

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Financial Report

Year Ended September 30, 2014

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Annual Financial Statements
As of and for the Year Ended September 30, 2014

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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 ACCOUNTANT'S COMPILATION REPORT

The Honorable Alex Lacroix, Marshal
Rayne City Marshal's Fund
Rayne, Louisiana

We have compiled the accompanying financial statements of the governmental activities of the Rayne City Marshal's Fund, Rayne, Louisiana a component unit of City of Rayne, as of and for the year ended September 30, 2014, which collectively comprise the Marshal's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Rayne City Marshal 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The management's budgetary comparison information on page fifteen is presented for purposes of additional analysis. Such information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. 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.

Thibodeaux Accounting Company

Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
January 9, 2015

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

BASIC FINANCIAL STATEMENTS

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

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Exhibit A

STATEMENTS OF NET POSITION
September 30, 2014

	Governmental Activities	TOTALS (Memorandum Only)	
		2014	2013
ASSETS			
Cash	\$ 55,176	\$ 55,176	\$ 47,717
Accounts Receivable	3,107	3,107	690
Total Assets	<u>\$ 58,283</u>	<u>\$ 58,283</u>	<u>\$ 48,407</u>
NET POSITION - Unrestricted	<u>\$ 58,283</u>	<u>\$ 58,283</u>	<u>\$ 48,407</u>

See accompanying notes and accountant's compilation report.

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Exhibit B

STATEMENT OF ACTIVITIES
September 30, 2014

	Governmental Activities	TOTALS (Memorandum Only)	
		2014	2013
Expenditures			
General Government			
Clerical Fees	\$ 7,020	\$ 7,020	\$ 6,220
Dues & Subscriptions	348	348	397
Department Supplies	5,657	5,657	8,658
Car Expense	3,313	3,313	3,889
Educational Expenses	360	360	-
Deputy Marshal Fees	10,582	10,582	7,177
Total Expenditures	\$ 27,280	\$ 27,280	\$ 26,341
Program Revenues:			
Service Fees	\$ 37,156	\$ 37,156	\$ 51,069
Change in Net Position	\$ 9,876	\$ 9,876	\$ 24,728
Unrestricted Net Position - Beginning of the Year	48,407	48,407	23,679
Net Position- End of Year	\$ 58,283	\$ 58,283	\$ 48,407

See accompanying notes and accountant's compilation report.

FUND FINANCIAL STATEMENTS

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Exhibit C

BALANCE SHEET - GOVERNMENTAL FUND
September 30, 2014

	General Fund	TOTALS	
		2014	(Memo Only) 2013
ASSETS			
Cash	\$ 55,176	\$ 55,176	\$ 47,717
Accounts Receivable	3,107	3,107	690
Total Assets	<u>\$ 58,283</u>	<u>\$ 58,283</u>	<u>\$ 48,407</u>
FUND BALANCE			
Unassigned	<u>\$ 58,283</u>	<u>\$ 58,283</u>	<u>\$ 48,407</u>

*Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide
Financial Statements of Net Assets:*

There are no reconciliation items at September 30, 2014.

See accompanying notes and accountant's compilation report.

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

Exhibit D

STATEMENT OF GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
September 30, 2014

	General Fund	TOTALS	
		2014	(Memo Only) 2013
Revenues:			
Service Fees	\$ 37,156	\$ 37,156	\$ 51,069
Expenditures			
General Government			
Clerical Fees	\$ 7,020	\$ 7,020	\$ 6,220
Dues & Subscriptions	348	348	397
Department Supplies	5,657	5,657	8,658
Car Expense	3,313	3,313	3,889
Educational Expenses	360	360	
Deputy Marshal Fees	10,582	10,582	7,177
Total Expenditures	\$ 27,280	\$ 27,280	\$ 26,341
Net Change in Fund Balance	\$ 9,876	\$ 9,876	\$ 24,728
Fund Balance - Beginning of the Year	48,407	48,407	23,679
Fund Balance - End of Year	\$ 58,283	\$ 58,283	\$ 48,407

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Activities:*

There are no reconciliation items at September 30, 2014.

See accompanying notes and accountant's compilation report.

NOTES TO THE FINANCIAL STATEMENTS

RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying basic financial statements of the Rayne City Marshal's Fund 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.

Financial Reporting Entity:

The Marshal is an independently elected official; however, the Marshal is fiscally dependent on the City of Rayne. The City of Rayne maintains and operates the building in which the office is located and provides funds for salaries, equipment, and expenditures of the office. Because the Marshal is fiscally dependent on the City of Rayne, the Marshal was determined to be a component unit of the City of Rayne, the financial reporting entity.

Fund Accounting:

The Marshal uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain office functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Fund

Governmental funds account for all of the Marshal's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the Marshal. The following is the Marshal's governmental fund:

General Fund – the general operating fund of the Marshal accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose, provided it is expended or transferred in accordance with state and federal laws and according to the Marshal's policy.

Basis of Accounting:

The modified accrual basis of accounting is utilized whereby revenues are recognized when they become available and measurable and expenditures when they are incurred. Measurable means the amount of the transactions can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Marshal 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.

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Vacation and Sick Leave:

The Rayne City Marshal's Fund has no vacation or sick leave policies as of September 30, 2014.

Fund Equity:

Government-Wide Net Assets:

Equity is classified as net assets and displayed in three components:

1. Investment 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 borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets – Consists of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or by (b) laws 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."

Governmental Fund Balances:

On October 1, 2010, the Marshal adopted GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which significantly changed the reporting of fund balance in the balance sheets of governmental type funds.

In the governmental fund financial statements, fund balances are classified as follows:

1. Non-Spendable Fund Balance – amounts that can be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of state statutes, state or federal laws, or externally imposed conditions by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action by the Marshal.
4. Assigned Fund Balance – amounts that are constrained by the Marshal's intent that they will be used for specific purposes. The Marshal is the only individual authorized to assign amounts for a specific purpose and is the highest level of decision-making. Therefore, amounts must be reported as committed.
5. Unassigned Fund Balance – all amounts not included in other spendable classifications.

The Marshal considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Marshal also considers committed fund balances to be spent first when other unrestricted fund balances classifications are available for use.

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Net Position - Government-Wide Statements:

In June 2011, the GASB issued Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components assets, deferred outflows or resources, liabilities and deferred inflows of resources. The Marshal adopted GASB Statement 63 in 2013.

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Marshal 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 Marshal'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 Marshal.

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.

Note 2. Basic Financial Statements - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets (Exhibit A) and the Statement of Activities (Exhibit B) display information about the Marshal's Office as a whole. These statements include all the financial activities of the City Marshal's office. Information contained in these statements 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). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

The City Marshal's office only maintains one Governmental Fund – General Fund. All fiduciary activities are provided by Rayne City Court on behalf of the City Marshal's office and are accounted for separately through the Rayne City Court Marshal's Trust Fund.

Note 3. Budgets

The City Marshal's office 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.

**RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 4. Cash & Cash Equivalents

The Rayne City Marshal's General Fund bank balance of deposits with financial institutions amounted to \$57,897 at September 30, 2014 and is fully insured.

Cash consists of funds in a non-interest bearing checking account. The Rayne City Marshal's Fund 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. Capital Assets

All capital assets are owned and maintained by the City of Rayne.

Note 7. Expenses of Rayne City Marshal's Fund Not Included in this Report

The accompanying financial statements do not include certain expenses of the Rayne City Marshal's Fund which are paid out of the funds of the City of Rayne.

Note 8. Litigation

The Rayne City Marshal's Fund has no threatened or pending litigation against it as of September 30, 2014.

Note 9. Related Party Transactions

At September 30, 2014 there are no related party transactions or related amounts receivable or payable.

Note 10. Subsequent Events

The Rayne City Marshal's Fund has evaluated subsequent events through January 9, 2015 the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

RAYNE CITY MARSHAL'S FUND
RAYNE, LOUISIANA
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE
Year Ended September 30, 2014

With Comparative Actual Amounts for Year Ended September 30, 2013

	2014			Variance-- Positive (Negative)	2013
	Budget		Actual		Actual
	Original	Final			
Revenues:					
Service Fees	\$ 59,141	\$ 35,907	\$ 37,156	\$ 1,249	\$ 51,069
Expenditures					
General & Administrative	\$ 10,134	\$ 13,788	\$ 13,385	\$ 403	\$ 15,274
Service Expenditures	12,793	13,898	13,895	3	11,067
Total Expenditures	<u>\$ 22,927</u>	<u>\$ 27,686</u>	<u>\$ 27,280</u>	<u>\$ 406</u>	<u>\$ 26,341</u>
Excess of revenues over expenditures	\$ 36,214	\$ 8,221	\$ 9,876	\$ 1,655	\$ 24,728
Fund Balance - Beginning of Year	<u>\$ 48,407</u>	<u>\$ 48,407</u>	<u>\$ 48,407</u>	<u>\$ 48,407</u>	<u>\$ 23,679</u>
Fund Balance - End of Year	<u><u>\$ 84,621</u></u>	<u><u>\$ 56,628</u></u>	<u><u>\$ 58,283</u></u>	<u><u>\$ 50,062</u></u>	<u><u>\$ 48,407</u></u>

See independent accountant's compilation report.

RAYNE CITY MARSHAL'S FUND
RAYNE, LA

SUMMARY SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended September 30, 2014

Section I – Compilation

2014-1 Finding: Budget Violation

Rayne City Marshal's Fund's budget was not in the proper format.

Criteria:

Louisiana Revised Statute 39:1305C(2)(a) states that budgets should contain certain information in columnar format.

Cause of Condition:

Rayne City Marshal's Fund's budget did not include all required information.

Effect of Condition:

Rayne City Marshal's Fund is not in compliance with Louisiana Revised Statute 39:1305C(2)(a).

Recommendation:

Rayne City Marshal's Fund should comply with Louisiana Revised Statute 39:1305C(2)(a) by including all required information in the budget.

Management's Response and Planned Corrective Action:

Management will review Louisiana Revised Statute 39:1305C(2)(a) and include all required information in the budget.

RAYNE CITY MARSHAL'S FUND
RAYNE, LA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended September 30, 2014

2013-1 Rayne City Marshal's Fund did not sign and advertise their budget fifteen days before the beginning of the fiscal year.

Recommendation: Rayne City Marshal's Fund should have their budget signed and advertised at least fifteen days prior to the beginning of the fiscal year.

Status: Resolved