151
Equipment	7,424
Engineering fees	84,295
Depreciation expense	776,420
Miscellaneous	<u>120,992</u>
Total operating expenses	<u>11,253,122</u>
 Operating income	 <u>2,598,515</u>

CITY OF RAYNE, LOUISIANA

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

	Utility Fund
Nonoperating revenues (expenses):	
Nonemployer pension contribution	\$ 49,067
Interest income	158,534
Interest expense	(59,350)
Total nonoperating revenues (expenses)	148,251
Income before contributions and transfers	2,746,766
Capital contributions	204,057
Transfers:	
Transfers out	(2,569,532)
Change in net position	381,291
Net position, beginning	12,915,466
Net position, ending	\$ 13,296,757

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

CITY OF RAYNE, LOUISIANA

Statement of Cash Flows
Proprietary Fund
For the Year Ended September 30, 2025

	<u>Utility Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 13,851,637
Payments to suppliers	(15,334,595)
Payments to employees	<u>(1,736,796)</u>
Net cash provided by operating activities	<u>3,219,754</u>
 Cash flows from noncapital financing activities:	
Cash received from other funds	(695,614)
Decrease in customer deposits, net of refunds	(4,295)
Transfers out	<u>(2,569,532)</u>
Net cash used by noncapital financing activities	<u>(3,269,441)</u>
 Cash flows from capital and related financing activities:	
Proceeds from loan	164,971
Principal payments	(157,000)
Decrease in unearned revenue	(515,174)
Interest paid	(59,363)
Acquisition of property, plant and equipment	(976,662)
Capital contributions	<u>204,057</u>
Net cash provided (used) by capital and related financing activities	<u>(1,339,171)</u>
 Cash flows from investing activities:	
Prior year investments	1,947,573
Current year investments	(1,042,243)
Interest on interest-bearing deposits	<u>158,534</u>
Net cash used by investing activities	<u>1,063,864</u>
 Net increase (decrease) in cash and cash equivalents	(324,994)
 Cash and cash equivalents, beginning of period	<u>3,283,464</u>
 Cash and cash equivalents, end of period	<u>\$ 2,958,470</u>

CITY OF RAYNE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund (Continued)
 For the Year Ended September 30, 2025

	<u>Utility Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 2,598,515
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	776,420
Pension	(79,239)
Changes in current assets and liabilities:	
Accounts receivable	(312,915)
Inventory	(26,424)
Prepaid items	(1,389)
Accounts payable	269,037
Compensated absences payable	(4,251)
Net cash provided by operating activities	<u>\$ 3,219,754</u>
 Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
 Cash and cash equivalents, beginning of period -	
Cash and interest-bearing deposits - unrestricted	\$ 2,677,234
Cash and interest-bearing deposits - restricted	<u>606,230</u>
Total cash and cash equivalents	<u>3,283,464</u>
 Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	2,351,418
Cash and interest-bearing deposits - restricted	<u>607,052</u>
Total cash and cash equivalents	<u>2,958,470</u>
 Net increase (decrease) in cash and cash equivalents	 <u>\$ (324,994)</u>

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

Primary Government

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

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

Component Units

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

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Component Units-

Rayne City Court - Rayne City Court is fiscally dependent on the City for office space and courtrooms. The City also has authority over its budget. The Rayne City Court's fiscal year end is September 30, 2024. A copy of the Rayne City Court's audit can be obtained by sending a request to Rayne City Court, Post Office Box 61, Rayne, LA 70578.

Rayne Marshal's Fund - Rayne Marshal's Fund is fiscally dependent on the City for office space. The Marshal's Fund year end is September 30, 2024. A copy of this report can be obtained by sending a request to Rayne Marshal's Fund, Post Office Box 61, Rayne, LA 70578.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

The major funds of the City are described below:

Governmental Funds -

General Fund

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

Special Revenue Fund -

Sales Tax Fund

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

Capital Projects Fund -

Capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund -

Utility Fund

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

In addition, the City reports the following non-major funds:

Special Revenue Funds –

Section 8 Housing Fund, Youth Recreation Fund, and the Veterans Park Fund. These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

Basis of Accounting

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

Cash and Interest-Bearing Deposits

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

Investments

Under state law, the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section 150, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

Interfund Receivables and Payables

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and video poker commissions. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible amounts due from customers' utility receivables are recognized as bad debts at the time information becomes available, which would indicate the uncollectibility of the receivable. The allowance for uncollectibles for customers' utility receivables was \$1,172,587 and \$1,124,805 as of September 30, 2025 and 2024, respectively.

Inventory and Prepaid Items

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

Restricted Assets

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At September 30, 2025, the City's deferred outflows and inflows of resources are attributable to pension plans and other postemployment benefits.

Long-term Debt

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

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

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

Compensated Absences

City employees are entitled to certain compensated absences based upon their length of service. Annual leave shall be earned by regular employees based on continuous service as indicated by the following: (a) less than seven months, no credit, (b) seven months but less than twelve months, ½ day per month, (c) one year but less than seven years, twelve days per year, (d) seven years but less than fourteen years, fifteen days per year, and (e) fourteen years or more of service, eighteen days per year.

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sick leave is accumulated based on continuous employment in the amount of one day per month beginning with the seventh month of employment. Sick leave is forfeited upon termination of employment. Since sick leave only vest upon retirement and a retiring employee, at his election, may use accrued sick leave towards extension of his retirement date, but may not exceed 120 days.

Effective for the fiscal year ended September 30, 2025, the City implemented GASB Statement No. 101, Compensated Absences, which establishes recognition and measurement requirements for all types of compensated absences. The Statement requires liabilities to be recognized when leave is earned and the leave is (1) attributable to services already rendered, (2) is not dependent on a future event outside the control of the government and employee, and (3) has a probability of being used or paid at a rate of more likely than not. The liability is measured at the current fulfillment value, which represents the amount the City expects to pay as of the reporting date. The total compensated absence accrued is \$613,467 and is included in the financial statements as a noncurrent liability.

Equity Classifications

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows or resources. In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use for a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the city's debt. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components above and is available for general use by the City.

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

Governmental Funds - By Character

Proprietary Fund - By Operating and Nonoperating

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund Transfers

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

F. Revenue Restrictions

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

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

G. Use of Estimates

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

(2) Ad Valorem Taxes

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

For the year ended September 30, 2025, taxes of 12.10 mills were levied on property with assessed valuations totaling \$40,784,122 and were dedicated for general corporate purposes (7.100 mills) and youth recreation (5.000 mills).

Gross taxes levied for the current fiscal year totaled \$493,490. There were no ad valorem taxes receivable at September 30, 2025.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Sales and Use Tax

- A. Proceeds of a 1% sales and use tax levied by the City of Rayne beginning September 9, 1963 (2025 collections \$1,466,761), accounted for in the Sales Tax Fund, are dedicated to any lawful corporate purposes of the city, including, but not limited to, payment of operating expenses and constructing, acquiring, extending and/or improving any capital improvements or facilities. This tax is perpetual.
- B. Proceeds of a 1% sales and use tax levied by the City of Rayne beginning November 7, 1979 (2025 collections \$1,466,761), accounted for in the Sales Tax Fund, are dedicated to any lawful corporate purposes of the city, including, but not limited to, payment of operating expenses and constructing, acquiring, extending and/or improving any capital improvements or facilities. This tax is perpetual.

(4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2025, the City had cash and interest-bearing deposits (book balances) totaling \$5,761,803, as follows:

Demand deposits	\$ 5,661,803
Time deposits	<u>100,000</u>
Total	<u>\$ 5,761,803</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must always equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) as of September 30, 2025, are secured as follows:

Bank balances	<u>\$ 6,223,760</u>
Federal deposit insurance	\$ 2,715,348
Pledged securities	<u>3,508,412</u>
Total	<u>\$ 6,223,760</u>

Deposits in the amount of \$3,508,412 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(5) Investments

As of September 30, 2025, the City had the following investments and maturities:

<u>Investment Type</u>	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>One - Five Years</u>
Governmental Activities:				
State Investment Pool (LAMP)	100%	\$ 2,814,721	\$ 2,814,721	\$ -
Business-Type Activities:				
State Investment Pool (LAMP)	100%	<u>1,042,243</u>	<u>1,042,243</u>	<u>-</u>
Total investments		<u>\$ 3,856,964</u>	<u>\$ 3,856,964</u>	<u>\$ -</u>

The City participates in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investment. The financial statements for LAMP may be accessed on their website (<https://www.lamppool.com>). The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA- R.S. 33:2955.

The investment in LAMP is not exposed to custodial credit risk. LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required. Credit risk is the risk that an issuer or other counter party to an investment will be unable to meet its obligations. LAMP is rated AAAM by Standard & Poor's. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investment as of June 30, 2024, is 27 days.

The investments of LAMP are stated at fair value which is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pooled shares. LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

LAMP's financial statements can be obtained by contacting LAMP at 650 Poydras Street, Suite 200 New Orleans Louisiana 70130 or by contacting the administrative office at 800-249-5267, and the financial statements are also available on the Louisiana Legislative Auditors website at <https://lla.la.gov/>.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Receivables

Receivables as of September 30, 2025 consist of the following:

	Governmental Activities	Business-type Activities	Total
Other	\$ 6,535	\$ -	\$ 6,535
Accounts, net	<u>-</u>	<u>1,603,020</u>	<u>1,603,020</u>
Total	<u>\$ 6,535</u>	<u>\$ 1,603,020</u>	<u>\$ 1,609,555</u>

(7) Due from Other Governmental Units

Amounts due from other governmental units as of September 30, 2025 consisted of the following:

Fund Financial Statements:

Governmental Funds-

State of Louisiana:

Beer taxes	\$ 2,227
Video poker commissions	36,783
Prisoner reimbursements	13,284
State grant funds	29,312
LaMats	605

Rayne City Court:

Fines and supplemental pay	125
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Acadia Parish School Board:

Sales taxes	<u>231,452</u>
	<u>\$313,788</u>

Proprietary Funds-

State of Louisiana:

Federal grant funds	<u>\$164,971</u>
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Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above	\$313,788
Proprietary Funds, from above	<u>164,971</u>
	<u>\$478,759</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Restricted Assets - Proprietary Fund

Restricted assets in the proprietary fund consisted of the following as of September 30, 2025:

Bond sinking fund	\$ 89,151
Bond reserve fund	110,040
Capital additions and contingencies fund	100,000
Customers' deposits	<u>307,861</u>
Total	<u>\$ 607,052</u>

(9) Capital Assets

Capital asset activity for the year ended September 30, 2025 were as follows:

	<u>Balance</u> 10/01/23	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 09/30/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 397,260	\$ -	\$ -	\$ 397,260
Construction in progress	923,842	504,565	912,785	515,622
Other capital assets:				
Buildings and improvements	5,536,800	23,059	-	5,559,859
Infrastructure	10,742,494	898,310	-	11,640,804
Equipment, furniture and fixtures	<u>2,213,227</u>	<u>460,797</u>	<u>46,294</u>	<u>2,627,730</u>
Totals	<u>19,813,623</u>	<u>1,886,731</u>	<u>959,079</u>	<u>20,741,275</u>
Less accumulated depreciation				
Buildings and improvements	3,318,353	149,024	-	3,467,377
Infrastructure	5,865,280	332,553	-	6,197,833
Equipment, furniture and fixtures	<u>1,554,597</u>	<u>180,380</u>	<u>38,106</u>	<u>1,696,871</u>
Total accumulated depreciation	<u>10,738,230</u>	<u>661,957</u>	<u>38,106</u>	<u>11,362,081</u>
Governmental activities, capital assets, net	<u>\$9,075,393</u>	<u>\$ 1,224,774</u>	<u>\$ 920,973</u>	<u>\$9,379,194</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 58,078
Public Safety	95,559
Public Works	348,474
Culture and recreation	<u>159,846</u>
Total depreciation expense	<u>\$ 661,957</u>

(Continued)

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(9) Capital Assets (Continued)

	Balance 10/01/24	Additions	Deletions	Balance 09/30/25
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 588,970	\$ -	\$ -	\$ 588,970
Construction in progress - water and sewer systems projects	1,334,434	333,107	1,538,491	129,050
Other capital assets:				
Buildings and improvements	3,150,137	-	-	3,150,137
Electric Distribution	4,276,012	-	-	4,276,012
Machinery and equipment	5,894,853	341,614	11,398	6,225,069
Water System	7,242,713	36,000	-	7,278,713
Sewer system	12,431,756	1,609,926	-	14,041,682
Totals	<u>34,918,875</u>	<u>2,320,647</u>	<u>1,549,889</u>	<u>35,689,633</u>
Less accumulated depreciation				
Buildings and improvements	2,098,952	66,928	-	2,165,880
Electric Distribution	4,147,997	17,824	-	4,165,821
Machinery and equipment	4,104,614	185,867	11,398	4,279,083
Water System	3,396,876	201,681	-	3,598,557
Sewer system	8,881,048	304,121	-	9,185,169
Total accumulated depreciation	<u>22,629,487</u>	<u>776,421</u>	<u>11,398</u>	<u>23,394,510</u>
Business-type activities, capital assets, net	<u>\$12,289,388</u>	<u>\$1,544,226</u>	<u>\$ 1,538,491</u>	<u>\$12,295,123</u>

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

Electric	\$ 191,396
Water	201,681
Sewer	383,344
Total depreciation expense	<u>\$ 776,421</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Accounts and Other Payables

The accounts and other payables consisted of the following at September 30, 2025:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 115,733	\$ 717,890	\$ 833,623
Accrued liabilities	115,699	71,774	187,473
Totals	<u>\$ 231,432</u>	<u>\$ 789,664</u>	<u>\$ 1,021,096</u>

(11) Long-Term Liabilities

The following is a summary of long-term liabilities transactions of the City for the year ended September 30, 2025:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>		
	<u>Compensated Absence</u>	<u>LDEQ Series 2018</u>	<u>LDH Series 2020</u>	<u>Compensated Absence</u>
Balance, 07/01/2024	\$ 312,838	\$ 851,000	\$ 2,320,000	\$ 198,375
Additions	295,756	-	-	87,210
Deletions	<u>(189,251)</u>	<u>(53,000)</u>	<u>(104,000)</u>	<u>(91,461)</u>
Balance, 06/30/2025	<u>\$ 419,343</u>	<u>\$ 798,000</u>	<u>\$ 2,216,000</u>	<u>\$ 194,124</u>

Business-type Activities:

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

Long-term debt payable at September 30, 2025 is comprised of the following:

(Continued)

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Long-Term Liabilities (Continued)

	<u>Balance at 9/30/2025</u>	<u>Due Within One Year</u>
\$1,000,000 LDEQ Loan, Series 2018, due in annual installments of \$46,000 to \$119,000 through March 1, 2040; interest at .45 percent; payable from sewer utility revenues	\$ 798,000	\$ 48,000
\$2,600,000 LDH Loan, Series 2020, due in annual installments of \$102,000 to \$162,000 through March 1, 2041; interest at 1.95 percent; payable from utility revenues	<u>2,216,000</u>	<u>115,000</u>
Total	<u>\$ 3,014,000</u>	<u>\$ 163,000</u>

The annual debt service requirements to maturity are as follows:

<u>Year Ending September 30,</u>	<u>Loan Payable</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2026	\$ 163,000	\$ 46,695	\$ 209,695
2027	166,000	44,235	210,235
2028	169,000	41,732	210,732
2029	173,000	39,170	212,170
2030	176,000	36,547	212,547
2031 - 2035	939,000	141,135	1,080,135
2036 - 2040	1,063,000	64,602	1,127,602
2041	<u>165,000</u>	<u>3,218</u>	<u>168,218</u>
Total	<u>\$ 3,014,000</u>	<u>\$ 417,334</u>	<u>\$ 3,431,334</u>

(12) Postemployment Health Care and Life Insurance Benefits

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

Employees covered by benefit terms – At September 30, 2025, the following employees were covered by the medical plan terms:

Inactive employees or beneficiaries currently receiving benefit payments	16
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>61</u>
Total	<u>77</u>

Total OPEB Liability

The City’s total OPEB liability of \$6,077,731 was measured as of September 30, 2025 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50%
Discount rate, including inflation	4.06%
Medical healthcare cost trend rate, flat annually	4.50%
Dental healthcare cost trend rate, flat annually	2.50%
Mortality	RPH- 2014 Total Table with Projection MP-2021

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Changes in the Total OPEB Liability

OPEB liability at September 30, 2024	\$ 5,763,559
Changes for the year:	
Service Cost	202,305
Interest	239,621
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments and net transfers	<u>(127,754)</u>
Net changes	<u>314,172</u>
OPEB liability at September 30, 2025	<u>\$ 6,077,731</u>
Covered employee payroll	<u>\$ 2,648,585</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 3.06% or 1-percentage-point higher 5.06% than the current discount rate:

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% Increase 5.06%
Total OPEB liability	<u>\$ 5,188,816</u>	<u>\$ 6,077,731</u>	<u>\$ 7,300,967</u>

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

	1% Decrease 3.50%	Current Trend 4.50%	1% Increase 5.50%
Total OPEB liability	<u>\$ 5,220,695</u>	<u>\$ 6,077,731</u>	<u>\$ 7,140,741</u>

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

For the year ended September 30, 2025, the City recognized OPEB benefit of \$34,643. At September 30, 2025, the City reported deferred inflows of resources related to OPEB for the differences between expected and actual experience.

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	118,004	1,438,734
Changes in assumptions/inputs	<u>817,055</u>	<u>1,330,399</u>
Total	<u>\$ 935,059</u>	<u>\$ 2,769,133</u>

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

<u>Year Ended September 30</u>	
2026	(348,815)
2027	(348,815)
2028	(421,796)
2029	(456,137)
2030	(379,709)
Thereafter	<u>121,198</u>
Total	<u>\$ (1,834,074)</u>

(13) Employee Retirement Systems

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

Plan Descriptions

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

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

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

	MERS	MPERS	LASERS
Final average salary	Highest 60 months	Highest 36 months or 60 months ²	Highest 36 months or 60 months ⁷
Years of service required and/or age eligible for benefits	30 years any age 10 years age 60 30 years age 55 ² 10 years age 62 ² 7 years age 67 ²	25 years any age 20 years age 50 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³	30 years any age 12 years age 55 20 years age 60 20 years any age ¹ 5 years age 60 ⁵ 5 years age 62 ⁶
Benefit percent per years of service	3.00%	2.50 - 3.33% ⁴	2.5% - 3.5%

¹ With actuarial reduced benefits

² Membership commencing January 1, 2013

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

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

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

⁶ Membership commencing July 1, 2015

⁷ Membership commencing after July 1, 2006

Contributions

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions of employees, employers, and non-employer contributing entities effective for the year ended September 30, 2025 for the defined benefit pension plans in which the City is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Nonemployer Contributing Entities</u>	<u>Government Contributions</u>
MERS	5.00%	15.50%	\$ 90,864	\$ 76,209
MPERS	10.00%	33.93%	94,715	94,445
LASERS	11.50%	45.80%	-	2,039

Net Pension Liability

The City's net pension liability at September 30, 2025 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2025) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the City's proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 1,124,532	2.354221%	-0.038072%
MPERS	2,205,435	0.319346%	-0.000186%
LASERS	42,376	0.000940%	-0.000190%
Total	<u>\$ 3,372,343</u>		

Since the measurement date of the net pension liability was June 30, 2025, the net pension liability is based upon fiduciary net position for each of the plans as of that date. Detailed information about each pension plans' assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

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

Cost of Living Adjustments

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

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Actuarial Assumptions

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

	MERS	MPERS	LASERS
Date of experience study on which significant assumptions are based	7/1/2018 - 6/30/2023	7/1/2019 - 6/30/2024	7/1/2019 - 6/30/2024
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85, net of investment expense	6.75%, net of investment expense	7.25%, net of investment expense
Expected remaining service lives	2	4	2
Inflation rate	2.5%	2.5%	2.4%
Projected salary increases	4.4% - 9.5%	4.7% - 13.0%	2.4%-15.3%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(7), (8)

- (1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using MP2018 scales
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using MP2018 scales
- (3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with full generational MP2018 scale
- (4) Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.
- (5) Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.
- (6) Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale.
- (7) RP-2014 Health Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement scale, applied on a fully generational basis.
- (8) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Discount Rate

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

	<u>MERS</u>	<u>MPERS</u>	<u>LASERS</u>
Discount rate	6.85%	6.75%	7.25%
Change in discount rate from prior valuation	0.00%	0.00%	0.00%
Plan cash flow assumptions*	(1)	(1)	(1)
Rates incorporated in the discount rate:			
Long-term rate of return	6.85%	8.12%	8.30%
Periods applied	All	All	All
Municipal bond rate	N/A	N/A	N/A

***Plan Cash Flow Assumptions:**

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

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

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

Asset Class	<u>MERS</u>		<u>MPERS</u>		<u>LASERS</u>	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	29%	1.26%	35.0%	1.21%	21%	7.90%
Public Equity	53%	2.31%	51.0%	3.20%	54%	10.49%
Alternative Investments	18%	0.78%	14.0%	1.04%	25%	7.43%
Totals	<u>100%</u>	<u>4.35%</u>	<u>100%</u>	<u>5.45%</u>	<u>100%</u>	<u>5.75%</u>
Inflation/rebalancing		<u>2.50%</u>		<u>2.67%</u>		<u>2.55%</u>
Expected nominal return		<u>6.85%</u>		<u>8.12%</u>		<u>8.30%</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended September 30, 2025, the City recognized \$353,192 in pension expense related to all defined benefit plans in which it participates. Pension expense is summarized by plan in the following table:

Plan	Pension Expense
MERS	\$ 153,016
MPERS	200,135
LASERS	41
Total	\$ 353,192

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	LASERS	Total
Difference between expected and actual experience	\$ -	\$106,934	\$ 589	\$ 107,523
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	5,659	61,096	-	66,755
Contributions subsequent to the measurement date	70,550	94,445	2,039	167,034
Total	\$ 76,209	\$262,475	\$ 2,628	\$ 341,312

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Deferred Inflows of Resources			
	MERS	MPERS	LASERS	Total
Difference between expected and actual experience	\$ 15,709	\$ 58,348	\$ (7,257)	\$ 66,800
Change in assumptions	26,586	101,292	-	127,878
Net differences between projected and actual earnings on plan investments	40,661	173,724	-	214,385
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	<u>11,550</u>	<u>41,436</u>	<u>-</u>	<u>52,986</u>
Total	<u>\$ 94,506</u>	<u>\$374,800</u>	<u>\$ (7,257)</u>	<u>\$ 462,049</u>

Deferred outflows of resources of \$167,034 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended September 30	MERS	MPERS	LASERS	Total
2026	\$ 61,208	\$ 187,036	\$ 925	\$ 249,169
2027	(70,969)	(194,512)	(3,589)	(269,070)
2028	(55,660)	(126,518)	(2,764)	(184,942)
2029	<u>(23,426)</u>	<u>(72,776)</u>	<u>(1,240)</u>	<u>(97,442)</u>
Total	<u>\$ (88,847)</u>	<u>\$ (206,770)</u>	<u>\$ (6,668)</u>	<u>\$ (302,285)</u>

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 1,941,535	\$ 1,124,532	\$ 435,701
MPERS	6.75%	3,617,662	2,205,435	1,022,747
LASERS	7.25%	64,506	70,684	27,641
Total		<u>\$5,623,703</u>	<u>\$ 3,400,651</u>	<u>\$ 1,486,089</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Payables to the Pension Plans

At September 30, 2025, all contractually required contributions had been paid for MERS, MPERS, and LASERS.

(14) Contingent Liabilities

At September 30, 2025, the City is not involved in any pending or threatened litigation that represents a contingent liability.

(15) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended September 30, 2025 follows:

Charles "Chuck" Robichaux, Mayor	\$ 81,200
Aldermen:	
Lendell "Pete" Babineaux, Mayor pro-tem	10,743
Kenneth Guidry	10,231
Calise Doucet	10,231
Brian Mouton	10,231
James "Jimmy" Fontenot	<u>10,080</u>
Total	<u>\$ 132,716</u>

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

The schedule of compensation, benefits, and other payments to the City's Mayor from October 1, 2024 through September 30, 2025 are as follows:

Salary	\$ 81,200
Benefits - retirement	<u>11,306</u>
Total	<u>\$ 92,506</u>

CITY OF RAYNE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(17) Interfund Transactions

Interfund transfers consisted of the following as of September 30, 2025:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds -		
General Fund	\$ 4,178,546	\$ -
Sales Tax Special Revenue Fund	-	2,739,014
Capital Projects Fund	1,000,000	
Other Governmental	130,000	-
Proprietary Fund -		
Utility Fund	-	<u>2,569,532</u>
Total	<u>\$ 5,308,546</u>	<u>\$ 5,308,546</u>

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

Interfund receivables and payables consisted of the following as of September 30, 2025:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major funds:		
Governmental funds -		
General Fund	\$ 268,731	\$ -
Proprietary Fund -		
Utility Fund	-	<u>268,731</u>
Total	<u>\$ 268,731</u>	<u>\$ 268,731</u>

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

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF RAYNE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 385,189	\$ 383,614	\$ 385,160	\$ 1,546
Licenses and permits	352,881	348,001	348,506	505
Intergovernmental	949,614	1,158,058	1,122,987	(35,071)
Charges for services	90,268	97,131	99,781	2,650
Fines and forfeits	1,574,080	813,573	820,676	7,103
Interest on investments	19,977	29,238	31,587	2,349
Miscellaneous	276,320	205,730	206,366	636
Total revenues	<u>3,648,329</u>	<u>3,035,345</u>	<u>3,015,063</u>	<u>(20,282)</u>
Expenditures:				
General government	1,734,786	1,664,835	1,628,377	36,458
Public safety	3,300,946	3,013,800	2,996,738	17,062
Public works	1,183,096	1,185,732	1,166,508	19,224
Culture and recreation	371,768	345,851	332,142	13,709
Capital outlay	1,034,988	1,000,598	929,123	71,475
Total expenditures	<u>7,625,584</u>	<u>7,210,816</u>	<u>7,052,888</u>	<u>157,928</u>
Excess (deficiency) of revenues over expenditures	(3,977,255)	(4,175,471)	(4,037,825)	137,646
Other financing sources:				
Transfers in	<u>4,053,546</u>	<u>4,178,546</u>	<u>4,178,546</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	76,291	3,075	140,721	137,646
Fund balance, beginning	<u>1,379,387</u>	<u>1,379,387</u>	<u>1,379,387</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,455,678</u>	<u>\$ 1,382,462</u>	<u>\$ 1,520,108</u>	<u>\$ 137,646</u>

See notes to the required supplementary information

CITY OF RAYNE, LOUISIANA
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Sales tax collections	\$ 2,925,289	\$ 2,968,219	\$2,933,522	\$ (34,697)
Interest	2,962	2,607	2,810	203
Total revenues	<u>2,928,251</u>	<u>2,970,826</u>	<u>2,936,332</u>	<u>(34,494)</u>
Expenditures:				
General government				
Salaries	43,558	43,765	44,161	(396)
Payroll taxes	2,944	2,977	3,000	(23)
Group insurance	16,711	15,988	16,066	(78)
General insurance	299	238	241	(3)
Retirement	6,629	6,099	6,066	33
Sales tax collection fees	44,115	41,243	40,855	388
Total expenditures	<u>114,256</u>	<u>110,310</u>	<u>110,389</u>	<u>(79)</u>
Excess of revenues over expenditures	2,813,995	2,860,516	2,825,943	(34,573)
Other financing sources (uses):				
Transfers out	<u>(2,739,014)</u>	<u>(2,739,014)</u>	<u>(2,739,014)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses	74,981	121,502	86,929	(34,573)
Fund balance, beginning	<u>1,709,666</u>	<u>1,709,666</u>	<u>1,709,666</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,784,647</u>	<u>\$ 1,831,168</u>	<u>\$ 1,796,595</u>	<u>\$ (34,573)</u>

See notes to the required supplementary information

CITY OF RAYNE, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Years Ended September 30, 2025

	2025	2024	2023	2022	2021	2020	2019
Total OPEB Liability:							
Service Cost	\$ 202,305	\$ 144,514	\$ 296,275	\$ 296,275	\$ 296,275	\$ 213,842	\$ 213,842
Interest	239,621	231,186	203,604	203,604	195,311	297,979	275,171
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	-	155,168	-	(2,411,351)	-	(416,109)	-
Changes of assumptions	-	594,413	-	(2,425,375)	-	1,309,026	-
Benefit payments	<u>(127,754)</u>	<u>(127,754)</u>	<u>(99,872)</u>	<u>(99,872)</u>	<u>(146,083)</u>	<u>(146,083)</u>	<u>(136,092)</u>
Net change in total OPEB liability	314,172	997,527	400,007	(4,436,719)	345,503	1,258,655	352,921
Total OPEB liability - beginning	<u>5,763,559</u>	<u>4,766,032</u>	<u>4,366,025</u>	<u>8,802,744</u>	<u>8,457,241</u>	<u>7,198,586</u>	<u>6,845,665</u>
Total OPEB liability - ending	\$ 6,077,731	\$ 5,763,559	\$ 4,766,032	\$ 4,366,025	\$ 8,802,744	\$ 8,457,241	\$ 7,198,586
Covered employee payroll	<u>\$ 2,648,585</u>	<u>\$ 2,648,585</u>	<u>\$ 2,295,648</u>	<u>\$ 2,295,648</u>	<u>\$ 2,109,953</u>	<u>\$ 2,109,953</u>	<u>\$ 2,064,698</u>
Net OPEB liability as a percentage of covered-employee payroll	229.5%	217.6%	207.6%	190.2%	417.2%	400.8%	348.7%

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

See notes to the required supplementary information

CITY OF RAYNE, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Years Ended September 30, 2025

Plan	Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS	2025	2.354221%	\$ 1,124,532	\$ 2,319,871	48.5%	84.91%
	2024	2.392293%	1,451,579	2,153,512	67.4%	80.10%
	2023	2.367565%	1,898,457	1,826,594	103.9%	73.25%
	2022	2.498890%	2,163,271	1,980,341	109.2%	69.56%
	2021	2.696393%	1,562,044	2,049,464	76.2%	79.14%
	2020	2.813919%	2,550,047	2,180,704	116.9%	66.30%
	2019	2.652938%	2,320,825	2,028,080	114.4%	66.10%
	2018	2.788250%	2,358,390	2,066,308	114.1%	63.90%
	2017	2.670620%	2,310,706	1,942,256	119.0%	63.50%
	2016	2.643570%	2,191,281	1,895,389	115.6%	62.10%
MPERS	2025	0.319346%	\$ 2,205,435	\$ 1,202,408	183.4%	81.94%
	2024	0.309898%	2,807,663	1,092,444	257.0%	75.84%
	2023	0.319638%	3,376,966	1,103,029	306.2%	71.30%
	2022	0.319532%	3,266,184	987,606	330.7%	0.00%
	2021	0.324543%	1,729,992	1,125,669	153.7%	84.09%
	2020	0.320745%	2,964,431	990,693	299.2%	70.90%
	2019	0.271680%	2,467,309	848,428	290.8%	71.00%
	2018	0.247843%	2,095,280	731,418	286.5%	71.90%
	2017	0.234800%	2,049,903	703,644	291.3%	63.50%
	2016	0.262140%	2,457,000	691,338	355.4%	66.00%
LASERS	2025	0.000940%	\$ 42,376	\$ 24,000	176.6%	79.30%
	2024	0.001020%	55,198	24,000	230.0%	74.60%
	2023	0.001060%	70,684	24,000	294.5%	68.40%
	2022	0.001130%	85,349	24,000	355.6%	63.70%
	2021	0.001140%	62,800	24,000	261.7%	72.80%
	2020	0.001119%	92,549	24,000	385.6%	58.00%
	2019	0.001160%	84,041	24,000	350.2%	62.90%
	2018	0.001211%	82,589	24,000	344.1%	64.30%
	2017	0.001250%	88,478	24,000	368.7%	62.50%
	2016	0.001250%	98,235	24,000	409.3%	57.70%

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

This schedule is intended to show information for 10 years.

See notes to the required supplementary information

CITY OF RAYNE, LOUISIANA

Schedule of Employer Contributions
For the Years Ended September 30, 2025

Plan	Year Ended September 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
MERS	2025	\$ 315,331	\$ 315,331	-	\$2,319,871	13.59%
	2024	338,492	338,492	-	2,153,512	15.72%
	2023	315,100	315,100	-	1,826,594	17.25%
	2022	311,398	311,398	-	1,980,341	15.72%
	2021	321,197	321,197	-	2,031,373	15.81%
	2020	304,063	304,063	-	2,119,917	14.34%
	2019	284,160	284,160	-	2,039,635	13.93%
	2018	277,840	277,840	-	2,066,106	13.45%
	2017	208,622	208,622	-	1,942,256	10.74%
	2016	186,854	186,854	-	1,895,389	9.86%
MPERS	2025	\$ 426,192	\$ 426,192	-	\$ 1,202,408	35.44%
	2024	371,231	371,231	-	1,092,444	33.98%
	2023	338,980	338,980	-	1,103,029	30.73%
	2022	293,875	293,875	-	987,606	29.76%
	2021	334,204	334,204	-	994,014	33.62%
	2020	321,581	321,581	-	980,604	32.79%
	2019	381,482	381,482	-	883,033	43.20%
	2018	235,494	235,494	-	755,773	31.16%
	2017	222,552	222,552	-	659,413	33.75%
	2016	225,639	225,639	-	703,644	32.07%
LASERS	2025	\$ 7,924	\$ 7,924	-	\$ 24,000	33.02%
	2024	8,487	8,487	-	24,000	35.36%
	2023	9,903	9,903	-	24,000	41.26%
	2022	9,703	9,703	-	24,000	40.43%
	2021	9,526	9,526	-	24,000	39.69%
	2020	10,182	10,182	-	24,000	42.43%
	2019	9,773	9,773	-	24,000	40.72%
	2018	9,624	9,624	-	24,000	40.10%
	2017	9,120	9,120	-	24,000	38.00%
	2016	9,137	9,137	-	24,000	38.07%

This schedule is intended to show information for 10 years.

See notes to the required supplementary information

CITY OF RAYNE, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

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

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

CITY OF RAYNE, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(2) Excess Expenditures over Appropriations

For the year ended September 30, 2025, the City has actual expenditures over appropriations as follows:

<u>Fund and Function</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
Sales Tax Fund:			
General government	\$ 110,310	\$ 110,389	\$ (79)
Section 8 Housing Fund:			
Urban redevelopment and housing	621,270	636,896	(15,626)

(3) Pension Plan

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

(4) Other Postemployment Benefits

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

OTHER SUPPLEMENTARY INFORMATION

CITY OF RAYNE, LOUISIANA

Statement of Net Position
September 30, 2025
With Comparative Totals as of September 30, 2024

	2025			2024 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 2,803,333	\$ 2,351,418	\$ 5,154,751	\$ 4,906,188
Investments	2,814,721	1,042,243	3,856,964	3,448,990
Receivables, net	6,535	1,603,020	1,609,555	1,291,693
Internal balances	268,731	(268,731)	-	-
Due from other governmental units	313,788	164,971	478,759	359,811
Prepaid items	119,944	65,791	185,735	180,536
Inventory	-	402,454	402,454	376,030
Total current assets	6,327,052	5,361,166	11,688,218	10,563,248
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	-	607,052	607,052	606,230
Capital assets:				
Land and construction in progress	912,882	718,020	1,630,902	3,244,506
Other capital assets, net	8,466,312	11,577,103	20,043,415	18,120,275
Total noncurrent assets	9,379,194	12,902,175	22,281,369	21,971,011
Total assets	15,706,246	18,263,341	33,969,587	32,534,259
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	299,165	44,348	343,513	476,055
Deferred outflows related to other postemployment benefit	935,059	-	935,059	1,182,163
Total deferred outflows of resources	1,234,224	44,348	1,278,572	1,658,218
LIABILITIES				
Current liabilities:				
Accounts and other payables	231,432	789,664	1,021,096	837,323
Customers deposits payable	26,810	307,861	334,671	338,581
Loans payable	-	163,000	163,000	152,000
Accrued interest payable	-	4,075	4,075	4,088
Unearned revenue	-	-	-	515,174
Total current liabilities	258,242	1,264,600	1,522,842	1,847,166
Noncurrent liabilities:				
Compensated absences payable	419,343	194,124	613,467	511,213
Loans payable	-	2,851,000	2,851,000	3,019,000
Net pension liability	2,765,556	607,787	3,373,343	4,314,440
Other postemployment benefit payable	6,077,731	-	6,077,731	5,763,559
Total noncurrent liabilities	9,262,630	3,652,911	12,915,541	13,608,212
Total liabilities	9,520,872	4,917,511	14,438,383	15,455,378
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	424,666	93,421	518,087	260,714
Deferred inflows related to other postemployment benefit	2,769,133	-	2,769,133	3,365,052
Total deferred inflows of resources	3,193,799	93,421	3,287,220	3,625,766
NET POSITION				
Net investment in capital assets	9,379,194	9,277,048	18,656,242	18,189,693
Restricted -				
Sales tax & operations and maintenance	1,907,256	-	1,907,256	1,808,343
Purpose of grantors, trustees and donors	56,622	-	56,622	32,355
Debt service	-	299,191	299,191	294,074
Unrestricted (deficit)	(7,117,273)	3,720,518	(3,396,755)	(5,213,132)
Total net position	\$ 4,225,799	\$ 13,296,757	\$ 17,522,556	\$ 15,111,333

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Revenues
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem	\$ 291,547	\$ 293,599	\$ 293,089	\$ (510)	\$ 270,066
Franchise	35,934	32,307	32,566	259	34,352
Natural gas	57,708	57,708	59,505	1,797	57,708
Total taxes	<u>385,189</u>	<u>383,614</u>	<u>385,160</u>	<u>1,546</u>	<u>362,126</u>
Licenses and permits:					
Occupational licenses	338,458	329,730	333,945	4,215	341,759
Permits	14,423	18,271	14,561	(3,710)	16,036
Total licenses and permits	<u>352,881</u>	<u>348,001</u>	<u>348,506</u>	<u>505</u>	<u>357,795</u>
Intergovernmental:					
Beer taxes	12,705	11,760	11,359	(401)	11,491
Federal grants	290,000	268,730	268,730	-	964,345
State of louisiana	141,259	338,341	327,589	(10,752)	1,270,161
Housing authority payments in lieu of taxes	73,207	75,246	75,247	1	75,046
Video poker commissions	432,443	463,981	440,062	(23,919)	419,450
Total intergovernmental	<u>949,614</u>	<u>1,158,058</u>	<u>1,122,987</u>	<u>(35,071)</u>	<u>2,740,493</u>
Charges for services:					
Community center rentals	75,885	80,513	84,808	4,295	88,703
Grass cutting and maintenance	14,383	16,618	14,973	(1,645)	17,222
Total charges for services	<u>90,268</u>	<u>97,131</u>	<u>99,781</u>	<u>2,650</u>	<u>105,925</u>
Fines and forfeits:					
City fines revenue	50,000	42,470	42,176	(294)	53,913
STEP fines revenue	1,524,080	771,103	778,500	7,397	74,199
Total fines and forfeits	<u>1,574,080</u>	<u>813,573</u>	<u>820,676</u>	<u>7,103</u>	<u>128,112</u>
Interest on investments	19,977	29,238	31,587	2,349	5,363
Miscellaneous:					
Prisoner reimbursement	136,000	125,000	125,509	509	130,156
Sale of surplus equipment	30,000	17,000	17,118	118	12,391
City court supplement	30,000	29,434	29,434	-	29,435
Other miscellaneous revenue	80,320	34,296	34,305	9	115,736
Total miscellaneous	<u>276,320</u>	<u>205,730</u>	<u>206,366</u>	<u>636</u>	<u>287,718</u>
Total revenues	<u>\$3,648,329</u>	<u>\$3,035,345</u>	<u>\$ 3,015,063</u>	<u>\$ (20,282)</u>	<u>\$ 3,987,532</u>

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Expenditures
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget	
	Original	Final		Positive (Negative)	2024 Actual
General government:					
Administration-					
Salaries	\$ 187,421	\$ 183,783	\$ 183,683	\$ 100	\$ 170,397
Payroll taxes	14,047	13,541	13,811	(270)	12,818
Group insurance	270,888	344,724	322,958	21,766	368,091
General insurance	311,488	308,575	273,707	34,868	299,707
Retirement	13,469	11,408	11,274	134	12,123
Professional fees	57,191	44,746	43,589	1,157	69,811
City promotions	2,172	6,208	4,410	1,798	4,397
Tax roll	7,194	4,181	4,181	-	7,194
Utilities	31,090	47,566	48,276	(710)	31,029
Dues and subscriptions	3,146	4,722	3,094	1,628	4,499
Repairs and maintenance	11,989	10,880	11,023	(143)	14,873
Supplies	3,771	969	632	337	7,295
Equipment	4,833	1,084	881	203	2,467
Engineering fees	21,605	9,238	10,170	(932)	7,890
Miscellaneous	28,414	125,707	126,103	(396)	36,377
	<u>968,718</u>	<u>1,117,332</u>	<u>1,057,792</u>	<u>59,540</u>	<u>1,048,968</u>
City court-					
Salaries	156,409	157,039	157,196	(157)	151,782
Payroll taxes	10,724	10,684	10,744	(60)	10,475
General insurance	2,415	1,552	1,562	(10)	2,187
Part-time labor	8,682	12,800	12,916	(116)	12,540
Retirement	26,407	22,990	23,488	(498)	25,159
Professional fees	72,618	269,686	285,632	(15,946)	163,288
Utilities	22,477	24,903	25,395	(492)	24,902
Repairs and maintenance	13,970	4,033	4,030	3	10,531
Rent Expense	1,918	2,345	2,191	154	2,259
Supplies	9,067	11,498	14,619	(3,121)	9,563
Equipment	8,219	1,762	1,762	-	8,098
Subscriptions and publications	433,162	28,211	31,050	(2,839)	24,198
	<u>766,068</u>	<u>547,503</u>	<u>570,585</u>	<u>(23,082)</u>	<u>444,982</u>
Total general government	<u>1,734,786</u>	<u>1,664,835</u>	<u>1,628,377</u>	<u>36,458</u>	<u>1,493,950</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Original	Final			
Public safety:					
Police department -					
Salaries	\$ 1,765,410	\$ 1,501,540	\$ 1,491,331	\$ 10,209	\$ 1,382,794
Payroll taxes	32,042	35,637	36,150	(513)	31,285
General insurance	86,169	85,339	84,964	375	73,821
Contract labor	49,363	36,382	31,288	5,094	59,264
Supplemental pay	136,800	148,800	149,340	(540)	136,800
Retirement	418,813	430,506	426,434	4,072	383,732
Professional fees	16,110	21,433	21,681	(248)	77,362
Uniforms	11,086	24,147	24,439	(292)	9,432
Utilities	76,294	82,514	84,809	(2,295)	80,552
Repairs and maintenance	144,358	108,945	108,489	456	120,092
Supplies	41,582	38,724	36,114	2,610	45,549
Equipment	106,625	37,198	34,433	2,765	168,411
Storm related expenses	-	-	-	-	91
Prisoner Care	52,691	46,062	38,421	7,641	48,098
Miscellaneous	150,135	232,645	238,168	(5,523)	172,857
	<u>3,087,478</u>	<u>2,829,872</u>	<u>2,806,061</u>	<u>23,811</u>	<u>2,790,140</u>
Fire department -					
Contract labor	21,893	29,661	29,446	215	22,486
Rent expense	354	-	-	-	354
	<u>22,247</u>	<u>29,661</u>	<u>29,446</u>	<u>215</u>	<u>22,840</u>
Permit department -					
Salaries	44,372	43,960	47,450	(3,490)	42,823
Payroll taxes	2,968	2,970	3,024	(54)	2,902
Retirement	6,751	6,160	6,112	48	6,484
General insurance	305	241	378	(137)	236
Professional fees	924	-	25	(25)	1,392
Utilities	696	696	696	-	696
Repairs and maintenance	27	448	24	424	51
Supplies	334	451	1,495	(1,044)	420
Equipment	160	-	-	-	160
Engineering Fees	2,446	-	-	-	-
Miscellaneous	823	1,076	1,093	(17)	989
	<u>59,806</u>	<u>56,002</u>	<u>60,297</u>	<u>(4,295)</u>	<u>56,153</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Original	Final			
Public safety: (continued)					
Marshal department -					
Salaries	14,616	14,616	14,929	(313)	14,712
Payroll taxes	2,614	1,956	2,083	(127)	1,896
Part-time labor	25,541	11,024	11,604	(580)	10,385
General insurance	5,012	3,548	3,498	50	6,118
Retirement	2,262	2,054	2,029	25	2,182
Professional fees	1,400	-	-	-	-
Uniforms	40	40	591	(551)	40
Utilities	1,000	1,338	1,317	21	1,096
Repairs and maintenance	1,750	1,100	2,589	(1,489)	-
Supplies	400	197	277	(80)	-
Equipment	-	1,300	1,344	(44)	-
Miscellaneous	99	-	190	(190)	99
	<u>54,734</u>	<u>37,173</u>	<u>40,451</u>	<u>(3,278)</u>	<u>36,528</u>
Animal control -					
Salaries	50,718	34,158	34,732	(574)	37,048
Payroll taxes	3,851	2,213	2,208	5	2,785
General insurance	1,988	725	734	(9)	1,262
Retirement	2,618	9,732	9,705	27	-
Uniforms	1,514	-	-	-	1,082
Utilities	7,277	7,774	8,865	(1,091)	7,322
Repairs and maintenance	1,226	1,533	1,092	441	1,705
Supplies	197	299	-	299	166
Equipment	1,122	-	-	-	1,122
Animal care	66	859	486	373	809
Miscellaneous	6,104	3,799	2,661	1,138	5,383
	<u>76,681</u>	<u>61,092</u>	<u>60,483</u>	<u>609</u>	<u>58,684</u>
Total public safety	<u>3,300,946</u>	<u>3,013,800</u>	<u>2,996,738</u>	<u>17,062</u>	<u>2,964,345</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Original	Final			
Public works:					
Salaries	309,323	318,660	320,114	(1,454)	271,138
Payroll taxes	44,941	47,849	48,836	(987)	41,326
General insurance	58,539	65,454	66,129	(675)	53,859
Contract labor	285,961	341,410	341,860	(450)	279,251
Retirement	42,057	38,184	38,379	(195)	34,621
Professional fees	52	183	76	107	157
Uniforms	22,206	29,310	24,024	5,286	26,863
Utilities	16,511	19,614	18,541	1,073	19,521
Repairs and maintenance	231,260	166,645	153,241	13,404	172,655
Supplies	30,589	17,325	16,906	419	30,388
Equipment	32,221	6,726	6,932	(206)	31,032
Storm related expenses	560	2,362	2,795	(433)	1,047
Engineering fees	52,930	44,394	40,219	4,175	54,102
Miscellaneous	55,946	87,616	88,456	(840)	71,628
Total public works	<u>1,183,096</u>	<u>1,185,732</u>	<u>1,166,508</u>	<u>19,224</u>	<u>1,087,588</u>
Culture and recreation:					
Centers and parks -					
Professional fees	96	1,966	2,626	(660)	-
Utilities	89,873	106,127	106,162	(35)	92,089
Repairs and maintenance	189,301	120,852	120,086	766	116,694
Supplies	24,808	26,604	25,242	1,362	21,404
Equipment	14,231	19,997	20,386	(389)	2,716
Engineering fees	1,222	12,909	13,428	(519)	2,648
Miscellaneous	28,612	34,991	26,485	8,506	44,795
	<u>348,143</u>	<u>323,446</u>	<u>314,415</u>	<u>9,031</u>	<u>280,346</u>

(continued)

CITY OF RAYNE, LOUISIANA
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Museum -					
Utilities	3,988	5,672	6,513	(841)	4,471
Repairs and maintenance	1,720	10,914	6,967	3,947	6,926
Miscellaneous	17,917	5,819	4,247	1,572	7,900
	<u>23,625</u>	<u>22,405</u>	<u>17,727</u>	<u>4,678</u>	<u>19,297</u>
Total culture and recreation	<u>371,768</u>	<u>345,851</u>	<u>332,142</u>	<u>13,709</u>	<u>299,643</u>
Capital outlay	<u>1,034,988</u>	<u>1,000,598</u>	<u>929,123</u>	<u>71,475</u>	<u>2,247,050</u>
Total expenditures	<u>\$7,625,584</u>	<u>\$ 7,210,816</u>	<u>\$ 7,052,888</u>	<u>\$ 157,928</u>	<u>\$ 8,092,576</u>

CITY OF RAYNE, LOUISIANA
Sales Tax Special Revenue Fund

Detailed Budgetary Comparison Schedule
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes					
Sales tax collections	\$ 2,925,289	\$ 2,968,219	\$ 2,933,522	\$ (34,697)	\$ 2,903,041
Interest	2,962	2,607	2,810	203	3,017
Total revenues	<u>2,928,251</u>	<u>2,970,826</u>	<u>2,936,332</u>	<u>(34,494)</u>	<u>2,906,058</u>
Expenditures:					
General government					
Salaries	43,558	43,765	44,161	(396)	42,167
Payroll taxes	2,944	2,977	3,000	(23)	2,889
Group insurance	16,711	15,988	16,066	(78)	15,117
General insurance	299	238	241	(3)	232
Retirement	6,629	6,099	6,066	33	6,384
Sales tax collection fees	44,115	41,243	40,855	388	43,608
Total expenditures	<u>114,256</u>	<u>110,310</u>	<u>110,389</u>	<u>(79)</u>	<u>110,397</u>
Excess of revenues over expenditures	2,813,995	2,860,516	2,825,943	(34,573)	2,795,661
Other financing sources (uses):					
Transfers out	<u>(2,739,014)</u>	<u>(2,739,014)</u>	<u>(2,739,014)</u>	-	<u>(2,739,014)</u>
Excess (deficiency) of revenues over expenditures and other uses	74,981	121,502	86,929	(34,573)	56,647
Fund balance, beginning	<u>1,709,666</u>	<u>1,709,666</u>	<u>1,709,666</u>	-	<u>1,653,019</u>
Fund balance, ending	<u>\$ 1,784,647</u>	<u>\$ 1,831,168</u>	<u>\$ 1,796,595</u>	<u>\$ (34,573)</u>	<u>\$ 1,709,666</u>

CITY OF RAYNE, LOUISIANA
Capital Projects Fund

Detailed Budgetary Comparison Schedule
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Interest on investments	\$ 65,000	\$ 72,414	\$ 82,607	\$ 10,193	\$ 1,417
Total revenues	<u>65,000</u>	<u>72,414</u>	<u>82,607</u>	<u>10,193</u>	<u>1,417</u>
Expenditures:					
General government					
Miscellaneous	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	65,000	72,414	82,607	10,193	1,417
Other financing sources (uses):					
Transfers out	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,500,800</u>
Excess (deficiency) of revenues over expenditures and other uses	1,065,000	1,072,414	1,082,607	10,193	1,502,217
Fund balance, beginning	<u>1,502,217</u>	<u>1,502,217</u>	<u>1,502,217</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$2,567,217</u>	<u>\$2,574,631</u>	<u>\$2,584,824</u>	<u>\$ 10,193</u>	<u>\$ 1,502,217</u>

CITY OF RAYNE, LOUISIANA

Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2025

	Special Revenue			Total
	Section 8 Housing Voucher Program	Youth Recreation Fund	Veteran's Park Fund	
ASSETS				
Cash and interest-bearing deposits	\$ 59,521	\$ 102,679	\$ 16,682	\$ 178,882
Prepays items	-	2,709	-	2,709
Total assets	<u>\$ 59,521</u>	<u>\$ 105,388</u>	<u>\$ 16,682</u>	<u>\$ 181,591</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 29	\$ 7,212	\$ 68	\$ 7,309
Accrued liabilities	2,870	4,129	-	6,999
Total liabilities	<u>2,899</u>	<u>11,341</u>	<u>68</u>	<u>14,308</u>
Fund balances:				
Restricted -				
Operations and maintenance	-	94,047	16,614	110,661
Purpose of grantors, trustees and donors	56,622	-	-	56,622
Total fund balances	<u>56,622</u>	<u>94,047</u>	<u>16,614</u>	<u>167,283</u>
Total liabilities and fund balances	<u>\$ 59,521</u>	<u>\$ 105,388</u>	<u>\$ 16,682</u>	<u>\$ 181,591</u>

CITY OF RAYNE, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2025

	Special Revenue			Total
	Section 8 Housing Voucher Program	Youth Recreation Fund	Veteran's Park Fund	
Revenues:				
Taxes -				
Ad valorem	\$ -	\$ 202,644	\$ -	\$ 202,644
Intergovernmental -				
Federal	648,056	-	-	648,056
Charges for services	-	105,232	-	105,232
Investment income	99	51	-	150
Miscellaneous	3,008	649	300	3,957
Total revenues	<u>651,163</u>	<u>308,576</u>	<u>300</u>	<u>960,039</u>
Expenditures:				
Current -				
Culture and recreation	-	371,086	983	372,069
Urban redevelopment housing	636,896	-	-	636,896
Capital outlay	-	44,823	-	44,823
Total expenditures	<u>636,896</u>	<u>415,909</u>	<u>983</u>	<u>1,053,788</u>
Excess (deficiency) of revenues over expenditures	14,267	(107,333)	(683)	(93,749)
Other financing sources:				
Transfers in	<u>10,000</u>	<u>120,000</u>	<u>-</u>	<u>130,000</u>
Net changes in fund balances	24,267	12,667	(683)	36,251
Fund balances, beginning	<u>32,355</u>	<u>81,380</u>	<u>17,297</u>	<u>131,032</u>
Fund balances, ending	<u>\$ 56,622</u>	<u>\$ 94,047</u>	<u>\$ 16,614</u>	<u>\$ 167,283</u>

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

Detailed Budgetary Comparison Schedule
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Intergovernmental revenue -					
Federal grant	\$ 574,718	\$ 603,871	\$ 648,056	\$ 44,185	\$ 579,757
Interest income	92	97	99	2	104
Miscellaneous income	-	-	3,008	3,008	489
Total revenues	<u>574,810</u>	<u>603,968</u>	<u>651,163</u>	<u>47,195</u>	<u>580,350</u>
Expenditures:					
Urban redevelopment and housing -					
Salaries	74,523	77,973	77,466	507	71,601
Payroll taxes	5,629	5,717	5,810	(93)	5,377
Group insurance	503	489	532	(43)	472
General insurance	433	404	410	(6)	383
Retirement - current	10,755	9,679	9,611	68	10,023
Professional fees	9,717	10,291	9,319	972	10,089
Utilities	348	348	347	1	348
Supplies	-	330	-	330	-
Utility assistance	178	-	-	-	213
Housing assistance	482,318	514,993	529,310	(14,317)	487,054
Miscellaneous	1,015	1,046	4,091	(3,045)	1,497
Total expenditures	<u>585,419</u>	<u>621,270</u>	<u>636,896</u>	<u>(15,626)</u>	<u>587,057</u>
Excess of (deficiency) revenues over expenditures	<u>(10,609)</u>	<u>(17,302)</u>	<u>14,267</u>	<u>31,569</u>	<u>(6,707)</u>
Other financing sources (uses):					
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(609)	(7,302)	24,267	31,569	3,293
Fund balance, beginning	<u>32,355</u>	<u>32,355</u>	<u>32,355</u>	<u>-</u>	<u>29,062</u>
Fund balance, ending	<u>\$ 31,746</u>	<u>\$ 25,053</u>	<u>\$ 56,622</u>	<u>\$ 31,569</u>	<u>\$ 32,355</u>

CITY OF RAYNE, LOUISIANA
Special Revenue Fund
Youth Recreation Fund

Detailed Budgetary Comparison Schedule
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget	2024 Actual
	Original	Final		Positive (Negative)	
Revenues:					
Taxes	\$ 186,225	\$ 203,103	\$ 202,644	\$ (459)	\$ 186,942
Charges for services -					
Concession stand	32,585	29,054	34,935	5,881	29,514
Registration fees	63,320	58,416	70,297	11,881	55,784
Miscellaneous income	-	-	649	649	-
Investment income	52	52	51	(1)	52
Total revenues	<u>282,182</u>	<u>290,625</u>	<u>308,576</u>	<u>17,951</u>	<u>272,292</u>
Expenditures:					
Culture and recreation -					
Salaries	133,117	117,391	101,960	15,431	128,987
Payroll taxes	11,260	10,239	9,280	959	11,362
Group insurance	22,862	18,851	17,040	1,811	20,566
General insurance	17,786	11,512	12,362	(850)	15,230
Contract labor	32,776	39,098	43,478	(4,380)	30,446
Retirement - current	17,560	11,236	9,153	2,083	15,353
Professional fees	394	-	-	-	-
Utilities	19,811	20,390	21,860	(1,470)	19,880
Repairs and maintenance	7,928	14,447	8,293	6,154	13,091
Supplies	2,297	1,893	2,056	(163)	2,425
Equipment	4,636	2,503	2,211	292	3,947
Engineering fees	-	90	90	-	-
Youth programs	105,413	97,619	108,811	(11,192)	93,024
Concession expense	15,619	16,136	18,655	(2,519)	15,747
Capital outlay	-	44,823	44,823	-	12,321
Miscellaneous	7,647	12,695	15,837	(3,142)	11,175
Total expenditures	<u>399,106</u>	<u>418,923</u>	<u>415,909</u>	<u>3,014</u>	<u>393,554</u>
Excess of (deficiency) revenues over expenditures	<u>(116,924)</u>	<u>(128,298)</u>	<u>(107,333)</u>	<u>20,965</u>	<u>(121,262)</u>
Other financing sources (uses):					
Transfers in	120,000	120,000	120,000	-	120,000
Total other financing sources (uses)	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	3,076	(8,298)	12,667	20,965	(1,262)
Fund balance, beginning	<u>81,380</u>	<u>81,380</u>	<u>81,380</u>	<u>-</u>	<u>82,642</u>
Fund balance, ending	<u>\$ 84,456</u>	<u>\$ 73,082</u>	<u>\$ 94,047</u>	<u>\$ 20,965</u>	<u>\$ 81,380</u>

CITY OF RAYNE, LOUISIANA
Special Revenue Fund
Rayne Veterans Park

Detailed Budgetary Comparison Schedule
For the Year Ended September 30, 2025
With Comparative Actual Amounts for the Year Ended September 30, 2024

	2025			Variance - Favorable (Unfavorable)	2024 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Miscellaneous	\$ 150	\$ 300	\$ 300	\$ -	\$ 75
Expenditures:					
Culture and Recreation -					
Utilities	1,260	808	808	-	800
Repairs and maintenance	1,050	175	175	-	-
Total expenditures	<u>2,310</u>	<u>983</u>	<u>983</u>	<u>-</u>	<u>800</u>
Excess (deficiency) of revenues over expenditures	(2,160)	(683)	(683)	-	(725)
Other financing sources (uses):					
Transfers	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and other uses	(2,160)	(683)	(683)	-	(725)
Fund balance, beginning	<u>17,297</u>	<u>17,297</u>	<u>17,297</u>	<u>-</u>	<u>18,022</u>
Fund balance, ending	<u>\$ 15,137</u>	<u>\$ 16,614</u>	<u>\$ 16,614</u>	<u>\$ -</u>	<u>\$ 17,297</u>

CITY OF RAYNE, LOUISIANA
Comparative Statement of Net Position
Combined Enterprise Funds
September 30, 2025 and 2024

	Enterprise Fund	
	2025	2024
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 2,351,418	\$ 2,677,234
Investments	1,042,243	1,947,573
Accounts receivable, net	1,603,020	1,290,105
Due from other governmental agencies	164,971	164,971
Inventory	402,454	376,030
Prepaid items	65,791	64,402
Total current assets	5,629,897	6,520,315
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	607,052	606,230
Capital assets -		
Land and construction in progress	718,020	1,923,404
Other capital assets, net	11,577,103	10,365,984
Total noncurrent assets	12,902,175	12,895,618
Total assets	18,532,072	19,415,933
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	44,348	79,864
LIABILITIES		
Current liabilities:		
Accounts and other payables	789,664	578,771
Due to other funds	268,731	964,345
Payable from restricted assets:		
Customers' deposits payable	307,861	312,156
Loans payable	163,000	152,000
Accrued interest payable	4,075	4,088
Unearned revenue	-	515,174
Total current liabilities	1,533,331	2,526,534
Noncurrent liabilities:		
Compensated absences payable	194,124	198,375
Loans payable	2,851,000	3,019,000
Net pension liability	607,787	783,852
Total noncurrent liabilities	3,652,911	4,001,227
Total liabilities	5,186,242	6,527,761
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	93,421	52,570
NET POSITION		
Net investment in capital assets	9,277,048	9,114,300
Restricted for debt service	299,191	294,074
Unrestricted	3,720,518	3,507,092
Total net position	\$ 13,296,757	\$ 12,915,466

CITY OF RAYNE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position -
 Combined Enterprise Fund
 For the Years Ended September 30, 2025 and 2024

	Enterprise Fund	
	2025	2024
Operating revenues:		
Charges for services -		
Electric sales	\$ 10,982,872	\$ 9,935,268
Water service charges	1,380,020	1,372,792
Sewer service charges	1,035,664	1,016,071
Delinquent charges and other fees	270,056	252,227
Miscellaneous	183,025	198,750
Total operating revenues	<u>13,851,637</u>	<u>12,775,108</u>
Operating expenses:		
Salaries	1,812,339	1,616,054
Payroll taxes	130,809	125,416
Group insurance	313,804	270,277
General insurance	187,530	171,820
Contract labor	25,938	39,658
Retirement - current	128,116	146,798
Bad Debt expense	47,782	47,483
Professional fees	210,675	208,852
Electric purchases	6,625,178	6,086,409
Uniforms	24,613	24,801
Utilities	189,811	196,526
Repairs and maintenance	414,245	454,455
Supplies	153,151	171,578
Equipment	7,424	2,295
Engineering fees	84,295	65,540
Depreciation expense	776,420	693,818
Miscellaneous	120,992	105,725
Total operating expenses	<u>11,253,122</u>	<u>10,427,505</u>
Operating income	<u>2,598,515</u>	<u>2,347,603</u>
Nonoperating revenues (expenses):		
Nonemployer pension contribution	49,067	45,642
Interest income	158,534	243,859
Interest expense	(59,350)	(60,717)
Total nonoperating revenues (expenses)	<u>148,251</u>	<u>228,784</u>
Income before contributions and transfers	2,746,766	2,576,387
Capital contributions	204,057	1,133,062
Transfers out	(2,569,532)	(2,945,332)
Change in net position	381,291	764,117
Net position, beginning	<u>12,915,466</u>	<u>12,151,349</u>
Net position, ending	<u>\$ 13,296,757</u>	<u>\$ 12,915,466</u>

CITY OF RAYNE, LOUISIANA
Enterprise Fund
Utility Funds

Comparative Departmental Analysis of Revenues and Expenses
For the Years Ended September 30, 2025 and 2024

	Totals		Utility Fund	
			Electric	
	2025	2024	2025	2024
Operating revenues:				
Customers service charges	\$ 13,398,556	\$ 12,324,131	\$ 10,982,872	\$ 9,935,268
Delinquent charges and other fees	270,056	252,227	267,956	248,027
Miscellaneous	183,025	198,750	183,025	198,750
Total operating revenues	<u>13,851,637</u>	<u>12,775,108</u>	<u>11,433,853</u>	<u>10,382,045</u>
Operating expenses:				
Salaries	1,812,339	1,616,054	453,065	390,099
Payroll taxes	130,809	125,416	32,766	29,705
Group insurance	313,804	270,277	-	-
General insurance	187,530	171,820	16,485	14,904
Contract labor	25,938	39,658	-	4,276
Retirement - current	128,116	146,798	50,630	50,149
Bad debt expense	47,782	47,483	-	-
Professional fees	210,675	208,852	23,100	27,982
Electric purchases	6,625,178	6,086,409	6,625,178	6,086,409
Uniforms	24,613	24,801	11,045	9,133
Utilities	189,811	196,526	14,644	13,543
Repairs and maintenance	414,245	454,455	141,011	155,372
Supplies	153,151	171,578	38,291	42,545
Equipment	7,424	2,295	-	-
Engineering fees	84,295	65,540	2,355	3,347
Depreciation	776,420	693,818	178,970	178,970
Miscellaneous	120,992	105,725	9,485	6,159
Allocation of administrative expense	-	-	1,324,132	1,038,556
Total operating expenses	<u>11,253,122</u>	<u>10,427,505</u>	<u>8,921,157</u>	<u>8,051,149</u>
Net operating income (loss)	<u>\$ 2,598,515</u>	<u>\$ 2,347,603</u>	<u>\$ 2,512,696</u>	<u>\$ 2,330,896</u>

Utility Fund (continued)					
Water		Sewer		Administration	
2025	2024	2025	2024	2025	2024
\$ 1,380,020	\$ 1,372,792	\$ 1,035,664	\$ 1,016,071	\$ -	\$ -
2,100	4,200	-	-	-	-
-	-	-	-	-	-
<u>1,382,120</u>	<u>1,376,992</u>	<u>1,035,664</u>	<u>1,016,071</u>	<u>-</u>	<u>-</u>
606,649	587,969	192,027	186,536	560,598	451,450
43,256	45,092	14,325	14,412	40,462	36,207
-	-	-	-	313,804	270,277
36,061	38,457	9,653	9,744	125,331	108,715
-	1,743	-	-	25,938	33,639
77,012	76,078	21,783	24,395	(21,309)	(3,824)
-	-	-	-	47,782	47,483
9,175	11,261	8,437	9,775	169,963	159,834
-	-	-	-	-	-
9,788	10,827	3,712	3,954	68	887
73,578	99,668	89,002	70,657	12,587	12,658
220,102	249,668	42,786	37,415	10,346	12,000
13,882	23,410	10,989	11,135	89,989	94,488
-	-	7,424	2,295	-	-
23,951	20,124	55,001	39,249	2,988	2,820
199,567	199,567	315,281	315,281	82,602	-
23,702	25,088	27,176	18,944	60,629	55,534
161,480	141,039	129,184	102,573	(1,614,796)	(1,282,168)
<u>1,498,203</u>	<u>1,529,991</u>	<u>926,780</u>	<u>846,365</u>	<u>(93,018)</u>	<u>-</u>
<u>\$ (116,083)</u>	<u>\$ (152,999)</u>	<u>\$ 108,884</u>	<u>\$ 169,706</u>	<u>\$ 93,018</u>	<u>\$ -</u>

CITY OF RAYNE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
September 30, 2025 and 2024

Records maintained by the City indicated the following number of customers were being serviced during the month of September 30, 2025 and 2024.

<u>Department</u>	<u>2025</u>	<u>2024</u>
Electric (metered)	3,796	3,820
Water (metered)	3,401	3,411
Sewerage	3,192	3,199

CITY OF RAYNE, LOUISIANA

Justice System Funding Schedule - Receiving Entity
As Required by LA. R.S. 24:515.2

Cash Basis Presentation	First Six Month Period Ended 3/31/2025	Second Six Month Period Ended 9/30/2025
Receipts From:		
Acadia Parish Police Jury, Criminal Court Costs/Fees	\$ 2,600	\$ 1,350
Rayne City Court, Criminal Fines- Other	<u>531,620</u>	<u>288,633</u>
Subtotal Receipts	<u>\$ 534,220</u>	<u>\$ 289,983</u>

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

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rayne, Louisiana, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Rayne, Louisiana's basic primary government financial statements and have issued our report thereon dated March 25, 2026.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. No significant deficiencies were identified.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedules of findings and management's corrective action plan as items 2025-1 that we consider to be a material weakness.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Rayne, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose any 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 25, 2026

THIBODEAUX ACCOUNTING COMPANY

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CERTIFIED PUBLIC ACCOUNTANTS

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, the City of Rayne, Louisiana, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grants agreements applicable to City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibility for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that were not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 25, 2026

CITY OF RAYNE, LOUISIANA

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

Federal Grantor / Pass-Through Grantor / Program Name	Assistance Listing Number	Expenditures
Direct Programs:		
U.S. Department of Housing and Urban Development Section 8 Housing Choice Voucher Program	14.871	\$ <u>531,890</u>
Indirect Programs:		
U.S. Department of Housing and Urban Development Passed through Crowley Housing Authority- Section 8 Housing Choice Vouchers	14.871	107,744
U.S. Department of Housing and Urban Development Passed through St. Landry Housing Authority- Section 8 Housing Choice Vouchers	14.871	<u>8,422</u>
Total Indirect Section 8 Housing Choice Vouchers		<u>116,166</u>
Total Housing Voucher Cluster		<u>648,056</u>
U.S. Department of Treasury- Passed through Louisiana Division of Administration COVID-19 Coronavirus State and Local Fiscal Recovery Funds*	21.027	472,787
U.S. Department of Justice, Edward Bryne Memorial Justice Assistance Grant (JAG) Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice	16.738	<u>2,390</u>
TOTAL FEDERAL EXPENDITURES		<u>\$ 1,123,233</u>

* Indicates major program

CITY OF RAYNE, LOUISIANA

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

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of Rayne (City) under programs of the federal government for the year ended September 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements for the year ended September 30, 2025. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

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

(4) Loans Outstanding

The City had a loan balance outstanding of \$3,014,000 at September 30, 2025 for the Capitalization Grants for Drinking Water Revolving Loans (66.468). Loans made during the year are included in the federal expenditures presented in the schedule of expenditures of federal awards; however, the City did not make drawdowns during the fiscal year.

(5) Prior Year Federal Funds

Federal funds identified as "Assistance Listing 20.205" and received as a pass-through the Louisiana Department of Transportation in fiscal year 2022 totaling \$56,949 represented reimbursements for costs incurred by the City with regards to qualifying sidewalk projects that were completed during the fiscal year ended September 30, 2022. The costs incurred by the City for these sidewalk projects were inadvertently left off of the Statement of Federal Expenditures (SEFA) schedule in fiscal year 2022. This footnote provides the information that would have been provided in the 2022 SEFA had the funding been properly included.

**CITY OF RAYNE
RAYNE, LOUISIANA**

**Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2025**

Section I- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified? Yes X None reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditor's report issued on compliance for Major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) Yes X No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

The dollar threshold used for distinguishing between Type A and B programs was \$1,000,000.

Auditee qualified as a low-risk auditee? Yes X No

**CITY OF RAYNE
RAYNE, LOUISIANA**

**Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2025**

Section II- Findings- Financial Statements Audit

A. Internal Control Findings

There is an internal control finding reported. See item 2025-1 in the schedule of current audit findings and management's corrective action plan.

B. Compliance Findings

None.

Section III- Findings and Questioned Costs- Major Federal Award Programs Audit

None

CITY OF RAYNE, LOUISIANA

**Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan
For the Year Ended September 30, 2025**

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

Internal Control Findings-

2025-001 Inadequate Controls Over Billing Software Adjustments

Fiscal year finding initially occurred: 2025

Criteria

Between May of 2022 and January 2026, Dylan Menard, Utility Billing Coordinator, manipulated meter readings within the city's billing system to misappropriate electric and sewer services on his account of approximately \$4,500.

Condition

An employee in the utility billing department had access to billing, collections and customer adjustments in the billing system which allowed him to make adjustments.

Cause

The City failed to have proper segregation of duties and internal controls which would have detected and prevented utility billing manipulation.

Effect

The city has notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by LA R.S. 24:523 in a timely manner. The city also notified the Rayne Police Department, who initiated an investigation. The investigation concluded and Dylan Menard was charged malfeasance in office, injuring public records and theft. To date, Mr. Menard has been terminated and has paid restitution of approximately \$4,500. As of 3/25/26, charges have been brought to the District Attorney's office and are awaiting arraignment.

Recommendation

Management should ensure that duties are segregated and access to software is limited. Internal controls should be in place to deter, detect and prevent fraud.

Management's Corrective Action Plan

Since this incident occurred, all access to adjustments in the billing software can only be done by the clerk. Segregation of duties has been implemented and no employee can access billing and do collections. All access to adjustment have been removed from all employees and exception reports are run every month to ensure that only the clerk has made any adjustments.

CITY OF RAYNE, LOUISIANA
Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan (Continued)
For the Year Ended September 30, 2025

Part II. Prior Year Findings and Management's Corrective Action Plan

Internal Control Findings-

2024-001 Inadequate Controls Over Contracts for Services.

Condition

The City Court should have policies and procedures in place to ensure that contracts for software programming services are properly obtained including determining the contract terms, conditions, and estimated cost.

Recommendation

The City of Rayne should require that the City Court follow proper procedures when entering into a contract for services. The City of Rayne should be included in the process due to the City being fiscally responsible for paying the Court's expenses.

Current Status: Resolved

2024-002 Internal Control Over Preparation of SEFA

Condition

During the course of a regulatory audit, it was noted that the City did not include federal expenditures on the 2023 SEFA. The City did not have controls in place to detect and correct this error.

Recommendation

The City should have someone with suitable skill in charge of all federal funding who can accurately maintain and track all federal and state funding and expenditures and should have policies and procedures to ensure proper reporting.

Current Status: Resolved

Compliance Findings

2024-003 Inappropriate Application of Procurement Methods

Condition

The City failed to adhere to state bid law alternative procurement method when purchasing equipment.

Recommendation

Management should educate employees on policies and procedures to ensure compliance with state procurement laws.

Current Status: Resolved



CITY OF RAYNE

CHARLES E. "CHUCK" ROBICHAUX

MAYOR

March 25, 2026

The City of Rayne respectfully submits the following corrective action plan for the year ended September 30, 2025.

ALDERMEN

Name and address of independent public accounting firm:

Thibodeaux Accounting Company, LLC
801 The Boulevard, Suite B
P.O. Box 34
Rayne, LA 70578

LENDELL J. "PETE" BABINEAUX

MAYOR PRO-TEM

Audit period: October 1, 2024-September 30,2025

BRIAN SETH MOUTON

DISTRICT 1

The findings from the September 30, 2025 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS- FINANCIAL STATEMENT AUDIT

KENNETH J. GUIDRY

DISTRICT 2

INTERNAL CONTROL

2025-1

Recommendation: Management should ensure that duties are segregated and access to software is limited. Internal controls should be in place to deter, detect and prevent fraud.

CALISE MICHAEL DOUCET

DISTRICT 3

Action Taken: Since this incident occurred, all access to adjustments in the billing software can only be done by the clerk. Segregation of duties has been implemented and no employee can access billing and do collections. All access to adjustments have been removed from all employees and exception reports are run every month to ensure that only the clerk has made any adjustments.

JAMES A. "JIMMY" FONTENOT

DISTRICT 4

ANGELIQUE N. BREAU

CITY CLERK

MICHAEL H. LANDRY

CITY ATTORNEY



CITY OF RAYNE

COMPLIANCE

No findings.

If there are any questions regarding this plan, please call Charles Robichaux, Mayor, at (337) 334-3121.

Sincerely,

A handwritten signature in black ink that reads "Charles E. Robichaux". The signature is written in a cursive style with a prominent initial "C".

Charles E. Robichaux, Mayor
City of Rayne



CITY OF RAYNE

CHARLES E. "CHUCK" ROBICHAUX

MAYOR

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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

ALDERMEN

A. Internal Control

2024-001- Inadequate Controls Over Contracts for Services

LENDELL J. "PETE" BABINEAUX

MAYOR PRO-TEM

Fiscal year finding initially occurred: 2024

CONDITION: The City Court should have policies and procedures in place to ensure that contracts for software programming services are properly obtained including determining the contract terms, conditions, and estimated cost.

BRIAN SETH MOUTON

DISTRICT 1

RECOMMENDATION: The City should require that City Court follow proper procedures when entering into a contract for services. The City should be included in the process due to the City being fiscally responsible for paying the Court's expenses.

KENNETH J. GUIDRY

DISTRICT 2

CURRENT STATUS: Resolved.

2024-002- Internal Control Over Preparation of SEFA

CALISE MICHAEL DOUCET

DISTRICT 3

Fiscal year finding initially occurred: 2024

CONDITION: During the course of a regulatory audit, it was noted that the City did not include federal expenditures on the 2023 SEFA. The City did not have controls in place to detect and correct this error.

JAMES A. "JIMMY" FONTENOT

DISTRICT 4

RECOMMENDATION: The City should have someone with suitable skill in charge of all federal funding who can accurately maintain and track all federal and state funding and expenditures and should have policies and procedures to ensure proper reporting.

ANGELIQUE N. BREAUX

CITY CLERK

CURRENT STATUS: Resolved.

MICHAEL H. LANDRY

CITY ATTORNEY



CITY OF RAYNE

B. Compliance

2024-003 Inappropriate Application of Procurement Methods

Fiscal year finding initially occurred: 2024

CONDITION: The City failed to adhere to state bid law alternative procurement method when purchasing equipment.

RECOMMENDATION: Management should educate employees on policies and procedures to ensure compliance with state procurement laws.

CURRENT STATUS: Resolved.

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

There were no findings or questioned costs for Federal awards for the year ended September 30, 2024.

Sincerely,

Charles E. Robichaux, Mayor
City of Rayne

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED SEPTEMBER 30, 2025

The Honorable Charles E. Robichaux, Mayor
And the Board of Aldermen
City of Rayne, Louisiana
And the Louisiana Legislative Auditor

March 25, 2026

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2024- September 30, 2025. City of Rayne's management is responsible for those C/C areas identified in the SAUPs.

City of Rayne has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2024- September 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. Written Policies and Procedures- Testing not required for FYE 9/30/2025.

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i) Budgeting*, including preparing, adopting, monitoring, and amending the budget
 - ii) Purchasing*, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - iii) Disbursements*, including processing, reviewing, and approving
 - iv) Receipts/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v) Payroll/Personnel*, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi) Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii) Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

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

- viii) **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).
- ix) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2. Board or Finance Committee- Testing not required for FYE 9/30/2025.

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3. Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less

than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- i) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- ii) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- iii) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable

No exceptions noted.

4. Collections (excluding electronic funds transfers)- Testing not required for FYE 9/30/2025.

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - i) Employees that are responsible for cash collections do not share cash drawers/registers.
Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - ii) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i) Observe that receipts are sequentially pre-numbered.

- ii) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip
- iii) Trace the deposit slip total to the actual deposit per the bank statement.
- iv) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v) Trace the actual deposit per the bank statement to the general ledger.

5. Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)- Testing not required for FYE 9/30/2025.

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - i) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - ii) At least two employees are involved in processing and approving payments to vendors.
 - iii) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - iv) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - v) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer or some other electronic means.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - i) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - ii) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main

operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

6. Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- i) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Exceptions noted.

- ii) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions noted.

- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

7. Travel and Travel- Related Expense Reimbursements (excluding card transactions)- Testing not required for FYE 9/30/2025.

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- i) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov).
- ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- iii) Observe that each reimbursement is supported by documentation of business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

- iv) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

8. Contracts- Testing not required for FYE 9/30/2025.

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - i) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised) if required by law.
 - ii) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - iii) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - iv) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

9. Payroll and Personnel- Testing not required for FYE 9/30/2025.

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i) Observe that all selected employees/officials documented their daily attendance and leave (e.g. vacation, sick, compensatory).
 - ii) Observe whether supervisors approved the attendance and leave of the selected employees/officials.
 - iii) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - iv) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee/officials'

cumulative leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files and agree the termination payment to entity policy.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments and workers' compensation premiums) have been paid, and associated forms have been filed, by required deadlines.

10. Ethics – Testing not required for FYE 9/30/2025.

- A. Using the five randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain ethics documentation from management, and:
- i) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal calendar year as required by R.S. 42:1170; and
 - ii) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

11. Debt Service – Testing not required for FYE 9/30/2025.

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12. Fraud Notice- Testing not required for FYE 9/30/2025.

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

13. Information Technology Disaster Recovery/Business Continuity- Testing not required for FYE 9/30/2025.

Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedures and discussed the results with management."**

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe

- evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed the cybersecurity training as required by R.S. 42:1267. The requirements are as follows: Hired before June 9, 2020- completed the training; and Hired on or after June 9, 2020- completed the training within 30 days of initial service or employment.

14. Prevention of Sexual Harassment- Testing not required for FYE 9/30/2025.

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i) Number and percentage of public servants in the agency who have completed the training requirements;
 - ii) Number of sexual harassment complaints received by the agency;
 - iii) Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v) Amount of time it took to resolve each complaint

Management's Response:

Management of the City of Rayne concurs with the exceptions and is working to address the deficiencies identified.

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

We are required to be independent of the City of Rayne and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Thibodeaux Accounting Company

Thibodeaux Accounting Company

A Limited Liability Company
Rayne, Louisiana
March 25, 2026