

CITY COURT OF RAYNE, LOUISIANA

Financial Report

Year Ended September 30, 2023

CITY COURT OF RAYNE, LOUISIANA

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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 Luke Beslin
City Judge
City Court of Rayne
Rayne, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City Court of Rayne, Louisiana, a component unit of City of Rayne, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Rayne, Louisiana, as of September 30, 2023, 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 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 Court 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 audit opinions.

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 Court of Rayne'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 Responsibility 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

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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, 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 also 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 Court of Rayne's internal control. Accordingly, no such opinion is expressed. We will 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 and conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City Court 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 information on pages 27-28 and the schedule of employer's share of net pension liability and the schedule of employer contributions on pages 29-30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America 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 Court of Rayne's basic financial statements. The schedule of compensation, benefits and other payments to Agency Head or Chief Executive Officer and the Justice system funding schedule- collecting/disbursing entity are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, benefits and other payments to Agency Head or Chief Executive Officer and the Justice system funding schedule- collecting/disbursing entity are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report March 22, 2024, on our consideration of the City Court of Raynes 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City Court of Rayne's internal control over financial reporting and compliance.

Thibodeaux Accounting Company

Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana

March 22, 2024

Basic Financial Statements

CITY COURT OF RAYNE, LOUISIANA

STATEMENT OF NET POSITION
September 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 116,378
Due from fiduciary funds	\$ 11,093
Receivables	-
Restricted Assets:	
Cash and cash equivalents	41,586
Total Assets	<u>\$ 169,057</u>
Noncurrent Assets	
Capital assets (net)	<u>\$ 23,183</u>
Total Assets	<u>\$ 192,240</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources, pension related	<u>\$ 18,750</u>
Total Deferred Outflows of Resources	<u>\$ 18,750</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 210,990</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>\$ 4,731</u>
Total Current Liabilities	<u>\$ 4,731</u>
Noncurrent Liabilities	
Net Pension Liability	<u>\$ 114,928</u>
Total Liabilities	<u>\$ 119,659</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources, pension related	<u>\$ 3,191</u>
Total Deferred Inflows of Resources	<u>\$ 3,191</u>
NET POSITION	
Net investment in capital assets	\$ 23,183
Unrestricted	<u>64,957</u>
Total Net Position	<u><u>\$ 88,140</u></u>
Total Liabilities and Net Position	<u><u>\$ 210,990</u></u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

STATEMENT OF ACTIVITIES
Year Ended September 30, 2023

<u>Function / Program</u>	<u>Expenses</u>	<u>Program Revenues</u>	Net (Expense) Revenue and Change in Net Position
		Charges for Services, Fines, and Forfeits	2023 Governmental Activities
Governmental activities:			
General government	<u>179,896</u>	<u>\$120,766</u>	(\$59,130)
General revenues:			
Transfers			<u>-</u>
Change in net position			\$ (59,130)
Net position, beginning			<u>147,270</u>
Net position, ending			<u>\$ 88,140</u>

The accompanying notes are an integral part of this statement.

Fund Financial Statements

CITY COURT OF RAYNE, LOUISIANA

GOVERNMENTAL FUND BALANCE SHEET
September 30, 2023

	<u>General Fund</u>	<u>Building and Maintenance Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 116,378		\$ 116,378
Due from Fiduciary Funds	10,392	701	11,093
Receivables	-	-	-
Restricted Assets:			
Cash and cash equivalents	-	41,586	41,586
Total Assets	<u>\$ 126,770</u>	<u>\$ 42,287</u>	<u>\$ 169,057</u>
LIABILITIES			
Accounts payable	\$ 4,731	\$ -	\$ 4,731
Total Liabilities	<u>\$ 4,731</u>	<u>\$ -</u>	<u>\$ 4,731</u>
FUND BALANCE			
Restricted for:			
Building and Maintenance Fund	\$ -	\$ 42,287	\$ 42,287
Unassigned	122,039	-	122,039
Total Fund Balance	<u>\$ 122,039</u>	<u>\$ 42,287</u>	<u>\$ 164,326</u>
Total Liabilities and Fund Balances	<u>\$ 126,770</u>	<u>\$ 42,287</u>	<u>\$ 169,057</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

Fund Balances - Total Governmental Funds		\$ 164,326
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore reported in the funds.</p>		
Building Improvements, net of \$15,975 accumulated depreciation	13,248	
Equipment, net of \$46,426 accumulated depreciation	9,935	
Deferred Outflows	18,750	
Net Pension Liability	(114,928)	
Deferred Inflows	(3,191)	
		<u>(76,186)</u>
Net Position of Governmental Activities		<u>\$ 88,140</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE
September 30, 2023

	<u>General Fund</u>	<u>Building and Maintenance Fund</u>	<u>Total</u>
Revenues:			
Criminal Fees	\$ 74,128	\$ -	\$ 74,128
Civil Court Fees	40,680	-	40,680
Building and Maintenance Fees		5,958	5,958
Miscellaneous	-	-	-
Total Revenues	<u>\$ 114,808</u>	<u>\$ 5,958</u>	<u>\$ 120,766</u>
Expenditures:			
General Government			
Judicial	\$ 120,800	\$ -	\$ 120,800
Capital Outlay	-	-	-
Total Expenditures	<u>\$ 120,800</u>	<u>\$ -</u>	<u>\$ 120,800</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (5,992)	\$ 5,958	\$ (34)
Other Sources (Uses)			
Transfers In	\$ -	\$ -	\$ -
Transfers Out	-	-	-
Total other sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ (5,992)	\$ 5,958	\$ (34)
Fund Balance, Beginning of Year	<u>128,031</u>	<u>36,329</u>	<u>164,360</u>
Fund Balance, End of Year	<u>\$ 122,039</u>	<u>\$ 42,287</u>	<u>\$ 164,326</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO CHANGE IN NET POSITION FOR THE STATEMENT OF ACTIVITIES

SEPTEMBER 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ (34)

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

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

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	-	
Depreciation expense for the year then ended	<u>(3,602)</u>	(3,602)
Net change in pension liability and deferred inflows/outflows of resources		<u>(55,494)</u>

Change in Net Position of Governmental Activities \$ (59,130)

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 154,091
Accounts receivable	-
Total Assets	<u>\$ 154,091</u>
LIABILITIES	
Accounts payable	\$ 29,721
Due to other funds	11,093
Total Liabilities	<u>\$ 40,814</u>
NET POSITION	
Restricted for individuals, organizations and other governments	<u>\$ 113,277</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
September 30, 2023

	<u>Custodial Funds</u>
ADDITIONS:	
Fines and court costs	\$ 325,578
Civil suit collections	124,049
Total Assets	<u>\$ 449,627</u>
REDUCTIONS:	
Civil and criminal fees distributed to others	\$ 473,872
Other	\$ -
Total Reductions	<u>\$ 473,872</u>
Net change in fiduciary position	\$ (24,245)
Net position, beginning of year	<u>137,522</u>
Balances, end of year	<u><u>\$ 113,277</u></u>

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying basic financial statements of the City Court of Rayne, Louisiana have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the guidance set forth in the Louisiana Governmental Audit Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

Financial Reporting Entity:

The City Court Judge is an independently elected official and is a part of the operations of the City Court system. The City Court of Rayne is fiscally dependent on the City of Rayne for office space and courtrooms. The City of Rayne also has approval authority over the City Court's capital budget. For these reasons, the City Court of Rayne is a component unit of the City of Rayne.

Fund Accounting:

The accounting system of the City Court of Rayne is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on certain activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The funds maintained by the Court consist of the following major categories:

Governmental Funds

Governmental Funds account for all of the City Court's general activities, including the collection and disbursement of specific or legally restricted monies and the general operating expenses of the court.

General Fund—The general fund derives its revenues from charges made through the criminal court system and the civil court system, and expends these funds for certain operations of the court.

Fiduciary Funds

Fiduciary Funds—Fiduciary funds are used to account for assets held by the Court as an agent for other governments, individuals, or funds. The court maintains two custodial funds:

Trust Fund—The Trust Fund collects on judgments, traffic fines and receives traffic bonds pending final settlement. The Trust Fund makes payments in settlements of suits, and the traffic bonds are either refunded, or paid out as fines and court costs. The court costs are paid to the General Fund and the fine portion is paid to another government agency on traffic fines and forfeited traffic bonds.

Marshall's Trust Fund—This custodial fund accounts for the collection of worthless checks and fines and court costs on State charges. Payments are made to other governmental agencies and for restitution on the worthless checks.

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

Basis of Accounting:

The modified accrual basis of accounting is utilized for the General Fund whereby revenues are recognized when they become available and measurable and expenditures when they are incurred. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred.

Vacation and Sick Leave:

The City Court of Rayne has no vacation or sick leave policies as of September 30, 2023. City Court employees are paid by the City of Rayne.

Equity Classifications:

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

1. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets – Consist of net assets with constraints 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.
3. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining for classifications: restricted, committed, assigned, and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Judge – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Judge removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the Court’s “intent” to be used for specific purposes, but are neither restricted nor committed. The City Court of Rayne and the Judge have the authority to assign amounts to be used for specific

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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

Fund balances for the period September 30, 2023 are as follows:

	For year ended September 30, 2023		
	General Fund	Building and Maintenance Fund	Total
Unassigned	122,039	-	122,039
Restricted	-	42,287	42,287
Total Fund			
Balances	\$ 122,039	\$ 42,287	\$ 164,326

Net Position - Government-Wide Statements:

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Court reports three categories of net position as follows:

1. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows or resources attributable to the acquisition, constructions, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
2. Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Court’s bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
3. Unrestricted net position – consist of all other net position that does not meet the definition of the above two components and is available for general use by the Court.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted resources first, then unrestricted resources as they are needed.

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

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

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. The City Court of Crowley recognizes deferred outflows of resources and deferred inflows of resources that are attributable to its pension plan.

Note 2. Government-Wide Financial Statements (GWFS)

The Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B) display information about the court as a whole. These statements include all the financial activities of the court. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Note 3. Budgets

The City Court is legally required to prepare a budget. The budget is prepared and adopted prior to the beginning of each fiscal year and amended prior to year end.

Note 4. Cash and Cash Equivalents

Cash consists of funds in non-interest bearing checking accounts and interest bearing passbook accounts. The City Court of Rayne has no cash equivalents such as time deposits and money market accounts.

Note 5. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from these estimates.

Note 6. Deposits with Financial Institutions

The City Court of Rayne's bank balances of deposits with financial institutions amounted to \$312,955 at September 30, 2023. Deposits were fully insured.

Note 7. Capital Assets

Capital assets, which include furniture, fixtures, and equipment, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. The City Court maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
September 30, 2023

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office furniture	5-10
Equipment	5-10

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

The City of Rayne maintains and owns the majority of the capital assets utilized by The City Court.

Capital assets and depreciation activities as of and for the year ended September 30, 2023 are as follows:

	<u>2023</u>			<u>Balance 9/30/2023</u>
	<u>Balance 9/30/2022</u>	<u>Additions</u>	<u>Retirements</u>	
Governmental activities:				
Capital assets being depreciated				
Building Improvements	\$ 29,225	\$ -	\$ -	\$ 29,225
Equipment	40,384	-	-	40,384
Total capital assets being depreciated	<u>\$ 69,609</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,609</u>
Less accumulated depreciation for:				
Building Improvements	\$ 15,413	\$ 449	\$ -	\$ 15,862
Equipment	27,411	3,153	-	30,564
Total accumulated depreciation	<u>\$ 42,824</u>	<u>\$ 3,602</u>	<u>\$ -</u>	<u>\$ 46,426</u>
Total capital assets	<u>\$ 26,785</u>	<u>\$ (3,602)</u>	<u>\$ -</u>	<u>\$ 23,183</u>

Depreciation expense for the year ended September 30, 2023 was charged as follows:

Governmental Activities:	
General government	<u>\$3,602</u>

Note 8. Expenses of City Court of Rayne Not Included in This Report

The City Court's administrative office is located in a building owned by the City of Rayne. The City of Rayne made on-behalf payments for the Court for salaries and fringe benefits and they are recorded as expenditures in the General Fund. The costs of maintaining and operating the building, as required by statute are paid by the City government and are not included in the accompanying financial statements.

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

Note 9. Related Party Transactions

At September 30, 2023, there are no related party transactions or related amounts receivable or payable.

Note 10. Litigation

The City Court of Rayne has no threatened or pending litigation against it at September 30, 2023.

Note 11. Retirement Benefits

Plan Description

One employee, the City Court Judge, of the City Court is provided with a pension through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (LA RS 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided

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

Retirement

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

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

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

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

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

Deferred Retirement Benefits

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

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

Disability Benefits

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.

Survivor's Benefits

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

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

Permanent Benefit Increases/Cost-of-Living Adjustments

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

Contributions

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers along with the employer portion of the contribution.

The rates in effect during the year ending June 30, 2024 and during the year ended June 30, 2023 related to the City Court were as follows:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate 2024	Employer Contribution Rate 2023
Judges hired on or after 7/01/15	Open	11.5%	44.7%	43.8%

The City Court's contractually required composite contribution rate for the period from October 1, 2022 to June 30, 2023 was 43.8%, and for the period from July 1, 2023 to September 30, 2023 was 44.7%, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the City Court were \$15,849 for the year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

At September 30, 2023, the City Court reported a liability of \$114,928 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City Court's proportion of the net pension liability was based on a projection of the City Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City Court's proportion was 0.001717%, which was an increase of 0.000341% from its proportion measured as of June 30, 2022.

At September 30, 2023, the City Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience	\$ 2,488	\$ -
Investment Earnings	657	-
Assumptions	-	-
Changes in proportion and differences between employer contributions and proportion of shared contributions	11,582	(3,191)
Employer Contributions	4,023	-
Total	\$ 18,750	\$ (3,191)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions totaling \$4,023 will be recognized in pension expense in the year ending September 30, 2024.

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

Year ending September 30:	Total
2024	\$ 11,532
2025	(4,150)
2026	5,661
2027	(1,507)
	<u>\$ 11,536</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023 are as follows:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 years.
Investment Rate of Return	7.25% per annum, net of investment expenses
Inflation Rate	2.3% per annum.
Mortality	Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.
	Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

CITY COURT OF RAYNE, LOUISIANA

**NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Termination, Disability, and Termination, disability, and retirement assumptions Retirement were projected based on a five-year (2014-2018) experience study of the System's members.

Salary Increases Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Judges	2.6%	5.1%

Cost of Living Adjustments The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.19% for 2023. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	0%	0.80%
Domestic equity	34%	4.45%
International equity	18%	5.44%
Domestic fixed income	3%	2.04%
International fixed income	17%	5.33%
Alternative investments	28%	8.19%
Total	100%	5.75%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City Court's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

CITY COURT OF RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

The following presents the City Court's proportionate share of the Net Pension Liability using the discount rate of the pension plan, as well as what the City Court's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
LASERS			
Discount rate	6.25%	7.25%	8.25%
Share of NPL	\$ 150,489	\$ 114,928	\$ 84,800

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2023 Comprehensive Annual Financial Report at www.lasersonline.org.

Note 12. Evaluation of Subsequent Events

Subsequent events have been evaluated through March 22, 2024. This date represents the date the financial statements were available to be issued.

Required Supplemental Information

CITY COURT OF RAYNE, LOUISIANA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended September 30, 2023

	2023			Variance-- Positive (Negative)
	Budget		Actual	
	Original	Final		
Revenues:				
Criminal fees	\$ 78,819	\$ 80,699	\$ 74,128	\$ (6,571)
Civil court fees	-	16,950	40,680	23,730
Miscellaneous	-	-	-	-
Total Revenues	\$ 78,819	\$ 97,649	\$ 114,808	\$ 17,159
Expenditures:				
General government--judicial				
Retirement	12,972	11,032	15,876	(4,844)
Marshall services	-	-	-	-
Other fees	-	-	-	-
Compensation	35,898	43,906	77,031	(33,125)
Building and maintenance	-	-	-	-
Convention and meetings	18,573	18,136	18,009	127
Recording fees	-	-	-	-
Dues and subscriptions	1,333	2,267	1,700	567
Office expense	3,742	5,612	5,608	4
Refunds	2,248	1,186	-	1,186
Miscellaneous	3,671	3,728	2,576	1,152
Capital Outlay	-	-	-	-
Total Expenditures	\$ 78,437	\$ 85,867	\$ 120,800	\$ (34,933)
Excess Revenues over Expenditures	\$ 382	\$ 11,782	\$ (5,992)	\$ (17,774)
Other sources (uses):				
Operating transfers out-				
Building and Maintenance fund	\$ -	\$ -	\$ -	\$ -
Operating transfers in-				
Fiduciary fund	\$ -	\$ -	\$ -	\$ -
Total other sources (uses)	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 382	\$ 11,782	\$ (5,992)	\$ (17,774)
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -
Fund Balance, Beginning of Year	\$ 128,031	\$ 128,031	\$ 128,031	\$ -
Fund Balance, End of Year	\$ 128,413	\$ 151,595	\$ 122,039	\$ (35,548)

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA
 BUILDING AND MAINTENANCE FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended September 30, 2023

	2023			
	Budget		Actual	Variance-- Positive (Negative)
	Original	Final		
Revenues:				
Building and Maintenance Fees	\$ 6,410	\$ 6,341	\$ 5,958	\$ (383)
Miscellaneous	-	-	-	-
Total Revenues	\$ 6,410	\$ 6,341	\$ 5,958	\$ (383)
Expenditures:				
Building and Maintenance	11,217	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	\$ 11,217	\$ -	\$ -	\$ -
Excess Revenues over Expenditures	\$ (4,807)	\$ 6,341	\$ 5,958	\$ (383)
Other sources (uses):				
Operating transfers in- General Fund	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ (4,807)	\$ 6,341	\$ 5,958	\$ (383)
Fund Balance, Beginning of Year	\$ 36,329	\$ 36,329	\$ 36,329	\$ -
Fund Balance, End of Year	\$ 31,522	\$ 49,011	\$ 42,287	\$ (766)

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

Schedule of Employer Contributions
For the year ended September 30, 2023

Louisiana State Employees' Retirement System (LASERS)
(b)

Fiscal Year ended September 30,	(a) Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	Agency's covered payroll	Contributions as a % of Covered Payroll
2023	\$ 15,849	\$ 15,849	\$ -	\$ 36,000	44%
2022	\$ 15,552	\$ 15,552	\$ -	\$ 36,000	43.2%
2021	\$ 850	\$ 850	\$ -	\$ 2,000	42.5%
2020	\$ 17,182	\$ 17,182	\$ -	\$ 40,500	42.4%
2019	\$ 23,203	\$ 23,203	\$ -	\$ 57,000	40.7%
2018	\$ 18,648	\$ 18,648	\$ -	\$ 46,500	40.1%
2017	\$ 15,801	\$ 15,801	\$ -	\$ 41,000	38.5%
2016	\$ 12,942	\$ 12,942	\$ -	\$ 34,000	38.1%
2015	\$ 14,944	\$ 14,944	\$ -	\$ 36,500	40.9%
2014	\$ 18,462	\$ 18,462	\$ -	\$ 50,000	36.9%

* Amounts presented were determined as of the end of the fiscal year (September 30).

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

Notes to Required Supplementary Information

Change of Benefit Terms

For LASERS, Act 37 provided a monthly benefit increase to retirees that on June 30, 2021 have attained age 60, have 30 or more years of service, have been retired 15 or more years, receive a monthly benefit of less than \$1,450, and have not participated in DROP or the Initial Benefit Option. The benefit increase is the lesser of \$300 per month or the amount needed to increase the monthly benefit to \$1,450.

Changes of benefit terms include a 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and, added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

Changes of Assumptions

For LASERS, the investment rate of return was decreased from 7.40% to 7.25% for valuation dated June 30, 2022.

For LASERS, the investment rate of return was decreased from 7.55% to 7.40% for valuation dated June 30, 2021.

The investment rate of return was decreased from 7.60% to 7.55%, the inflation rate was decreased from 2.50% to 2.30% the salary increases changed for the lower range from 2.8%-3.8% to 2.6%-3.6% and the upper range from 5.3%-14.0% to 5.1% to 13.8% for the valuation dated June 30, 2020.

The investment rate or return was decreased from 7.65% to 7.60%, the inflation rate was decreased from 2.75% to 2.50% the average remaining services lives decreased from 3 years to 2 years, and the mortality table for non-disabled members changed to the RP-2014 Healthy Mortality Table for the valuation dated June 30, 2019.

The investment rate of return was decreased from 7.70% to 7.65% for the valuation dated June 30, 2018.

The investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75% for the valuation dated June 30, 2017.

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

Schedule of Employer's Proportionate Share of the Net Pension Liability
For the year ended September 30, 2023

Louisiana State Employees' Retirement System (LASERS)

Fiscal Year ended June 30	Agency's Proportion of the Net Pension Liability (Asset)	Agency's Proportionate Share of the Net Pension Liability (Asset)	Agency's Covered Payroll	Agency's	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
				Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	
2023	0.001717%	\$ 114,928	\$ 36,000	319%	68.4%
2022	0.001376%	\$ 104,022	\$ 27,000	385%	63.7%
2021	0.000000%	\$ -	\$ -	0.0%	72.8%
2020	0.003638%	\$ 300,887	\$ 45,500	661.3%	58.0%
2019	0.003142%	\$ 227,635	\$ 54,000	421.5%	62.9%
2018	0.002624%	\$ 178,955	\$ 45,000	397.7%	64.3%
2017	0.002383%	\$ 167,735	\$ 39,500	424.6%	62.5%
2016	0.00203%	\$ 159,564	\$ 31,000	514.7%	57.7%
2015	0.00130%	\$ 88,080	\$ 36,500	241.3%	62.7%
2014	0.00133%	\$ 83,414	\$ 51,000	163.6%	65.0%

* Amounts presented were determined as of the measurement date (fiscal year ended June 30)

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

Notes to Required Supplementary Information

Change of Benefit Terms

For LASERS, Act 37 provided a monthly benefit increase to retirees that on June 30, 2021 have attained age 60, have 30 or more years of service, have been retired 15 or more years, receive a monthly benefit of less than \$1,450, and have not participated in DROP or the Initial Benefit Option. The benefit increase is the lesser of \$300 per month or the amount needed to increase the monthly benefit to \$1,450.

Changes of benefit terms include a 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and, added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

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For LASERS, the investment rate of return was decreased from 7.55% to 7.40% for valuation dated June 30, 2021.

The investment rate of return was decreased from 7.60% to 7.55%, the inflation rate was decreased from 2.50% to 2.30% the salary increases changed for the lower range from 2.8%-3.8% to 2.6%-3.6% and the upper range from 5.3%-14.0% to 5.1% to 13.8% for the valuation dated June 30, 2020.

The investment rate or return was decreased from 7.65% to 7.60%, the inflation rate was decreased from 2.75% to 2.50% the average remaining services lives decreased from 3 years to 2 years, and the mortality table for non-disabled members changed to the RP-2014 Healthy Mortality Table for the valuation dated June 30, 2019.

The investment rate of return was decreased from 7.70% to 7.65% for the valuation dated June 30, 2018.

The investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75% for the valuation dated June 30, 2017.

The accompanying notes are an integral part of this statement.

Other Supplemental Information

CITY COURT OF RAYNE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE- COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

September 30, 2023

	First Six Month Period Ended 3/31/23	Second Six Month Period Ended 9/30/23
Beginning balance of amounts collected	\$ 157,626	\$ 153,353
Add: Collections-		
Criminal Court Fines	\$ 166,637	\$ 122,992
Civil Fees	\$ 40,108	\$ 39,717
Restitution	\$ 35,028	\$ 45,146
Subtotal Collections	\$ 241,773	\$ 207,855
Less: Disbursements to governments and nonprofits-		
Crime Lab, Court Costs	\$ 21,755	\$ 13,740
Rayne City Marshall, Process of Service	\$ 34,238	\$ 12,464
City of Rayne, Court Costs	\$ 62,042	\$ 55,045
City of Rayne- Prosecutor, Court Costs	\$ -	\$ 1,895
Fifteenth Judicial District, Court Costs	\$ 31,746	\$ 23,531
Honorable Donald Landry, District Attorney, Court Costs	\$ 1,592	\$ 3,615
LCL Victim Fund, Court Costs	\$ 270	\$ 412
LET, Court Costs	\$ 1,756	\$ 1,637
Department of Public Safety, DWI Cost, Court Costs	\$ 4	\$ -
Officer Fund- City of Rayne, Court Costs	\$ 200	\$ 77
CMIS, Court Costs	\$ 2,100	\$ 1,242
Crime Stoppers, Court Costs	\$ 1,399	\$ 819
LDH-THSCI Trust Fund, Court Costs	\$ 2,734	\$ 1,353
LA Supreme Court- Traffic Collections, Court Costs	\$ 421	\$ 262
St. Mary Parish Sheriff, Process of Service	\$ -	\$ 31
Crowley City Marshall, Process of Service	\$ 120	\$ 90
St. Martin Parish Sheriff, Process of Service	\$ 7	\$ 16
Vermillion Parish Sheriff, Process of Service	\$ 138	\$ 32
St. Landry Parish Sheriff, Process of Service	\$ 20	\$ 6
East Baton Rouge Parish Sheriff, Process of Service	\$ 133	\$ 167
Calcasieu Parish Sheriff, Process of Service	\$ 98	\$ -
Kaplan City Marshall, Process of Service	\$ 60	\$ 60
Port Allen City Marshall, Process of Service	\$ -	\$ 30
City Court of Jennings, Court Costs	\$ -	\$ 70
Lafayette Parish Sheriff, Process of Service	\$ 635	\$ 326
Iberia Parish Sheriff, Process of Service	\$ 15	\$ 35
Acadia Parish Clerk of Court, Court Costs	\$ 3,360	\$ 3,990
Acadia Parish Sheriff, Process of Service	\$ 591	\$ 325
Office of Judicial Administrator, Court Costs	\$ 3,822	\$ 3,764
Lafayette City Marshall, Process of Service	\$ 300	\$ 90
Orleans Parish Sheriff, Process of Service	\$ 30	\$ -
Breux Bridge City Marshall, Process of Service	\$ -	\$ -
Ouachita Parish Sheriff's Office, Process of Service	\$ 43	\$ -

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE- COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

September 30, 2023

	First Six Month Period Ended <u>3/31/23</u>	Second Six Month Period Ended <u>9/30/23</u>
Less: Amounts retained by collection agency		
Rayne City Court, Building and Maintenance Fund	\$ 3,496	\$ 2,062
Rayne City Court, Contempt Fees held by Court	\$ 34,287	\$ 30,042
Rayne City Court, Restitution	\$ 238	\$ 548
Rayne City Court, Fines	\$ 679	\$ 937
Less: Disbursements to Individuals/ 3rd party collection agencies-		
Civil Refunds	\$ 2,672	\$ 2,394
Restitution payments	\$ 1,132	\$ 1,107
Payments to 3rd Party Collection/Processing Agencies	<u>\$ 33,913</u>	<u>\$ 44,903</u>
Subtotal disbursements/retainage	<u>\$ 246,046</u>	<u>\$ 207,117</u>
Ending balance of amounts collected but not disbursed/retained	<u><u>\$ 153,353</u></u>	<u><u>\$ 154,091</u></u>

The accompanying notes are an integral part of this statement.

CITY COURT OF RAYNE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
September 30, 2023

Agency Head Name: Luke Beslin

Purpose	Amount
Salary*	\$ 74,660
Benefits-insurance*	2,780
Benefits-retirement*	36,062
Benefits-other	
Car allowance	
Vehicle provided by government	
Per diem	1,062
Reimbursements	5,129
Travel	
Registration fees	1,350
Conference	3,135
Continuing professional education fees	
Dues and subscriptions	1,600
Unvouchered expenses	
Special meals	
Other	933
	<hr/>
	\$ 126,711
	<hr/> <hr/>

*Includes amounts from the Acadia Parish Police Jury and the City of Rayne.

The accompanying notes are an integral part of this statement.

**Compliance, Internal Control
and Other Information**

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 Luke Beslin
City Judge
City Court of Rayne
Rayne, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Rayne, Louisiana as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City Court of Rayne Louisiana's basic financial statements and have issued our report thereon dated March 22, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City Court 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 Court of Rayne Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City Court 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and corrective action plan at 2023-1 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Court of Rayne, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and they are described in the accompanying schedule of findings and corrective action plan at 2023-2 and 2023-3.

City Court of Rayne Louisiana's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, others in the organization and the Office of the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document. Therefore, its distribution is not limited.



Thibodeaux Accounting Company

A Limited Liability Company

Rayne, Louisiana

March 22, 2024

CITY COURT OF RAYNE, LOUISIANA

Schedule of Findings
Year Ended September 30, 2023

PART I. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the City Court of Rayne, Louisiana's basic financial statements as of and for the year ended September 30, 2023.

Internal Control - Financial Reporting

There was one significant deficiency in internal control on financial reporting that was disclosed by the audit of the financial statement.

Material Noncompliance – Financial Reporting

The results of our tests disclosed two instances of noncompliance required to be reported under *Government Auditing Standards*.

PART II. FINDING RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

2023-1 Finding: Financial Statements Not in Accordance With GAAP

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

Criteria:

The reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Cause of Condition:

The City Court does not have the funds to hire someone or to outsource this function.

Effect of Condition:

The financial statements may not be prepared in accordance with GAAP.

Recommendation:

We recommend that the City Court outsource this task to ensure the recording of the court's financial transactions in accordance with GAAP.

CITY COURT OF RAYNE, LOUISIANA

Schedule of Findings (Continued)
Year Ended September 30, 2020

2023-2 Finding: Sales tax paid

City Court paid sales tax on a hotel room and they are tax exempt.

Criteria:

Article VII Section 14(A) provides that funds, credit, property or things of value not be loaned, pledged or donated.

Cause of Condition:

The City Court paid for a hotel room for a conference and paid sales tax on it.

Effect of Condition:

The City Court is in violation of Article VII Section 14(A).

Recommendation:

The City Court should be sure it distributes funds in accordance with State Law.

2023-3 Finding: Budget Violation

City Court did not properly amend their budget and exceeded budgeted expenses by 5% or more in the General Fund and fell short of budgeted revenues by 5% or more in the Building and Maintenance Fund.

Criteria:

Louisiana Revised Statute 39:1311 states that the total actual revenues and other sources shall not be 5% or less than budgeted revenues and that total actual expenses should not exceed budgeted expenses by 5% or more.

Cause of Condition:

Management did not properly amend the budget.

Effect of Condition:

City Court could spend funds in excess of budgeted amounts.

Recommendation:

City Court should comply with Louisiana Revised Statute 39:1309 and properly amend its budget upon a change in operations or conditions.

CITY COURT OF RAYNE, LOUISIANA

Corrective Action Plan
Year Ended September 30, 2023

Response to Findings:

2023-1 City Court has evaluated the cost vs. benefits of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the court to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Judge Luke Beslin is the responsible party. There is no estimated date of completion.

2023-2 The Court will ensure that all employees understand Article VII Section 14(A) and that it is followed.

Judge Luke Beslin is the responsible party. The estimated date of completion is September 30, 2024.

2023-3 Management will ensure that the budgets are properly amended upon a change in operations.

Judge Luke Beslin is the responsible party. The estimated date of completion is September 30, 2024.

CITY COURT OF RAYNE, LOUISIANA

Summary Schedule of Prior Audit Findings
Year Ended September 30, 2023

2022-1 The City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing the financial statements.

Recommendation: We recommend that the City Court outsource this task to ensure the recording of the Court's financial transactions in accordance with GAAP.

Status: Unresolved

2022-2 City Court paid sales tax on a hotel room and they are tax exempt.

Recommendation: The City Court should be sure it is in compliance with Article VII Section 14(A).

Status: Unresolved

2022-3 City Court did not properly amend their budget and fell short of budgeted revenues by 5% or more in the General Fund.

Recommendation: The City Court should comply with Louisiana Revised Statute 39:1309 and properly amend its budget upon a change in operations or conditions.

Status: Unresolved

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Luke Beslin
City Judge
City Court of Rayne
Rayne, Louisiana
And the Louisiana Legislative Auditor

March 22, 2024

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, 2022- September 30, 2023. Rayne City Court's management is responsible for those C/C areas identified in the SAUPs.

Rayne City Court 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, 2022- September 30, 2023. 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

- 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
No exceptions noted.
 - 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.
No exceptions noted.
 - iii) Disbursements*, including processing, reviewing, and approving
No exceptions noted.
 - 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).
No exceptions noted.

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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.

No exceptions noted.

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.

No exceptions noted.

vii) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions noted.

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).

No exceptions noted.

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.

No exceptions noted.

x) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Not applicable.

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.

No exceptions noted.

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.

No exceptions noted.

2. **Board or Finance Committee**

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.

Not applicable.

ii) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue

funds. *Alternately, for those entities reporting on the non-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.*

Not applicable.

- 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.

Not applicable.

- 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.

Not applicable.

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 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 (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)

- 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).

The list was provided by management. Only one site for collections.

- 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 no written policies or procedures, 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.
Exception noted.
 - ii) 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.
No exceptions noted.
 - iii) 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.
No exceptions noted.
 - iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
No exceptions noted.
- 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.
Policy was obtained. No exceptions noted.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A under (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). *Alternately, 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.
No exceptions noted.
 - ii) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip
No exceptions noted.
 - iii) Trace the deposit slip total to the actual deposit per the bank statement.
No exceptions noted.
 - 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).
No exceptions noted.
 - v) Trace the actual deposit per the bank statement to the general ledger.
No exceptions noted.

5. *Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

- 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).
- Only one location and management representation obtained.
- B. For each location selected under #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.
- No exceptions noted.
- ii) At least two employees are involved in processing and approving payments to vendors.
- No exceptions noted.
- 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.
- No exceptions noted.
- 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.
- No exceptions noted.
- 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.
- No exceptions noted.
- 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.
- No exceptions noted.
- ii) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.
- No exceptions noted.
- 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.

Not applicable.

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.

The listing was provided without exception and representation was obtained.

- 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 that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g. mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions noted.

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

No finance charges or late fees were present.

- C. Using the monthly statements or combined statements selected under procedure #7B 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.

(1) No exceptions noted.

(2) No exceptions noted.

(3) No meal purchases.

7. Travel and Travel- Related Expense Reimbursements (excluding card transactions)

- 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 or the U.S. General Services Administration (www.gsa.gov).

No exceptions noted.

- ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions noted.

- 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

No exceptions noted.

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

No exceptions noted.

8. Contracts

- 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.

Not applicable.

- 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).

Not applicable.

- 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).

Not applicable.

- 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.

Not applicable.

9. Payroll and Personnel

- 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.

Not applicable. City Court employees are paid by the City of Rayne.

- 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).
Not applicable.
 - ii) Observe whether supervisors approved the attendance and leave of the selected employees/officials.
Not applicable.
 - iii) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
Not applicable.
 - iv) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
Not applicable.
- 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.
Not applicable.
- 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.
Management's representation obtained.

10. *Ethics*

- 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
No exceptions noted.
 - 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.
Not applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
Agency has appointed an ethics designee.

11. Debt Service

- 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.

Not applicable.

- 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).

Not applicable.

12. Fraud Notice

- 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.

No misappropriations were reported.

- 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.

No exceptions noted.

13. Information Technology Disaster Recovery/Business Continuity

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

- i) 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.

We performed the procedure and discussed the results with management.

- ii) 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.

We performed the procedure and discussed the results with management.

- iii) 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.

We performed the procedure and discussed the results with management.

- B. 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.

Not applicable.

14. Prevention of Sexual Harassment

- 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.

No exceptions noted.

- 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).

Exception noted.

- 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;

No exception noted.

- ii) Number of sexual harassment complaints received by the agency;

No exception noted.

- iii) Number of complaints which resulted in a finding that sexual harassment occurred;

No exception noted.

- iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

No exception noted.

- v) Amount of time it took to resolve each complaint

No exception noted.

We were engaged by Rayne City Court 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 Rayne City Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

Independent Accountants' Report on Applying Agreed-Upon Procedures-Continued
The Honorable Luke Beslin
City Judge
City Court of Rayne
March 22, 2024
Year Ended September 30, 2023

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

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A Limited Liability Company
Rayne, Louisiana
March 22, 2024