

JEANERETTE CITY MARSHAL

Jeanerette, Louisiana

Financial Report

Year Ended June 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of net position	5
Statement of activities	6
Fund Financial Statements	
Governmental funds -	
Balance sheet	9-10
Statement of revenues, expenditures, and changes in fund balances	11-12
Statement of fiduciary net position	13
Statement of changes in fiduciary net position	14
Notes to financial statements	15-26
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule	
General fund	28
Notes to budgetary comparison schedule	29-30
SUPPLEMENTARY INFORMATION	
Justice system funding schedules	
Collecting/disbursing entity	32
Receiving entity	33
REQUIREMENTS OF THE <i>LOUISIANA GOVERNMENTAL AUDIT GUIDE</i>	
Independent accountant's report on applying agreed-upon procedures	35-38
Schedule of findings	39-40
Summary schedule of prior findings	41-42
Corrective action plan for current findings	Exhibit A
Louisiana attestation questionnaire	Exhibit B

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel
C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Honorable Fernest Martin, Marshal
Jeanerette City Marshal
Jeanerette, Louisiana

Report on the Financial Statements

We have reviewed the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Jeanerette City Marshal (hereinafter "Marshal"), a component unit of the City of Jeanerette, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Marshal. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Marshal, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 12 to the financial statements, the prior financial statements have been restated to correct an error. Our conclusion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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. Such information is the responsibility of management. We have not audited or reviewed the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

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.

Supplementary Information

The justice system funding schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules are the responsibility of the Marshal's management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. The schedules have been subjected to our review procedures applied in the review of the basic financial statements. We are not aware of any material modifications that should be made to the schedules. We have not audited the schedules and do not express an opinion on them.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
May 7, 2024

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 48,136
Due from other governmental units	8,721
Capital assets, net of accumulated depreciation/amortization	<u>58,930</u>
Total assets	<u>115,787</u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,211
Long-term liabilities:	
Due within one year-	
Lease liability	1,577
Finance purchase agreement	20,734
Due in more than one year-	
Lease liability	<u>1,398</u>
Total liabilities	<u>26,920</u>
NET POSITION	
Net investment in capital assets	35,221
Restricted	2,885
Unrestricted	<u>50,761</u>
Total net position	<u>\$ 88,867</u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Activities
Year Ended June 30, 2023

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 293,279	\$ 112,814	\$ 137,965	\$ (42,500)
Interest	189	-	-	(189)
Total governmental activities	\$ 293,468	\$ 112,814	\$ 137,965	(42,689)
		General revenues:		
		Intergovernmental revenues		50,000
		Change in net position		7,311
		Net position - July 1, 2022, as restated		81,556
		Net position - June 30, 2023		\$ 88,867

See accompanying notes to financial statements and independent accountant's review report.

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTION

General Fund

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Balance Sheet
Governmental Funds
June 30, 2023

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS			
Cash and interest-bearing deposits	\$ 45,491	\$ 2,645	\$ 48,136
Due from other governmental units	<u>8,481</u>	<u>240</u>	<u>8,721</u>
Total assets	<u>\$ 53,972</u>	<u>\$ 2,885</u>	<u>\$ 56,857</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	<u>\$ 3,211</u>	<u>\$ -</u>	<u>\$ 3,211</u>
Fund balances			
Restricted	-	2,885	2,885
Unassigned	<u>50,761</u>	<u>-</u>	<u>50,761</u>
Total fund balances	<u>50,761</u>	<u>2,885</u>	<u>53,646</u>
Total liabilities and fund balances	<u>\$ 53,972</u>	<u>\$ 2,885</u>	<u>\$ 56,857</u>

(continued)

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Balance Sheet (continued)
Governmental Funds
June 30, 2023

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

Total fund balances for the governmental fund at June 30, 2023	\$	53,646
Cost of capital assets, net of accumulated depreciation/amortization		58,930
Long-term liabilities:		
Lease liability	(2,975)	
Finance purchase agreement	<u>(20,734)</u>	
Total long-term liabilities		<u>(23,709)</u>
Total net position of governmental activities at June 30, 2023	\$	<u>88,867</u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2023

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Revenues			
Fees, charges, and commission for services	\$ 108,635	\$ 4,179	\$ 112,814
Intergovernmental	186,166	-	186,166
Miscellaneous	<u>1,799</u>	<u>-</u>	<u>1,799</u>
Total revenues	<u>296,600</u>	<u>4,179</u>	<u>300,779</u>
Expenditures			
Current			
General government	257,853	3,150	261,003
Debt service	24,994	-	24,994
Capital outlay	<u>7,299</u>	<u>-</u>	<u>7,299</u>
Total expenditures	<u>290,146</u>	<u>3,150</u>	<u>293,296</u>
Excess of revenues over expenditures	<u>6,454</u>	<u>1,029</u>	<u>7,483</u>
Net changes in fund balances	6,454	1,029	7,483
Fund balances, beginning, as restated	<u>44,307</u>	<u>1,856</u>	<u>46,163</u>
Fund balances, ending	<u>\$ 50,761</u>	<u>\$ 2,885</u>	<u>\$ 53,646</u>

(continued)

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Governmental Funds
Year Ended June 30, 2023

Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of the Governmental Funds to the Statement of Activities

Total net changes in fund balances at June 30, 2023 per statement of revenues, expenditures and changes in fund balances	\$ 7,483
Cost of capital outlay	7,299
Depreciation expense	(28,762)
Amortization expense	(1,573)
Principal paid on long-term liabilities	<u>22,864</u>
Total changes in net position at June 30, 2023 per statement of activities	<u>\$ 7,311</u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Fiduciary Net Position
June 30, 2023

	<u>Custodial Fund</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 765</u>
LIABILITIES	
Amounts due to others	<u>758</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 7</u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2023

	<u>Custodial Fund</u>
Additions:	
Garnishment collections	<u>\$ 23,303</u>
Reductions:	
Judgment payments	21,956
Marshal commissions	<u>1,398</u>
Total reductions	<u>23,354</u>
Change in net position	(51)
Net position, beginning	<u>58</u>
Net position, ending	<u><u>\$ 7</u></u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements

INTRODUCTION

As provided by LSA-RS 13:1871 et seq, the Third Ward Court of Iberia Parish (Jeanerette City Court) was established and included the creation of the office of the Marshal. The territorial jurisdiction of the Marshal extends throughout the City of Jeanerette and throughout the whole of Ward Three of Iberia Parish. The Marshal is elected for a six-year term. The Marshal's salary is funded by the City of Jeanerette at no cost to the Marshal's Cost Fund.

(1) Summary of Significant Accounting Policies

The accompanying component unit financial statements of the Jeanerette City Marshal (hereinafter "Marshal") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the City, for reporting purposes, the City of Jeanerette is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended, established criteria for determining which component units should be considered part of the City of Jeanerette for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the City to impose its will on the organization and/or
 - b. the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Because the City of Jeanerette provides compensation and office space to the Marshal and the significance of the relationship between the Marshal and City, the Marshal was determined to be a component unit of the City of Jeanerette, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the City, the general government services provided by the City, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Marshal as a whole. These statements include all the financial activities of the Marshal. Information contained in these statements reflects 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 statement of activities presents a comparison between direct expenses and program revenues for each function of the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are only reported in the statement of fiduciary net position and statement of changes in fiduciary net position at the fund financial statement level.

Fund Financial Statements

The Marshal uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Marshal are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Marshal or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least ten (10) percent of the corresponding total for all governmental funds. The general fund of the Marshal is considered to be a major fund.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

The major fund of the Marshal is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statutes, is the principal fund of the Marshal and is used to account for the operations of the Marshal. The Marshal's primary source of revenue is fees from the Jeanerette City Court. General operating expenditures are paid from this fund.

The Marshal also presents the following fund types:

Special Revenue Fund

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes. Act 166 of the 2019 Louisiana Legislative Session amended RS 13:5807 by requiring certain excess fees be deposited in an Equipment and Training Fund. The expenditure of these deposits is restricted in use to assist in the purchasing or updating of necessary equipment and officer training to carry out the efficient performance of all duties imposed by law on constables and marshals.

Fiduciary Funds -

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support the Marshal's programs. The Marshal has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focuses on net position and changes in net position and are reported using the accrual basis of accounting.

The Marshal's fiduciary fund (custodial) is presented in the fiduciary fund financial statements. Because by definition these assets are being held for the benefit of a third party (individuals, organizations, other governments, etc.) and cannot be used to address activities or obligations of the Marshal, these funds are not incorporated into the government-wide financial statements.

The custodial fund of the Marshal is the Garnishment Fund. The Garnishment Fund is used to account for assets held by the Marshal as agent for the collection of court-ordered garnishment judgments. The Marshal charges an administrative fee and remits all other funds to the respective creditors.

C. Measurement Focus/Basis of Accounting

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

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. Governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. The operating statement presents sources and uses of available expendable financial resources during a given period. Governmental funds use fund balance as its measure of available expendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

Basis of Accounting

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

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

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

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

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Capital Assets

Capital assets, which include vehicles, furniture, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at acquisition value or estimated cost if acquisition value is not available. Donated assets are recorded at acquisition value at the date of donation. The Marshal maintains a threshold level of \$500 or more for capitalizing 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.

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

Equipment	5-7 years
Automobiles	3-5 years
Building improvements	20 years

Leases

In accordance with GASBS No. 87, *Leases*, the Marshal uses the interest rate charged by the lessor as the discount rate, if provided, or the rate implicit in the lease agreement, if determinable. When the interest rate charged by the lessor is not provided or the implicit rate is not determinable, the Marshal uses its estimated incremental borrowing rate as the discount rate for the leases. Lease payments included in the measurement of the lease liability are composed of fixed payments through the noncancellable term of the lease and renewal periods that management considers reasonably certain to be exercised.

The Marshal monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability as provided in GASBS No. 87.

Long-Term Liabilities

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

All long-term liabilities to be repaid from governmental funds are reported as liabilities in the government-wide statements. The long-term liabilities consist of capital finance purchase agreement obligations and lease liabilities.

Long-term liabilities for governmental funds are not reported as liabilities in the fund financial statements. The payment of principal and interest is reported as expenditures.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Equity Classifications

Government-wide Financial Statements

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

- a. Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – consists of net position 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.
- c. Unrestricted – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When an expenditure is incurred for purposes for which both restricted and unrestricted net resources are available, the Marshal considers restricted funds to have been spent first.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance for the Marshal’s governmental funds is displayed depicting the relative strength of the spending constraints placed on the purposes for which resources can be used. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed - amounts that can be used only for specific purposes determined by a formal action of the Marshal. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Marshal.
- d. Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Marshal may assign amounts for specific purposes.
- e. Unassigned - all other spendable amounts.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

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

E. Expenditures and Expenses

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character and function.

(2) Cash and Interest-bearing Deposits

Under state law, the Marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2023, the Marshal has a cash balance (book balance) totaling \$48,901 as follows:

	Governmental Activities	Fiduciary Fund	Total
Cash and interest-bearing deposits	\$ 48,136	\$ 765	\$ 48,901

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Marshal or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Marshal's deposits may not be recovered or the Marshal will not be able to recover collateral securities that are in the possession of an outside party. The Marshal has not formally adopted policies that limit allowable deposits or investments and address the specific type of risk to which the Marshal is exposed. Deposit balances (bank balances) at June 30, 2023, were \$51,738 which were fully secured by federal deposit insurance and not subject to custodial credit risk.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

(3) Capital Assets

A summary of capital asset activity follows:

	<u>7/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2023</u>
Governmental activities:				
Building improvements	\$ 5,731	\$ -	\$ -	\$ 5,731
Automobiles	279,260	-	-	279,260
Equipment	<u>94,195</u>	<u>7,299</u>	-	<u>101,494</u>
Total capital assets	<u>379,186</u>	<u>7,299</u>	-	<u>386,485</u>
Less: accumulated depreciation				
Building improvements	(2,439)	(286)	-	(2,725)
Automobiles	(208,749)	(26,908)	-	(235,657)
Equipment	<u>(90,489)</u>	<u>(1,568)</u>	-	<u>(92,057)</u>
Total accumulated depreciation	<u>(301,677)</u>	<u>(28,762)</u>	-	<u>(330,439)</u>
Total capital assets, being depreciated, net	<u>77,509</u>	<u>(21,463)</u>	-	<u>56,046</u>
Intangible right-to-use assets:				
Office equipment	4,719	-	-	4,719
Less: Accumulated amortization	<u>(262)</u>	<u>(1,573)</u>	-	<u>(1,835)</u>
Net intangible right-to-use assets	<u>4,457</u>	<u>(1,573)</u>	-	<u>2,884</u>
Net capital assets	<u>\$ 81,966</u>	<u>\$ (23,036)</u>	<u>\$ -</u>	<u>\$ 58,930</u>

Depreciation/amortization expense in the amount of \$30,335 for the year ended June 30, 2023 was charged to the general government function.

(4) Leases

During the fiscal year ended June 30, 2022, the Marshal implemented GASBS No. 87, *Leases*, for accounting and reporting leases that had previously been reported as operating leases.

In accordance with GASBS No. 87, the Marshal recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements based on the facts and circumstances that existed at the beginning of the period of implementation. The agreement underlying the leased asset has a term of 36 months with an intangible right-to-use office equipment.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

The following is a summary of changes in the lease liability for the year ended June 30, 2023:

	Balance <u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	Ending <u>Balance</u>	Due Within <u>One Year</u>
Lease liability	\$ 4,476	\$ -	\$ (1,501)	\$ 2,975	\$ 1,577

Lease liability reductions are liquidated by the Marshal's general fund.

At the commencement of a lease, the Marshal initially measures the lease liability at the present value of payments expected to be made during the lease term. For purposes of discounting future payments on the lease, the Marshal used the incremental borrowing rate (IBR) of 4.98%. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

Lease assets are reported with capital assets on the statement of net position. The leased equipment and accumulated amortization of the right-to-use asset is outlined in Note 3.

Minimum lease payments through the lease term are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	1,577	112	1,689
2025	1,398	33	1,431
Total	<u>\$ 2,975</u>	<u>\$ 145</u>	<u>\$ 3,120</u>

(5) Long-term Liabilities

During the year ended June 30, 2023 the following changes occurred in long-term liabilities:

	Balance <u>Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>End of Year</u>	Due Within <u>One Year</u>
Governmental activities:					
Direct borrowings					
Finance purchase agreement	\$ 42,097	\$ -	\$ (21,363)	\$ 20,734	\$ 20,734

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

(6) Retirement Plan

Substantially, all employees of the Marshal's office are members of the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Marshal's office are members of Plan A Teir 2. All permanent employees working at least 35 hours per week who are paid wholly from city funds and all elected city officials are eligible to participate in the System.

Regular retirement benefits

A member of Plan A Teir 2 is eligible to retire and receive regular benefits if the member has credit for at least:

1. Age 67 with seven (7) years of creditable service
2. Age 62 with ten (10) years of creditable service
3. Age 55 with thirty (30) years of creditable service
4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.

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

The System issued an annual, publicly available financial report that includes financial statements and required supplementary information for the System. A publicly available financial report that includes financial statements and required supplemental financial information may be obtained from the System's website, www.mersla.com, or on the Louisiana Legislative Auditor's website, www.lla.la.gov.

Under Plan A, members are required by state statute to contribute 10% of their earnable compensation. Contributions to the System also include one-fourth of one percent (except Orleans parish) of the taxes shown to be collectible by the tax rolls of each parish. The System also receives revenue sharing funds each year as appropriated by Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. As provided by RS 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City of Jeanerette makes contributions to the retirement system on-behalf of the Marshal. Therefore, the disclosure of pension liabilities, deferred outflows of resources and deferred inflows of resources required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, as amended, are included within the City's financial report. The City's publicly available financial report may be obtained by writing to the City of Jeanerette, P. O. Box 209, Jeanerette, LA 70544.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

(7) Compensation and Other Payments to Marshal

Act 706 of the 2014 Legislative Session amended RS 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head of chief officer. Payments to and on behalf of Marshal Fernest Martin for the year ended are as follows:

Commissions	\$ 1,398
On-behalf by City of Jeanerette:	
Salary	37,512
State supplemental	6,000
Insurance - Life	411
Travel/Car allowance	<u>6,500</u>
Total	<u>\$ 51,821</u>

(8) On-Behalf Payments for Salaries and Related Benefits

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires the Marshal to report on-behalf payments made by the City of Jeanerette and the Iberia Parish Government for salaries and related benefits to the Marshal and the Marshal's employees. The basis for recognizing the revenues and expenditure payments is that actual contributions are made by the City and the Parish and not by the Marshal. For the year ended June 30, 2023, the City and Parish paid salaries and related benefits to the marshal and deputy marshals totaling \$95,293 and \$36,040, respectively, which include payments to the Municipal Employees Retirement System of Louisiana.

(9) Related-Party Transactions

The Marshal received \$50,000 from the City of Jeanerette from received American Rescue Plan Funds. These funds are not restricted in purpose or use. These funds are recorded as intergovernmental revenue in the financials.

The cost of some expenditures for the operation of the Marshal's office as required by Louisiana Revised Statute 13:1889, is paid by the City of Jeanerette. Such expenditures are not included in the accompanying financial statements.

(10) Risk Management

The Marshal is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Marshal's primary government, the City of Jeanerette, has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss.

The City is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended June 30, 2023. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years. The Marshal has made no contributions to the premiums on the policy during the year ended June 30, 2023.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

(11) Accounting Standards Scheduled to be Implemented

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Marshal's financial report:

GASB Statement 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The standard is effective for annual reporting periods beginning after June 15, 2023. The effect of implementation on the Marshal's financial statements has not yet been determined.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This standard is effective for annual reporting periods beginning after December 15, 2023. The effect of implementation on the Marshal's financial statements has not yet been determined.

(12) Prior Period Adjustments

During the year ended June 30, 2023, the Marshal made adjustments to correct errors in previously issued financial statements. Beginning assets and net position have been restated to recognize opening cash balances as follows:

	<u>As Previously Reported</u>	<u>Adjustments</u>	<u>As Restated</u>
Government-wide financial statements:			
Net position	\$ 68,513	\$ 13,043	\$ 81,556
Fund financial statements:			
General fund			
Fund balance	\$ 31,263	\$ 13,044	\$ 44,307

REQUIRED SUPPLEMENTARY INFORMATION

JEANERETTE CITY MARSHAL
 Jeanerette, Louisiana
 General Fund

Budgetary Comparison Schedule
 Year Ended June 30, 2023

	Budget Amounts		Actual	Variance -
	Original	Final	(Non-GAAP Basis)	Positive (Negative)
Revenues:				
Fees, charges, and commission for services	\$ 124,310	\$ 127,520	\$ 108,635	\$ (18,885)
City of Jeanerette and Iberia Parish - on behalf	88,440	130,159	186,166	56,007
Miscellaneous	500	600	1,799	1,199
Total revenues	<u>213,250</u>	<u>258,279</u>	<u>296,600</u>	<u>38,321</u>
Expenditures:				
General government:				
Current -				
Automobile	58,400	77,698	74,302	3,396
Contract labor	4,200	-	-	-
Office operation and supplies	17,000	11,021	9,510	1,511
Miscellaneous	38,150	60,351	16,310	44,041
Professional fees	26,000	16,817	22,117	(5,300)
Retirement benefits	24,000	19,251	14,509	4,742
Travel and conferences	350	261	261	-
Uniforms	1,500	2,429	1,679	750
Utilities	14,144	15,439	15,439	-
Supplies	5,600	2,474	2,474	-
Repairs and maintenance	610	1,217	1,217	-
Total current	<u>189,954</u>	<u>206,958</u>	<u>157,818</u>	<u>49,140</u>
Debt service -				
Principal retirement	24,000	23,304	22,864	440
Interest and fiscal charges	-	-	2,130	(2,130)
Total debt service	<u>24,000</u>	<u>23,304</u>	<u>24,994</u>	<u>(1,690)</u>
Capital outlay -				
Equipment	20,000	-	7,299	(7,299)
Total expenditures	<u>233,954</u>	<u>230,262</u>	<u>190,111</u>	<u>40,151</u>
Net change in fund balance	(20,704)	28,017	106,489	78,472
Fund balance, beginning	<u>144,342</u>	<u>144,342</u>	<u>144,342</u>	<u>-</u>
Fund balance, ending	<u>\$ 123,638</u>	<u>\$ 172,359</u>	<u>\$ 250,831</u>	<u>\$ 78,472</u>

See independent accountant's review report and notes to budgetary comparison schedules.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Budgetary Comparison Schedule

Budgetary Basis

The budget for the General Fund is not adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the special revenue fund is adopted on a basis consistent with GAAP. The budget for the special revenue fund was not adopted during the current year. Budgeted amounts are as originally adopted or as finally amended by the Marshal.

(1) Budgetary Practices

Ward Marshals are required under Louisiana Revised Statute 39:1301 et seq to adopt a budget. The Marshal follows these procedures in establishing the budgetary data reflected in the financial statements:

- A proposed budget is prepared and submitted to the Marshal for the fiscal year prior to the beginning of each fiscal year.
- If proposed expenditures exceed \$500,000, a summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called, if required.
- If required, a public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
- After the holding of the public hearing, if required, and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- All budgetary appropriations lapse at the end of each fiscal year.
- Level of budgetary control is exercised at the fund level.

(2) Non-GAAP Reporting Reconciliation

Budgetary amounts adopted by the Marshal for the General Fund do not include salaries and benefits paid by the City of Jeanerette and Iberia Parish Government to the Marshal and the Marshal's employees. These on-behalf payments are reflected as expenditures in the Marshal's financial statements as required by GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Budgetary Comparison Schedule (continued)

Actual amounts for the General Fund are reconciled on a non-GAAP basis for comparison to the budget as follows:

	<u>As Reported</u>	<u>to Budgetary Basis</u>	<u>Non-GAAP Basis</u>
Expenditures:			
General government:			
Current -			
Automobile	74,302	-	74,302
Contract labor	-	-	-
Office operation and supplies	9,510	-	9,510
Miscellaneous	16,310	-	16,310
Professional fees	22,117	-	22,117
Retirement benefits	14,509	-	14,509
Salaries and benefits	100,035	(100,035)	-
Travel and conferences	261	-	261
Uniforms	1,679	-	1,679
Utilities	15,439	-	15,439
Supplies	2,474	-	2,474
Repairs and maintenance	1,217	-	1,217
Total current	<u>257,853</u>	<u>(100,035)</u>	<u>157,818</u>

SUPPLEMENTARY INFORMATION

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Entity
Year Ended June 30, 2023

	Garnishment Fund	
	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected	\$ 58	\$ 110
Add: Collections		
Civil Fees	15,395	7,908
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collection/Disbursing to Others Based on Percentage of Collections	871	540
Less: Disbursements to Individuals/3rd party Collection or Processing Agencies		
Civil Fee Refunds	14,472	6,713
Subtotal Disbursements/Retainage	15,343	7,253
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	\$ 110	\$ 765

See independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Justice System Funding Schedule - Receiving Entity
Year Ended June 30, 2023

	General Fund		Special Revenue Fund	
	First Six	Second Six	First Six	Second Six
	Month Period	Month Period	Month Period	Month Period
	Ended	Ended	Ended	Ended
	12/31/2022	6/30/2023	12/31/2022	6/30/2023
Receipts from:				
Ward Three Court of Iberia Parish - Civil Costs	\$ -	\$ -	\$ 756	\$ 679
Ward Three Court of Iberia Parish - Criminal Fees	33,510	21,240	-	-
Total	\$ 33,510	\$ 21,240	\$ 756	\$ 679

See independent accountant's review report.

REQUIREMENTS OF THE *LOUISIANA GOVERNMENTAL AUDIT GUIDE*

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

Of Counsel
C. Burton Kolder, CPA*

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA - retired 2022
Gerald A. Thibodeaux, Jr., CPA* - retired 2024

* A Professional Accounting Corporation

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.
Ville Platte, LA 70586 Baton Rouge, LA 70816
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Fernest Martin, Marshal
Jeanerette City Marshal, and
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the compliance of the Jeanerette City Marshal (hereinafter "Marshal") with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit B) during the year ended June 30, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The management of the Marshal is responsible for its financial records and compliance with applicable laws and regulations.

An agreed-upon procedures engagement involves the performing of specific procedures that the Marshal has agreed to and acknowledged to be appropriate to meet the intended purpose of the engagement in determining the Marshal's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit B) and report on exceptions based on the procedures performed. Additionally, the Louisiana Legislative Auditor (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 exceptions, if any, are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000 prior to August 1, 2022 and \$60,000 thereafter, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (RS.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year that exceeded \$30,000 prior to August 1, 2022 and \$60,000 thereafter for material and supplies, nor were there any expenditures for public works made during the year that exceeded \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of immediate family members of the Marshal and employees as defined by RS 42:1101-1124 (the ethics law).

Management provided us with the required list.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of the Marshal, employees, and the Marshal's and employees' immediate families. Report whether any vendors appear on both lists.

Obtained a listing of all disbursements made during the year, and a listing of outside business interest of the Marshal, employees, and Marshal's and employees' families. No vendors appeared on both lists. However, two (2) employees were terminated during the year and a list of immediate family members was not obtained.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Obtained a copy of the budget and amended budget for the General Fund. However, the budget was not legally adopted in accordance with LA R.S. 39:1301 et seq. Further, the Marshal did not adopt a budget for the Special Revenue Fund for the fiscal year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

The budget was not legally adopted.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by five percent (5%) or more, and whether actual expenditures exceeded budgeted amounts by five percent (5%) or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by ten percent (10%) or more per category or five percent (5% or more in total).

Actual revenues did not fail to meet budgeted amounts by five percent or more for the General Fund, and actual expenditures did not exceed budgeted amounts by more than five percent for the General Fund. A budget was not adopted for the Special Revenue fund.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- a) report whether the six disbursements agree to the amount and payee in the supporting documentation;

No exceptions were identified as a result of applying this procedure.

- b) report whether the six disbursements are coded to the correct fund and general ledger account; and

No exceptions were identified as a result of applying this procedure.

- c) report whether the six disbursements were approved in accordance with management's policies and procedures.

No exceptions were identified as a result of applying this procedure.

Meetings

- 10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Not applicable – The Marshal is an independently elected official and does not convene meetings for which minutes are maintained.

Debt

- 11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of banks loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected copies of all bank deposit slips for the fiscal year and observed no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

- 12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We inspected payroll records for the fiscal period and observed no payments which would constitute bonuses, advances, or gifts.

State Audit Law

- 13. Report whether the Marshal provided for a timely report in accordance with RS 24:513.

The Marshal has not provided for a timely report in accordance with RS 24:513.

- 14. Inquire of management and report whether the Marshal entered into any contracts that utilized state funds as defined in RS 39:72.1 A. (2); and that were subject to the public bid law (RS 38:2211, et seq.), while the Marshal was not in compliance with RS 24:513 (the audit law).

Management represented the Marshal entered into no contracts that utilized state funds as defined in RS 39:72.1A.(2); and that were subject to public bid law (RS 38:2211, et seq.), while the Marshal was not in compliance with RS 24:513 (the audit law).

Prior-Year Comments

- 15. Obtain and report management's representation as to whether any prior year suggestions, recommendations and/or comments have been resolved.

The prior year report, dated April 4, 2024, did not include any suggestions, exceptions, recommendations, or comments with regard to the foregoing agreed upon procedures.

We were engaged by the Marshal 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 provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Marshal's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of this report is solely to describe the scope of testing performed on the Marshal's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit B), as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the results of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information of and use by the management of the Marshal and LLA and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose. In accordance with Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
May 7, 2024

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings
Year Ended June 30, 2023

Findings reported in accordance with *Government Auditing Standards*:

2023-001 – Inadequate Segregation of Duties

Year Initially Occurring: Unknown

CONDITION: Accounting and financial functions are not adequately segregated.

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

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

2023-002 – Financial Reporting

Year Initially Occurring: Unknown

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

CRITERIA: The Marshal’s internal control over financial reporting includes those policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements and to apply GAAP in the preparation of those financial statements and related disclosures.

CAUSE: The condition results from the relatively small size of the Marshal and the increased costs of hiring personnel to prepare GAAP-based financial statements.

EFFECT: GAAP-based financial statements, as applicable to governmental entities, are not prepared by the Marshal.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings (continued)
Year Ended June 30, 2023

2023-003 – Local Government Budget Act

Year Initially Occurring: Year ended June 30, 2020

CONDITION: The budget for the general fund was not legally adopted, and a budget was not prepared for the special revenue fund.

CRITERIA: RS 39:1305 et seq., Budgetary Authority and Control, provides for the following: “A. Each political subdivision shall cause to be prepared a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and each special revenue fund.”

CAUSE: The condition results from a failure to comply with the Louisiana Local Government Budget Act.

EFFECT: The Marshal may not be in compliance with certain provisions of RS 39:1301 et seq, the Local Government Budget Act.

RECOMMENDATION: We recommend that the Marshal implement policies and procedures to comply with the Local Government Budget Act by preparing and adopting budgets for each special revenue fund annually.

2023-004 – Late Report Submission

Year Initially Occurring: Year ended June 30, 2020

CONDITION: The report for the Marshal’s required engagement was not completed and submitted to the Office of the Louisiana Legislative Auditor within six months of year end.

CRITERIA: RS 24:513 et seq provides for the completion of required engagements within six months of the close of the entity’s fiscal year.

CAUSE: The condition results from a failure to comply with statutory provisions.

EFFECT: The Marshal is not compliant with RS 24:513.

RECOMMENDATION: We recommend the Marshal institute policies and procedures to ensure its financial report is completed and submitted to the Louisiana Legislative Auditor within six months of year end.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Summary Schedule of Prior Findings
Year Ended June 30, 2023

Findings reported in accordance with *Government Auditing Standards*:

2022-001 – Inadequate Segregation of Duties

Year Initially Occurring: Unknown

CONDITION: Accounting and financial functions are not adequately segregated.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: See schedule of findings, item 2023-001.

2022-002 – Financial Reporting

Year initially occurring: Unknown

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: See schedule of findings, item 2023-002.

2022-003 – Automobile Allowance

Year Initially Occurring: Year ended June 30, 2021

CONDITION: Payment of an automobile allowance to the Marshal may be considered a salary supplement which may be violative of statutory provisions.

RECOMMENDATION: We recommend the Marshal discontinue the payment of the automobile allowance and consult with legal counsel and/or the Louisiana Attorney General regarding the legality of the payments.

CURRENT STATUS: This condition has been resolved.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Summary Schedule of Prior Findings (continued)
Year Ended June 30, 2023

2022-004 – Local Government Budget Act

Year Initially Occurring: Year ended June 30, 2020

CONDITION: A budget for the fiscal year for the general fund and each special revenue fund was not prepared and adopted.

RECOMMENDATION: We recommend that the Marshal implement policies and procedures to comply with the Local Government Budget Act by preparing and adopting budgets for the general fund and each special revenue fund annually.

CURRENT STATUS: See schedule of findings, item 2023-003.

2022-005 – Late Report Submission

Year Initially Occurring: Year ended June 30, 2020

CONDITION: The report for the Marshal's required engagement was not completed and submitted to the Office of the Louisiana Legislative Auditor within six months of year end.

RECOMMENDATION: We recommend that the Marshal institute policies and procedures to ensure its financial report is completed and submitted to the Louisiana Legislative Auditor within six months of year end.

CURRENT STATUS: See schedule of findings, item 2023-004.

CORRECTIVE ACTION PLAN FOR CURRENT FINDINGS
Exhibit A



Jeanerette Marshal Office
P. O. Box 268
1437 West Main Street
Jeanerette, Louisiana 70544
Telephone (337)276-7556 Fax (337) 276-7558

May 7, 2024

Kolder, Slaven & Company CPAs
1201 David Drive
Morgan City, LA 70380

In connection with your review of the financial statements of the Jeanerette Marshal's Office as of and for the year ended June 30, 2023, we provide the following responses to reported internal control and compliance issues:

2023-001 – Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: Due to the size of the operation and the cost-benefit of additional personnel, we were advised that a response to this issue is not required.

2023-002 – Financial Reporting

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

MANAGEMENT'S RESPONSE: Management continues to evaluate the cost-benefit of outsourcing the preparation of the Marshal's financial statements to its independent auditors rather than incur the costs to employ someone to prepare GAAP-based financial statements and have determined that it would be more cost effective to outsource the preparation of the financial statements. We will review the financial statements, notes, and any supplementary information prior to accepting responsibility for their presentation and content.

2023-003 – Local Government Budget Act

CONDITION: The budget for the general fund was not legally adopted, and a budget was not prepared for the special revenue fund.

MANAGEMENT'S RESPONSE: This matter has partially been resolved. The Marshal instituted policies and procedures to ensure compliance with the Local Government Budget Act. The Marshal

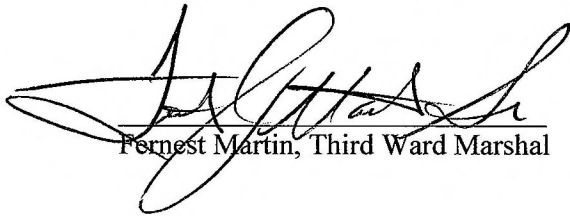
prepared budgets for the general fund and special revenue fund for the year ended June 30, 2024. Budget prepared will be adopted via procès-verbal beginning year ended June 30, 2025.

2023-004 – Late Audit Submission

CONDITION: The Marshal's audit report was not completed and submitted to the Office of the Louisiana Legislative Auditor within six months of year end.

MANAGEMENT'S RESPONSE: The Marshal has contracted with a CPA firm to resolve delinquent reporting. Upon completion of the year ended 2023, the Marshal's office will ensure that its report is submitted to the Louisiana Legislative Auditor in accordance with state statute for the fiscal year ended June 30, 2024.

I trust the foregoing adequately addresses the reported issues.



Fernest Martin, Third Ward Marshal

LOUISIANA ATTESTATION QUESTIONNAIRE
Exhibit B

Jeanerette City Marshal
Louisiana Attestation Questionnaire
Year Ended June 30, 2023

Kolder, Slaven & Company, LLC, CPAs
Post Office Box 3438
Morgan City, Louisiana 70381

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below as of June 30, 2023 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.
Yes No N/A

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.
Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.
Yes No N/A

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 Through 42:28.

Yes No N/A

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No N/A

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes No N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes No N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes [] No [] N/A []

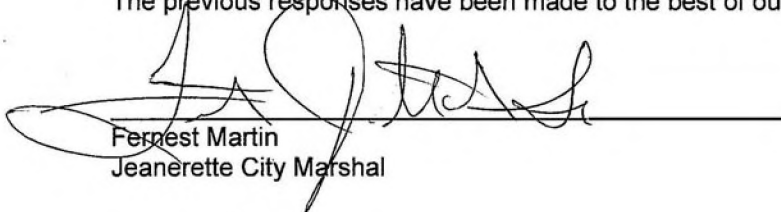
We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [] No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [] No [] N/A []

The previous responses have been made to the best of our belief and knowledge.


Ernest Martin
Jeanerette City Marshal

12/19/23
Date