

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Financial Statements with Supplementary Information

June 30, 2024

(With Independent Auditors' Report Thereon)

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

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Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
Racheal D. Alvey

Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

Independent Auditors' Report

**City Marshal William Guyton
West Monroe City Marshal, West Monroe, Louisiana**

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Monroe City Marshal, a component unit of the City of West Monroe, Louisiana (the Marshal), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Marshal's component unit basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Marshal to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

205 E. Lockwood St.
Covington LA 70433
(985) 727-9924 Phone
(985) 727-9975 Fax

2915 S. Sherwood Forest Blvd., Suite B
Baton Rouge, LA 70816
(225) 292-7434 Phone
(225) 293-3651 Fax

3711 Cypress St. #1
West Monroe, LA 71291
(318) 397-2472 Phone

www.griffinandco.com

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Marshal's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, justice system funding schedule - collecting/disbursing entity, and justice system funding schedule – receiving entity, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to agency head, justice system funding schedule - collecting/disbursing entity, and justice system funding schedule – receiving entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024 on our consideration of the Marshal's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Marshal's internal control over financial reporting and compliance.

Griffin & Furman, LLC

December 13, 2024

West Monroe, Louisiana

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Management's Discussion and Analysis

June 30, 2024

Our discussion and analysis of the West Monroe City Marshal (the "Marshal"), a component unit of the City of West Monroe, Louisiana provides an overview of the Marshal's activities for the year ended June 30, 2024. Please read it in conjunction with the Marshal's financial statements.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Marshal's basic financial statements. The Marshal's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. These components are described below:

The basic financial statements include two kinds of financial statements that present different views of the Marshal – the Government-Wide Financial Statements and Fund Financial Statements. These financial statements also include the Notes to the Financial Statements that explain some of the information in the financial statements and provide additional detail.

Government-Wide Financial Statements:

The government-wide financial statements provide a broad view of the Marshal's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Marshal's financial position, which assists users in assessing the Marshal's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenditures connected with the year even if cash has not been received or paid. The Marshal's financial statements contain only governmental activities. The government-wide financial statements include two statements.

1. **Statement of Net Position** - The Statement of Net Position presents all of the Marshal's assets and liabilities, with the difference between the two reported as "net position." Over time, increases or decreases in the Marshal's net position may serve as a useful indicator of whether the financial position of the Marshal is improving or deteriorating.
2. **Statement of Activities** - The Statement of Activities presents information showing how the Marshal's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Marshal, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Marshal are divided into two categories: governmental funds and fiduciary funds.

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Management's Discussion and Analysis

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1. **Governmental Funds** - The Marshal's operating expenditures are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Marshal's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Marshal expenses. We describe the relationship (or differences) between governmental activities (reported in the Statement of Activities) and governmental funds in reconciliation in Note 1 to the financial statements.
2. **Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside of the Marshal. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Marshal's own programs. The accrual basis of accounting is used for fiduciary funds. The Marshal's fiduciary funds are the Garnishment Fund, the Sales and Seizures Fund, and the Cash Bond and Forfeitures Fund.

The fund financial statements can be found immediately following the government-wide financial statements.

Notes to the Financial Statements:

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

Financial Highlights

- The Marshal's assets exceeded its liabilities at the close of fiscal year 2024 by \$67,836. Assets consist primarily of cash. Net position increased by \$29,093 or 75.0% as compared to prior year net position.
- The Marshal's revenues totaled \$699,233 for the year ended June 30, 2024. These revenues are comprised primarily of service fees and intergovernmental revenue. Revenues increased \$10,506 or 1.5% compared to the prior fiscal year.
- The Marshal's expenses totaled \$670,140 for the year ended June 30, 2024. These expenses are comprised primarily of personnel, operating, and professional services. Expenses decreased \$6,954 or 1.0% compared to the prior fiscal year.

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Management's Discussion and Analysis

June 30, 2024

Financial Analysis of the Marshal

The following presents condensed financial information on the operation of the Marshal:

	<u>2024</u>	(Restated) <u>2023</u>	<u>Change</u>
Current assets	\$ 70,764	41,574	29,190
Total assets	<u>70,764</u>	<u>41,574</u>	<u>29,190</u>
Current liabilities	<u>2,928</u>	2,831	97
Total liabilities	<u>2,928</u>	<u>2,831</u>	<u>97</u>
Net position			
Restricted	46,908	28,723	18,185
Unrestricted	<u>20,928</u>	<u>10,020</u>	<u>10,908</u>
Total net position	<u>67,836</u>	<u>38,743</u>	<u>29,093</u>
Total liabilities and net position	\$ <u>70,764</u>	<u>41,574</u>	<u>29,190</u>
Program revenues	\$ 130,881	115,885	14,996
General revenues	<u>568,352</u>	<u>572,842</u>	(4,490)
Total revenues	<u>699,233</u>	<u>688,727</u>	10,506
Expenses	<u>670,140</u>	<u>677,094</u>	(6,954)
Change in net position	\$ <u>29,093</u>	<u>11,633</u>	<u>17,460</u>

Analysis of Individual Funds of the Marshal

The activity in the individual funds is reflected in the Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. The total net position and the change in net position as reflected in the government-wide financial statements (which are condensed above) and, if any differences exist, are reconciled with the fund financial statements in statements that follow each respective statement.

Analysis of Budgeted Amounts

A comparison of budget to actual for the general fund and equipment and training fund are presented as required supplemental statements. The Marshal prepares the original budgets for the subsequent year based on estimates of revenues and expenses for the current year. The Marshal makes assumptions about the subsequent year based on various factors available to management at the time the original budgets are prepared. Management relies on the estimates and assumptions to determine how revenues and expenses for the subsequent year may fluctuate from the previous year.

For the general fund, the amount budgeted for revenues and expenses was adjusted from the original budgeted amounts due to the fact that the original budget was prepared before the end of the

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Management's Discussion and Analysis

June 30, 2024

Marshal's fiscal year. Operating revenues were less than anticipated by \$7,914 or 1.3%. Expenses were \$5,822 or 0.9% less than anticipated. There were no other significant fluctuations between the original and final budgeted amounts.

For the equipment and training fund, operating revenues were less than anticipated by \$2,901 or 3.7%. Expenses were \$1,386 or 2.3% less than anticipated.

Economic Factors and Next Year's Budget

There are no changes in rates for next year. The Marshal uses prior year results with known economic factors to prepare the budget for the next year.

Contacting the Marshal

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Marshal's finances and to show the Marshal's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Marshal's office at 2303 North 7th Street, West Monroe, Louisiana.

**WEST MONROE CITY MARSHAL
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Statement of Net Position

June 30, 2024

		<u>Governmental Activities</u>
	<u>Assets</u>	
Cash	\$ 61,180	
Accounts receivable	<u>9,584</u>	
Total assets		\$ <u><u>70,764</u></u>
	<u>Liabilities & Net Position</u>	
Liabilities:		
Due to others	\$ <u>2,928</u>	
Total liabilities		2,928
Net Position:		
Restricted for:		
Equipment and training	46,908	
Unrestricted	<u>20,928</u>	
Total net position		<u>67,836</u>
Total liabilities & net position		\$ <u><u>70,764</u></u>

See accompanying notes to the financial statements.

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Statement of Activities

For the Year Ended June 30, 2024

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Net (Expense) Revenue & Changes in Net Position</u>
Governmental Activities:			
General government	\$ 612,226	54,782	(557,444)
Public safety	<u>57,914</u>	<u>76,099</u>	<u>18,185</u>
Total governmental activities	\$ <u>670,140</u>	<u>130,881</u>	(539,259)
General revenues:			
Intergovernmental - City of West Monroe			<u>568,352</u>
Change in net position			29,093
Net position - beginning of year, restated (See Note 5)			<u>38,743</u>
Net position - end of year			\$ <u>67,836</u>

See accompanying notes to the financial statements.

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Governmental Funds

Balance Sheet

June 30, 2024

	<u>General Fund</u>	<u>Equipment and Training Fund</u>	<u>Total</u>
Assets:			
Cash	\$ 16,024	45,156	61,180
Accounts receivable	<u>4,904</u>	<u>4,680</u>	<u>9,584</u>
Total assets	<u><u>\$ 20,928</u></u>	<u><u>49,836</u></u>	<u><u>70,764</u></u>
Liabilities and Fund Balances:			
Liabilities:			
Due to others	<u>\$ -</u>	<u>2,928</u>	<u>2,928</u>
Total liabilities	<u>-</u>	<u>2,928</u>	<u>2,928</u>
Fund Balances:			
Restricted for:			
Equipment and training	-	46,908	46,908
Unrestricted	<u>20,928</u>	<u>-</u>	<u>20,928</u>
Total fund balances	<u>20,928</u>	<u>46,908</u>	<u>67,836</u>
Total liabilities and fund balances	<u><u>\$ 20,928</u></u>	<u><u>49,836</u></u>	<u><u>70,764</u></u>

See accompanying notes to the financial statements.

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Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2024

	<u>General Fund</u>	<u>Equipment and Training Fund</u>	<u>Total</u>
Revenues:			
Court costs and commissions	\$ 54,782	76,099	130,881
Intergovernmental - City of West Monroe	<u>568,352</u>	<u>-</u>	<u>568,352</u>
Total revenues	<u>623,134</u>	<u>76,099</u>	<u>699,233</u>
Expenditures:			
Salaries - staff	521,942	-	521,942
Security	35,957	-	35,957
Equipment	-	3,873	3,873
Training	-	6,021	6,021
Fees and commissions	-	48,020	48,020
Other reductions	16,979	-	16,979
Supplies	<u>37,348</u>	<u>-</u>	<u>37,348</u>
Total expenditures	<u>612,226</u>	<u>57,914</u>	<u>670,140</u>
Excess of revenues over expenditures	10,908	18,185	29,093
Fund balances, beginning of year	<u>10,020</u>	<u>28,723</u>	<u>38,743</u>
Fund balance, end of year	\$ <u><u>20,928</u></u>	<u><u>46,908</u></u>	<u><u>67,836</u></u>

See accompanying notes to the financial statements.

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Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2024

	Total Custodial Funds
	<hr/>
<u>Assets</u>	
Cash	\$ 198,687
Accounts receivable	<hr/> 6,345
	<hr/>
Total assets	<hr/> <hr/> 205,032
	<hr/>
<u>Liabilities</u>	
Liabilities:	
Due to others	<hr/> 40,354
	<hr/>
Total liabilities	<hr/> <hr/> 40,354
	<hr/>
<u>Net Position</u>	
Net Position:	
Restricted for:	
Other governments, organizations, and individuals	<hr/> 164,678
	<hr/>
Net position	\$ <hr/> <hr/> 164,678

See accompanying notes to the financial statements.

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Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2024

	Total Custodial Funds
	<hr/>
Additions:	
Bond Fees	\$ 50,050
Garnishments	447,033
Court costs	<hr/> 10,039
Total additions	<hr/> 507,122
Deductions:	
Bond fees, fines, refunds and forfeitures	31,300
Garnishments	417,397
Other disbursements	<hr/> 39,675
Total deductions	<hr/> 488,372
Net increase in fiduciary net position	18,750
Net position, beginning of period, restated (See Note 5)	<hr/> 145,928
Net position, end of period	\$ <hr/> <hr/> 164,678

See accompanying notes to the financial statements.

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Notes to the Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

(a) Introduction

The West Monroe City Marshal (the Marshal), is a component unit of the City of West Monroe, Louisiana (the City). The Marshal is responsible for maintaining bonds posted by defendants appearing before the City Court, the collection and remittance of garnishments, and the auction of property seized by the Marshal. The Marshal is elected for six-year terms.

(b) Financial Reporting Entity

As a governing authority of the City, for reporting purposes, the City of West Monroe, Louisiana, is the financial reporting entity for the City. The financial reporting entity consists of (a) the primary government (City), (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.

Government Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of West Monroe, Louisiana for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 that 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 organizations is not included because of the nature or significance of the relationship.

Because of item 2 above, the West Monroe City Marshal was determined to be a component unit of the City of West Monroe, Louisiana, 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 that governmental unit, or the other governmental units that comprise the financial reporting entity.

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Notes to the Financial Statements

June 30, 2024

(c) Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of the net position and the statement of activities) report information on all of the non-fiduciary activities of the Marshal. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the Marshal's operations, the Marshal does not report any business-type activities.

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

(d) Basic Financial Statements - Fund Financial Statements

Funds are used by the Marshal to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the Marshal are classified into the "governmental" category. The category, in turn, is divided into separate "fund types".

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

The amounts reflected in the Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet.

The statement of revenues, expenditures, and changes in fund balance reports on the sources and uses of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Marshal's operations. For the year ended June 30, 2024, there were no differences between the fund financial statements and the government-wide financial statements.

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Notes to the Financial Statements

June 30, 2024

The amounts reflected in the Governmental Funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Marshal considers all revenues available if they are collected within 60 days after the fiscal year end.

Major individual governmental funds are reported as separate columns in the fund financial statements. The Marshal reports the following major governmental funds:

The *General Fund* is the primary operating fund of the Marshal, and it accounts for all financial resources except those required to be accounted for in other funds. The Marshal's General Fund is used to account for receipts and disbursements of funds received from City Court costs and used in connection with the Marshal's operating expenditures. These funds are held by the City of West Monroe then distributed to the Marshal by the City.

Equipment and Training Fund - The Equipment and Training Fund is a special revenue fund that is used to account for the fees associated with Louisiana Statute R.S. 13:5807 as amended by Act No. 166 of the 2020 regular session. Funds shall be used 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' reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Marshal are custodial funds. The Marshal maintains the following custodial funds as described below. These funds use the economic resources measurement focus and the accrual basis of accounting

Cash Bonds and Forfeitures Fund - The Cash Bonds and Forfeitures Fund accounts for the collection of bond forfeitures and the posting of cash bonds. Effective July 1, 1991, fines are remitted directly to the City and are accounted for by the City. Cash bonds are held until forfeited or refunded to the person posting the bond.

Garnishment Fund - The Garnishment Fund accounts for the collection of garnishments and the remittance of these funds to garnishment payees and to the City Court and Marshal for costs incurred in collecting and distributing the funds.

Sales and Seizures Fund - Sales and Seizures Fund account for the collection of proceeds from the sale and seizure of property and the remittance of these funds to creditors, to the Marshal for costs incurred, and to others for costs incurred in the sale and seizure of property.

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CITY OF WEST MONROE, LOUISIANA**

Notes to the Financial Statements

June 30, 2024

(e) Revenues

Recordings, cancellations, criminal costs, and other fees, charges and commissions for services are recorded in the year in which they are earned. Interest income on time deposits is recorded when susceptible to accrual. Substantially all other revenues are recorded when received by the Marshal. Based on the above criteria, recordings, criminal costs, and other fees, charges, and commissions for service are treated as susceptible to accrual.

(f) Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Salaries and related payroll taxes and benefits are recorded when employee services are provided to the Marshal.

(g) Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted as other financing sources (uses) and are recognized when the underlying events occur.

(h) Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the Marshal may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

(i) Fund Balances

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

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

Restricted Fund Balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the city aldermen and the Marshal - the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the city aldermen and the Marshal remove the

**WEST MONROE CITY MARSHAL
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Notes to the Financial Statements

June 30, 2024

specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance - This classification reflects the amounts constrained by the Marshal's "intent" to be used for specific purposes, but are neither restricted nor committed. The marshal's management has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance - This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Marshal's policy to use externally restricted resources first, then unrestricted resources - committed, assigned and unassigned - in order as needed.

(j) Net Position

In accordance with GASB Codification, net position is classified into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

1. 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.
2. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the Marshal's policy to use restricted resources first, then unrestricted resources as they are needed. As of June 30, 2024, and for the year then ended, the Marshal had \$46,908 of net position restricted for equipment and training.

(k) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

**WEST MONROE CITY MARSHAL
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Notes to the Financial Statements

June 30, 2024

contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

(2) Budgets and Budgetary Accounting

A budget is prepared by the Marshal for the portion of revenues and expenses paid for by the on-behalf payment from the City and also includes the revenues and expenses that are not paid from the City. The detail of this payment from the City is shown in Note 4.

(3) Cash

At June 30, 2024, the Marshal had cash (book balances) totaling \$259,867 as follows:

Governmental Funds:	
General Fund	\$ 16,024
Equipment and Training Fund	<u>45,156</u>
Total governmental funds	<u>61,180</u>
 Fiduciary (Agency) Funds:	
Sales and Seizure Fund	1,735
Garnishment Fund	34,552
Cash Bond and Forfeitures Fund	<u>162,400</u>
Total fiduciary funds	<u>198,687</u>
 Total all funds	 <u>\$ 259,867</u>

These deposits are stated at cost, which approximates market. Under state law, they 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. These securities are held in the name of the pledging fiscal agent bank in a holding, or custodial bank that is mutually acceptable to both parties.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Board does not have any deposits that fall within this category. Deposits of the Marshal are secured with insurance through FDIC and collateral pledged by its agent banks.

(4) On-Behalf Payments

The City provides a substantial amount of fiscal support to the Marshal for its operations. The City made on-behalf payments of \$568,352 for the Marshal for the year ended June 30, 2024, as follows:

**WEST MONROE CITY MARSHAL
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Notes to the Financial Statements

June 30, 2024

Salaries (including sick and vacation pay)	\$ 346,418
Fringe benefits	175,524
Operating expenses	<u>46,410</u>
Total	<u>\$ 568,352</u>

(5) Restatement of Net Position and Fund Balances

In fiscal year ended June 30, 2021, the Marshal implemented GASB Statement No. 84, *Fiduciary Activities*. During that implementation, an error was made such that certain net position and fund balances previously reported as fiduciary funds were reclassified to governmental funds. During the current year, this error was corrected which resulted in a decrease of \$4,123 to beginning net position in the Statement of Net Position, a decrease of \$4,123 in beginning fund balances in the Governmental Funds Balance Sheet, and an increase of \$4,123 in beginning net position in the Fiduciary Funds Statement of Fiduciary Net Position.

(6) Evaluation of Subsequent Events

Subsequent events were evaluated through December 13, 2024, which is the date the financial statements were available to be issued.

**WEST MONROE CITY MARSHAL
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**Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund**

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Court costs and commissions	\$ 50,000	53,000	54,782	1,782
Intergovernmental - City of West Monroe	578,048	578,048	568,352	(9,696)
Total revenues	<u>628,048</u>	<u>631,048</u>	<u>623,134</u>	<u>(7,914)</u>
Expenditures:				
Salaries - staff	530,668	530,668	521,942	8,726
Security	35,000	35,000	35,957	(957)
Other reductions	17,880	17,880	16,979	901
Supplies	31,500	34,500	37,348	(2,848)
Total expenditures	<u>615,048</u>	<u>618,048</u>	<u>612,226</u>	<u>5,822</u>
Excess of revenues over expenditures	13,000	13,000	10,908	(2,092)
Fund balance, beginning of year	<u>10,020</u>	<u>10,020</u>	<u>10,020</u>	<u>-</u>
Fund balance, end of year	<u>\$ 23,020</u>	<u>23,020</u>	<u>20,928</u>	<u>\$ (2,092)</u>

**WEST MONROE CITY MARSHAL
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**Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Equipment and Training Fund**

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Court costs and commissions	\$ 79,000	79,000	76,099	(2,901)
Total revenues	<u>79,000</u>	<u>79,000</u>	<u>76,099</u>	<u>(2,901)</u>
Expenditures:				
Equipment	4,300	4,300	3,873	427
Training	6,500	6,500	6,021	479
Fees and commissions	<u>48,500</u>	<u>48,500</u>	<u>48,020</u>	<u>480</u>
Total expenditures	<u>59,300</u>	<u>59,300</u>	<u>57,914</u>	<u>1,386</u>
Excess of revenues over expenditures expenditures	19,700	19,700	18,185	(1,515)
Fund balance, beginning of year	<u>28,723</u>	<u>28,723</u>	<u>28,723</u>	<u>-</u>
Fund balance, end of year	<u>\$ 48,423</u>	<u>48,423</u>	<u>46,908</u>	<u>\$ (1,515)</u>

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Schedule of Compensation, Benefits, and Other Payments to Agency Head

For the Year Ended June 30, 2024

Agency Head Name: William Guyton, City Marshal

	<u>Amount</u>
Paid by the City of West Monroe, Louisiana:	
Salary	\$ 46,488
Cell phone	480
Car allowance	7,500
Benefits - insurance	8,500
Benefits - retirement	5,091
Paid by the West Monroe Marshal:	
Service returns / housing evictions	48,002
Sales and seizures	4,445
Garnishments	29,113
Paid by the State of Louisiana:	
State supplemental pay	<u>7,200</u>
	\$ <u><u>156,819</u></u>

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

**Justice System Funding Schedule - Collecting / Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

For the Year Ended June 30, 2024

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 6/30/2024
Cash Basis Presentation:		
Beginning balance of amounts collected	\$ 176,467	198,706
Add: Collections		
Civil fees	193,346	253,687
Bond fees	14,650	35,400
Asset forfeiture / sale	8,038	2,250
Criminal court costs / fees	35,209	36,330
Subtotal collections	<u>251,243</u>	<u>327,667</u>
Less: Disbursements to governments and non-profits		
City of West Monroe - fines	2,769	4,341
Less: Amounts retained by collecting agency		
Collection fee for collecting / disbursing to others based on a percentage of collection	37,018	41,960
Bond forfeitures	100	2,000
Less: Disbursements to individuals / 3rd party collection or processing agencies		
Bond fee refunds	11,081	11,009
Other disbursements to individuals (additional detail is not required)	178,036	239,360
Subtotal disbursements / retainage	<u>229,004</u>	<u>298,670</u>
Total	\$ <u>198,706</u>	<u>227,703</u>

**WEST MONROE CITY MARSHAL
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**Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session**

For the Year Ended June 30, 2024

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 6/30/2024
Cash Basis Presentation:		
Receipts from:		
City of West Monroe, criminal court costs / fees	\$ <u>14,741</u>	<u>17,075</u>
Total	\$ <u><u>14,741</u></u>	<u><u>17,075</u></u>



Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
Racheal D. Alvey

Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

**City Marshal William Guyton
West Monroe City Marshal, West Monroe, Louisiana**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Monroe City Marshal, a component unit of the City of West Monroe, Louisiana (the Marshal), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Marshal's component unit basic financial statements as listed in the table of contents and have issued our report thereon dated December 13, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

205 E. Lockwood St.
Covington, LA 70433
Phone: (985) 727-9924
Fax: (985) 400-5026

2915 S. Sherwood Forest Blvd., Suite B
Baton Rouge, LA 70816
Phone: (225) 292-7434
Fax: (225) 293-3651

3711 Cypress St. #2
West Monroe, LA 71291
Phone: (318) 397-2472

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Marshal's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Griffin & Furman, LLC

December 13, 2024

West Monroe, Louisiana

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Schedule of Findings and Management Corrective Action Plan

June 30, 2024

Summary of Audit Results:

- 1. Type of Report Issued - Unmodified**
- 2. Internal Control Over Financial Reporting**
 - a. Significant Deficiencies - No**
 - b. Material Weaknesses - No**
- 3. Compliance and Other Matters - No**
- 4. Management Letter - No**

**WEST MONROE CITY MARSHAL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Status of Prior Year Findings

June 30, 2024

Not applicable

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the West Monroe City Marshal William Guyton (the Marshal) and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023, through June 30, 2024, as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable."

Management of the West Monroe City Marshal is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by the Marshal and LLA, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Marshal's compliance with certain laws and regulations during the period of July 1, 2023, 2023 to June 30, 2024.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

- iii. **Disbursements**, including processing, reviewing, and approving.
- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Finding: Procedures performed without exception.

Board or Finance Committee

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

Finding: *Not applicable. The Marshal is a single elected official and operates without the aid of a Board or Council.*

Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Finding: Exception noted that there was no evidence that management had researched the reconciling items that had been outstanding for over 12 months.

Collections (excluding electronic funds transfers)

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

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

Finding: *Procedures performed without exception.*

Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

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

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Finding: Procedure performed without exception.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Finding: The Marshal did not utilize cards during the FYE June 30, 2024. Procedures were not applicable.

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

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

Finding: Procedure performed without exception.

Contracts

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

Finding: Procedures not applicable since the Marshal did not have any contracts in effect during the FYE June 30, 2024.

Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Finding: Procedures are not applicable. All payroll functions are performed by the City of West Monroe.

Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Finding: *Procedures are not applicable. The City of West Monroe maintains all documentation for ethics training in accordance with the City's handbook.*

Debt Service

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

Finding: *Procedures not applicable since the Marshal does not have any debt.*

Fraud Notice

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

Finding: *Procedure performed without exception.*

Information Technology Disaster Recovery/Business Continuity

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

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

Finding: *We performed the procedures and discussed the results with management.*

Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

Finding: Procedures performed without exception

We were engaged by the West Monroe City 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 standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

Griffin & Furman, LLC

December 11, 2024

West Monroe, Louisiana

**WEST MONROE CITY MARSHALL
A COMPONENT UNIT OF THE
CITY OF WEST MONROE, LOUISIANA**

Schedule of Findings

For the Year Ending June 30, 2024

2024-1 - Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Finding: Exception noted that there was no evidence that management had researched the reconciling items that had been outstanding for over 12 months.

Recommendation: We recommend that management have clear documentation they have researched reconciling items that have been outstanding for over 12 months.

2303-B North Seventh Street
West Monroe, LA 71291-5254



(318) 396-6107
(318) 396-8192
Fax (318) 397-2413

City of West Monroe

William M. Guyton
City Marshal

December 13, 2024

Griffin & Furman, LLC
3711 Cypress St., #2
West Monroe, Louisiana

Re: FY 2024 Statewide Agreed-Upon Procedures Schedule of Findings

Dear Mr. Furman,

In response to the above referenced Schedule of Findings, the West Monroe City Marshal acknowledges the finding and agrees to take the following corrective actions.

2024-1 - Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Finding: Exception noted that there was no evidence that management had researched the reconciling items that had been outstanding for over 12 months.

Recommendation: We recommend that management have clear documentation they have researched reconciling items that have been outstanding for over 12 months.

West Monroe City Marshal Corrective Action: The Marshal will ensure old outstanding items are reviewed on a regular basis.

Sincerely,

A handwritten signature in blue ink, appearing to read 'William Guyton', with a stylized flourish extending from the end.

William Guyton
West Monroe City Marshal