

**MARSHAL – CITY COURT
OF LAFAYETTE, LOUISIANA**

FINANCIAL REPORT

YEAR ENDED OCTOBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

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To the Marshal
City Court of Lafayette, Louisiana
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal, City Court of Lafayette, Louisiana (Marshal), as of and for the year then ended October 31, 2022, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal as of October 31, 2022, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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.

Change in Accounting Principle

As discussed in Note 10 to the financial statements, in 2022 the Marshal adopted the new accounting guidance, GASBS No. 87, Leases. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Marshal 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 Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Marshal's basic financial statements. The other supplementary information on pages 31 through 38 is presented for purposes of additional analysis and is not a required part of the financial statements.

The comparative statements on pages 31 and 32, the statements on pages 35 and 36, and justice funding schedules on pages 37 and 38 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements are fairly stated in all material respects in relation to the financial statements as a whole. The prior year comparative information on these statements has been derived from the financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the financial statements as a whole.

The comparison schedules on pages 33 and 34 have not been subjected to the auditing procedures applied in the audit of the 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2023 on our consideration of the Marshal's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Marshal's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 6, 2023

BASIC FINANCIAL STATEMENTS

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Net Position

October 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 473,813
Accounts receivable	57,637
Prepaid expenses	<u>36,961</u>
Total current assets	568,411
Noncurrent assets:	
Capital assets, net	<u>210,523</u>
Total assets	<u>778,934</u>
LIABILITIES	
Current liabilities:	
Accounts payable	7,564
Current portion of long-term liabilities	<u>44,647</u>
Total current liabilities	52,211
Long-term liabilities	<u>122,010</u>
Total liabilities	<u>174,221</u>
NET POSITION	
Net investment in capital assets	45,116
Restricted	4,154
Unrestricted	<u>555,443</u>
Total net position	<u>\$ 604,713</u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Activities
For the Year Ended October 31, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 2,358,681	\$ 750,808	\$ 1,852,257	\$ 244,384
Interest on long-term debt	<u>7,116</u>	<u>-</u>	<u>-</u>	<u>(7,116)</u>
Total governmental activities	<u>\$ 2,365,797</u>	<u>\$ 750,808</u>	<u>\$ 1,852,257</u>	<u>237,268</u>
				Change in net position 237,268
				Net position - November 1, 2021, as restated <u>367,445</u>
				Net position - October 31, 2022 <u>\$ 604,713</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Governmental Funds
October 31, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and interest-bearing deposits	\$ 469,659	\$ 4,154	\$ 473,813
Receivables -			
Accounts	57,637	-	57,637
Prepaid expenses	<u>36,961</u>	<u>-</u>	<u>36,961</u>
Total assets	<u>\$ 564,257</u>	<u>\$ 4,154</u>	<u>\$ 568,411</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	<u>\$ 7,564</u>	<u>\$ -</u>	<u>\$ 7,564</u>
Fund balances:			
Nonspendable (prepaid expenses)	36,961	-	36,961
Restricted	-	4,154	4,154
Unassigned	<u>519,732</u>	<u>-</u>	<u>519,732</u>
Total fund balances	<u>556,693</u>	<u>4,154</u>	<u>560,847</u>
Total liabilities and fund balances	<u>\$ 564,257</u>	<u>\$ 4,154</u>	<u>\$ 568,411</u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
October 31, 2022

Total fund balances for governmental funds at October 31, 2022		\$ 560,847
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Equipment, net of \$468,207 accumulated depreciation	\$ 87,221	
Furniture and fixtures, net of \$87,454 accumulated depreciation	2,943	
Right-of-use assets, net of \$42,627 accumulated amortization	<u>120,359</u>	210,523
Long-term liabilities at October 31, 2022:		
Finance purchase obligation	(31,246)	
Lease liability	<u>(135,411)</u>	<u>(166,657)</u>
Net position at October 31, 2022		<u>\$ 604,713</u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds
 For the Year Ended October 31, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Fees, charges and commissions for services -			
Fees and commissions	\$ 736,820	\$ -	\$ 736,820
Intergovernmental -			
Federal grants	21,846	-	21,846
On-behalf payments	1,838,128	-	1,838,128
Other	<u>6,270</u>	-	<u>6,270</u>
Total revenues	<u>2,603,064</u>	<u>-</u>	<u>2,603,064</u>
Expenditures:			
Current -			
General government	2,278,321	-	2,278,321
Capital outlay	7,086	-	7,086
Debt service	<u>68,728</u>	-	<u>68,728</u>
Total expenditures	<u>2,354,135</u>	<u>-</u>	<u>2,354,135</u>
Net change in fund balance	248,929	-	248,929
Fund balances, beginning	<u>307,764</u>	<u>4,154</u>	<u>311,918</u>
Fund balances, ending	<u>\$ 556,693</u>	<u>\$ 4,154</u>	<u>\$ 560,847</u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended October 31, 2022

Total net changes in fund balances for the year ended October 31, 2022 per statement of revenues, expenditures and changes in fund balances			\$ 248,929
The change in net position reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances		\$ 7,086	
Depreciation expense for the year ended October 31, 2022		(50,270)	
Amortization expense for the year ended October 31, 2022		<u>(30,090)</u>	(73,274)
Repayments of principal on long-term liabilities are recorded as expenditures in the governmental fund but reduce their respective liabilities in the statement of net position.			
Principal payments			<u>61,613</u>
Total changes in net position for the year ended October 31, 2022 per statement of activities			<u>\$ 237,268</u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Fiduciary Net Position -
Custodial Funds
October 31, 2022

ASSETS	
Cash and interest-bearing deposits	\$ -
LIABILITIES	
Accounts and other payables	<u>-</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	<u><u>\$ -</u></u>

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

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Changes in Fiduciary Net Position -
Custodial Funds
For the Year Ended October 31, 2022

Additions:	
Deposits -	
Garnishments	\$ 1,023,401
Restitutions	<u>30,092</u>
	1,053,493
Reductions:	
Collections distributed to others	<u>1,060,823</u>
Net change in fiduciary position	(7,330)
Net position, beginning of year	<u>7,330</u>
Net position, end of year	<u>\$ -</u>

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

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements

INTRODUCTION

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Marshal – City Court of Lafayette, Louisiana (Marshal) is an elected official who serves six-year terms. The Marshal is charged with the responsibility of conducting policing and security functions for the City Court of Lafayette, Louisiana. Operations of the Marshal's office are funded by Lafayette City-Parish Consolidated Government (LCG), the State of Louisiana, and court costs charged by the City Court of Lafayette, Louisiana attributable to the performance of the Marshal's duties.

These financial statements only include funds, activities, et cetera, that are controlled by the Marshal as an independently elected official.

B. Basis of Presentation

The accompanying basic financial statements of the Marshal have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements (GWFS)

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

The statement of activities presents a comparison between direct expenses and program revenues for 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 bond forfeitures, drug seizures, equitable sharing receipts, and fees and commissions. Revenues that are not classified as program revenues are presented as general revenues.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

The Marshal uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid the Marshal by segregating transactions related to certain Marshal's 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 10 percent of the corresponding total for all governmental funds. For reporting purposes, the General Fund of the Marshal is considered to be a major fund. The funds of the Marshal are described below:

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Marshal. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is financed through court costs and commissions as well as bond forfeitures earned by the Marshal. Resources of the fund are used to supplement the cost of operating the Marshal's office.

Special Revenue Funds

Drug Enforcement Fund -

The Drug Enforcement Fund is used to account for the Marshal's revenues which are legally restricted for use in drug enforcement and education. This fund is financed through a sixty percent (60%) allocation of monies seized in drug-related arrests.

Equitable Sharing Fund -

The Equitable Sharing Fund is used to account for the Marshal's revenues which are legally restricted for law enforcement expenditures. This fund is financed through a Federal Equitable Sharing Agreement with the United States Departments of Justice and the Treasury sharing forty percent (40%) of available amounts with participating local law enforcement agencies.

Fiduciary Funds

Custodial funds – The amounts reported in custodial funds are limited to assets that are being held for individuals, private organizations, or other governments. The custodial funds account for assets held by the Marshal as an agent for litigants in court-ordered actions. 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. Custodial funds are presented on an economic resources' measurement focus and full accrual basis. The custodial funds are as follows:

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Garnishment Fund –

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

Restitution Fund –

The Restitution Fund is used for the collection of court-ordered restitutions.

Asset Forfeiture Fund –

The Asset Forfeiture Fund is used to account for funds seized by the Marshal and subsequently released by court-order.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item 2 below.

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

1. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of a period.
2. 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, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources associated with its activities are reported. Government-wide fund equity is classified as net position.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

Cash and interest-bearing deposits are stated at cost, which approximates market.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not received. Amounts due to the Marshal for courts costs, commissions, and bond forfeitures earned from providing services to the City Court of Lafayette, Louisiana are included in accounts receivable, which amounted to \$57,637 as of October 31, 2022.

Prepaid expenditures

Payments made for insurance and other expenditures that will benefit periods beyond the end of the fiscal year are recorded as prepaid expenditures.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Marshal as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment and vehicles	5-10
Furniture and fixtures	10

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of October 31, 2022.

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of “net investment in capital assets” or “restricted.”

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

- a. Nonspendable – Includes amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact. All amounts reported as nonspendable as of October 31, 2022, by the Marshal are nonspendable in form. The Marshal has not reported any amounts that are legally or contractually required to be maintained intact.
- b. Restricted – Includes amounts restricted by external sources or by constitutional provisions or enabling legislation.
- c. Committed – Includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to directives of the Marshal who has the highest level of decision-making authority. Commitments may be modified or rescinded only through actions of the Marshal.
- d. Assigned – Includes amounts that the Marshal intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Marshal or his designee may assign amounts to this classification.
- e. Unassigned – Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

Use of restricted resources

When an expenditure is incurred that can be paid using either restricted or unrestricted resources (fund balances), the Marshal considers to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Marshal considers to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

E. Revenues, Expenditures, and Expenses

Operating Revenues

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Marshal is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Expenditures/Expenses

Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Marshal.

F. Estimates

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

(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. As of October 31, 2022, the Marshal had cash and interest-bearing deposits (book balances) totaling \$473,813 attributable to governmental activities and \$0 attributable to custodial funds.

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 collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. 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 pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. As of October 31, 2022, bank balances in the amount of \$564,199 were as follows:

Bank balances	<u>\$ 564,199</u>
Federal deposit insurance	250,000
Pledged securities	<u>314,199</u>
Total	<u>\$ 564,199</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset activity for the year ended October 31, 2022 was as follows:

	<u>Balance</u> 11/1/2021	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 10/31/2022
Capital assets:				
Equipment and vehicles	\$ 548,342	\$ 7,086	\$ -	\$ 555,428
Furniture and fixtures	<u>90,397</u>	<u>-</u>	<u>-</u>	<u>90,397</u>
Total capital assets	<u>638,739</u>	<u>7,086</u>	<u>-</u>	<u>645,825</u>
Less: accumulated depreciation				
Equipment and vehicles	419,006	49,201	-	468,207
Furniture and fixtures	<u>86,385</u>	<u>1,069</u>	<u>-</u>	<u>87,454</u>
Total accumulated depreciation	<u>505,391</u>	<u>50,270</u>	<u>-</u>	<u>555,661</u>
Total depreciable capital assets, net	<u>133,348</u>	<u>(43,184)</u>	<u>-</u>	<u>90,164</u>
Intangible right-to-use assets:				
Storage and equipment	162,986	-	-	162,986
Less: accumulated amortization	<u>12,537</u>	<u>30,090</u>	<u>-</u>	<u>42,627</u>
Intangible right-to-use assets, net	<u>150,449</u>	<u>(30,090)</u>	<u>-</u>	<u>120,359</u>
Net capital assets	<u>\$ 283,797</u>	<u>\$ (73,274)</u>	<u>\$ -</u>	<u>\$ 210,523</u>

Depreciation expense in the amount of \$50,270 was charged to general government.

Intangible right-to-use assets, or “lease assets” (see Note 4) are amortized over the lease term. Unamortized lease assets to be amortized in future periods are as follows:

<u>Year Ending October 31,</u>	
2023	\$ 30,089
2024	30,090
2025	30,090
2026	<u>30,090</u>
Total	<u>\$ 120,359</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Long-Term Liabilities

Long-term liabilities consist of the following:

- a. Finance-purchase obligation - The Marshal is obligated to BancorpSouth Equipment Finance, under a \$55,550 lease-purchase agreement, maturing January 13, 2025. Terms are 48 monthly payments of \$1,260, including interest at 4.25%, and the obligation is secured by a vehicle having a carrying value of \$35,182, which is included in the equipment and vehicles capital asset class.
- b. Lease liability - The Marshal is obligated under a right-to-use contract, (the “tasers contract”), payable annually in advance, expiring November 24, 2026. During the year ending October 31, 2022, the Marshal implemented GASB No. 87, *Leases*, which applies to the accounting and reporting of leases that had previously been reported as operating leases. Implementation of GASB No. 87 resulted in a restatement of prior period financial statements (see Note 10). At the commencement of a lease, the Marshal 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 interest rate of 4.25%. Subsequently, the lease liability is reduced by the principal portion of lease payments. The related asset (“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 and related accumulated amortization is identified in Note 3 as intangible right-to-use assets.

A summary of changes in long-term liabilities for the year ended October 31, 2022 follows:

	<u>Balance</u> <u>11/1/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>10/31/2022</u>	<u>Due Within</u> <u>One Year</u>
Finance-purchase obligation	\$ 69,832	\$ -	\$ 38,586	\$ 31,246	\$ 12,874
Lease liability	158,437	-	23,026	135,411	31,773
	<u>\$ 228,269</u>	<u>\$ -</u>	<u>\$ 61,612</u>	<u>\$ 166,657</u>	<u>\$ 44,647</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

A summary of scheduled debt maturities under the finance-purchase obligation and future minimum rentals under the lease liability follows:

Year Ending October 31,	Scheduled debt maturities		Minimum lease payments		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 12,874	\$ 991	\$ 31,773	\$ 5,187	\$ 44,647	\$ 6,178
2024	14,627	499	32,738	4,222	47,365	4,721
2025	3,745	26	34,071	2,889	37,816	2,915
2026	-	-	36,829	131	36,829	131
Total	<u>\$ 31,246</u>	<u>\$ 1,516</u>	<u>\$ 135,411</u>	<u>\$ 12,429</u>	<u>\$ 166,657</u>	<u>\$ 13,945</u>

(5) Risk Management

The Marshal is exposed to risks of loss in the areas of professional liability, auto liability, general liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. LCG obtains and maintains insurance coverage for the Marshal and the Marshal is responsible for paying one-half of the cost. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(6) Litigation

As of October 31, 2022, the Marshal's office is not involved in any litigation.

(7) Expenditures of the Marshal's Office Paid by LCG

The Marshal's administrative office is located in a building owned by LCG. The cost of maintaining and operating this building, as required by statute, is paid by LCG. These expenditures are not included in the accompanying financial statements.

Payroll and benefits for the full-time employees of the Marshal's office are paid by LCG and are not reimbursed by the Marshal's office. There are no liabilities related to payroll, benefits and postemployment benefits attributable to the Marshal's office. Additionally, one-half of the Marshal's insurance expense is paid by LCG.

(8) On-behalf Payments for Fringe Benefits and Salaries

GASB Statement No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance, requires the Marshal to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana and by the parish governments to certain employees of the Marshal's office.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Supplemental salary payments are made by the state and parish governments directly to the Marshal's employees. The Marshal's office is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the state and parish governments. On-behalf payments made by LCG to the Marshal's employees in the amount of \$1,838,128 are recorded as revenue and expenditures in the 2022 financial statements. During the year ended October 31, 2022 the state did not make any on-behalf payments to Marshal employees.

(9) Employee Retirement Systems

Substantially all employees of the Marshal's office participate in one of two retirement systems as follows:

Municipal Employees' Retirement System (MERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on their website at <http://www.mersla.com/>.

Parochial Employees' Retirement System (PERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on the website at <http://www.persla.com/>.

The Marshal's share of the costs of each of these plans is paid by LCG, and therefore, the pension liabilities, deferred outflows of resources and deferred inflows of resources related to these plans are included in LCG's financial statements.

(10) Change in Accounting Principle

As of November 1, 2021, the Marshal adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The net effect of the implementation of the new accounting principle resulted in the restatement of previously reported net position as follows:

	<u>Governmental Activities</u>
Net position, October 31, 2021, as previously reported	\$ 375,435
Net effect of change in accounting principle	<u>(7,990)</u>
Net position, October 31, 2021, as restated	<u>\$ 367,445</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Restricted Fund Balance

As of October 31, 2022, fund balance of the Drug Enforcement Fund in the amount of \$3,737 was restricted for drug enforcement and education expenditures. As of October 31, 2022, fund balance of the Equitable Sharing Fund in the amount of \$417 was restricted for law enforcement expenditures.

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

The schedule of compensation, benefits, and other payments to Reginald Thomas, City Marshal, for the period November 1, 2021 through October 31, 2022, follows:

<u>Purpose</u>	<u>Amount</u>
Reginald Thomas, City Marshal:	
Salary	\$ 140,274
Benefits - insurance and retirement	23,628
Transportation	309
Meals per diem	731
Dues and licenses	575
Travel	5,647
Registration fees	<u>2,018</u>
Total	<u>\$ 173,182</u>

**REQUIRED SUPPLEMENTARY
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule
 For the Year Ended October 31, 2022

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Fees charges and commissions for services -				
Bond forfeitures	\$ 100	\$ -	\$ -	\$ -
Fees and commissions	540,000	708,231	736,820	28,589
Intergovernmental -				
Federal grants	4,200	21,060	21,846	786
On-behalf payments	1,821,147	1,838,128	1,838,128	-
Other	-	6,270	6,270	-
Total revenues	<u>2,365,447</u>	<u>2,573,689</u>	<u>2,603,064</u>	<u>29,375</u>
Expenditures:				
Current -				
General government	2,278,947	2,278,676	2,278,321	355
Capital outlay	-	7,086	7,086	-
Debt service	42,037	69,915	68,728	1,187
Total expenditures	<u>2,320,984</u>	<u>2,355,677</u>	<u>2,354,135</u>	<u>1,542</u>
Excess of revenues over expenditures	44,463	218,012	248,929	30,917
Fund balance, beginning	<u>307,764</u>	<u>307,764</u>	<u>307,764</u>	<u>-</u>
Fund balance, ending	<u>\$ 352,227</u>	<u>\$ 525,776</u>	<u>\$ 556,693</u>	<u>\$ 30,917</u>

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to the Required Supplementary Information
For the Year Ended October 31, 2022

(1) Budget and Budgetary Accounting

The Marshal follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Marshal prepares the proposed budget no later than 15 days prior to the beginning of each fiscal year.
2. 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.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Marshal.

**OTHER SUPPLEMENTARY
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Statement of Net Position
For the Years Ended October 31, 2022 and 2021

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 473,813	\$ 281,712
Accounts receivable	57,637	44,334
Prepaid expenses	<u>36,961</u>	<u>-</u>
Total current assets	568,411	326,046
Noncurrent assets:		
Capital assets, net	<u>210,523</u>	<u>133,348</u>
Total assets	<u>778,934</u>	<u>459,394</u>
LIABILITIES		
Current liabilities:		
Accounts payable	7,564	14,127
Current portion of long-term liabilities	<u>44,647</u>	<u>37,430</u>
Total current liabilities	52,211	51,557
Long-term liabilities	<u>122,010</u>	<u>32,402</u>
Total liabilities	<u>174,221</u>	<u>83,959</u>
NET POSITION		
Net investment in capital assets	45,116	63,516
Restricted	4,154	4,154
Unrestricted	<u>555,443</u>	<u>307,765</u>
Total net position	<u>\$ 604,713</u>	<u>\$ 375,435</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Balance Sheet - General Fund
October 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and interest-bearing deposits	\$ 469,659	\$ 277,558
Receivables -		
Accounts	57,637	44,334
Prepaid expenses	<u>36,961</u>	<u>-</u>
Total assets	<u>\$ 564,257</u>	<u>\$ 321,892</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	<u>\$ 7,564</u>	<u>\$ 14,127</u>
Fund balance:		
Nonspendable (prepaid expenses)	36,961	-
Unassigned	<u>519,732</u>	<u>307,765</u>
Total fund balance	<u>556,693</u>	<u>307,765</u>
Total liabilities and fund balance	<u>\$ 564,257</u>	<u>\$ 321,892</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - General Fund
 For the Year Ended October 31, 2022
 With Comparative Actual Balances for the Year Ended October 31, 2021

	2022		Actual	Variance with Final Budget Positive (Negative)	2021
	Budget				
	Original	Final			
Revenues:					
Fees, charges and commissions for services -					
Bond forfeitures	\$ 100	\$ -	\$ -	\$ -	\$ 103
Fees and commissions	540,000	708,231	736,820	28,589	539,602
Intergovernmental -					
Federal grants	4,200	21,060	21,846	786	15,365
On-behalf payments	1,821,147	1,838,128	1,838,128	-	1,850,954
Other	-	6,270	6,270	-	289
Total revenues	<u>2,365,447</u>	<u>2,573,689</u>	<u>2,603,064</u>	<u>29,375</u>	<u>2,406,313</u>
Expenditures:					
Current -					
General government	2,278,947	2,278,676	2,278,321	355	2,279,508
Capital outlay	-	7,086	7,086	-	71,099
Debt service	42,037	69,915	68,728	1,187	40,702
Total expenditures	<u>2,320,984</u>	<u>2,355,677</u>	<u>2,354,135</u>	<u>1,542</u>	<u>2,391,309</u>
Excess of revenues over expenditures	44,463	218,012	248,929	30,917	15,004
Other financing sources:					
Proceeds from capital lease	-	-	-	-	55,550
Net change in fund balance	44,463	218,012	248,929	30,917	70,554
Fund balance, beginning	<u>307,764</u>	<u>307,764</u>	<u>307,764</u>	-	<u>237,211</u>
Fund balance, ending	<u>\$ 352,227</u>	<u>\$ 525,776</u>	<u>\$ 556,693</u>	<u>\$ 30,917</u>	<u>\$ 307,765</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - Expenditures - General Fund
For the Year Ended October 31, 2022

With Comparative Actual Balances for the Year Ended October 31, 2021

	2022				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2021 Actual
	Original	Final			
Current:					
General government -					
On-behalf salaries and benefits	\$ 1,821,147	\$ 1,838,128	\$ 1,838,128	\$ -	\$ 1,850,954
Accounting and professional	23,000	22,830	22,930	(100)	23,575
Advertising	6,100	6,893	6,819	74	7,094
Belts and holsters	-	-	54	(54)	-
Calea	-	13,879	14,129	(250)	3,025
Clothing allowance	9,000	-	-	-	8,050
Computer expense	21,000	18,634	19,029	(395)	18,283
Contract labor	76,000	93,916	92,178	1,738	74,817
Dues and subscriptions	18,000	12,611	12,191	420	16,390
Equipment	46,000	14,072	14,036	36	52,017
Insurance	125,000	126,759	126,446	313	115,696
K9 expenses	1,200	-	-	-	939
Legal	13,000	-	-	-	1,680
Medical	7,000	4,727	4,998	(271)	7,356
Office expense	28,000	23,074	23,488	(414)	22,127
Postage	6,500	6,586	7,165	(579)	5,883
Printing and binding	4,000	-	63	(63)	3,399
Repairs and maintenance	10,000	6,470	6,408	62	9,213
Telephone	27,000	22,901	22,831	70	23,589
Travel and training	1,000	23,846	23,765	81	3,626
Transportation	2,000	-	-	-	-
Uniforms	30,000	31,144	32,134	(990)	27,528
Weapons and ammunition	4,000	12,206	11,529	677	4,267
Total general government	<u>2,278,947</u>	<u>2,278,676</u>	<u>2,278,321</u>	<u>355</u>	<u>2,279,508</u>
Capital outlay	-	7,086	7,086	-	71,099
Debt service	42,037	69,915	68,728	1,187	40,702
Total expenditures	<u>\$ 2,320,984</u>	<u>\$ 2,355,677</u>	<u>\$ 2,354,135</u>	<u>\$ 1,542</u>	<u>\$ 2,391,309</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Nonmajor Governmental Funds

October 31, 2022

	Drug Enforcement Fund	Equitable Sharing Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and interest-bearing deposits	\$ 3,737	\$ 417	\$ 4,154
FUND BALANCES			
Fund balances:			
Restricted	<u>\$ 3,737</u>	<u>\$ 417</u>	<u>\$ 4,154</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Governmental Funds

For the Year Ended October 31, 2022

With Comparative Actual Balances for the Year Ended October 31, 2021

	2022			2021
	Drug Enforcement Fund	Equitable Sharing Fund	Total Nonmajor Governmental Funds	
Revenues:				
Fees, charges and commissions for services -				
Fees and commissions	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current -				
General government	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>3,737</u>	<u>417</u>	<u>4,154</u>	<u>4,154</u>
Fund balances, ending	<u>\$ 3,737</u>	<u>\$ 417</u>	<u>\$ 4,154</u>	<u>\$ 4,154</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Justice System Funding Schedule - Receiving Entity
Year Ended October 31, 2022

Cash Basis Presentation	First Six Month Period Ended <u>4/30/2022</u>	Second Six Month Period Ended <u>10/31/2022</u>
Receipts from:		
Asset forfeiture - sale/fees	\$ -	\$ 4,260
Lafayette City Court - Criminal Court Cost / Fees	147,325	149,730
Lafayette City Court - Criminal Fines Other	100	260
Breaux Bridge City Court - Civil Fees	530	510
City Court of Crowley - Civil Fees	635	815
Karen Q. Smith - Civil Fees	5	-
Bossier City Court - Civil Fees	60	-
Christie L. Mayeau, Justice of the Peace - Civil Fees	218	60
City Court of Jennings - Civil Fees	60	150
Rayne City Court - Civil Fees	120	240
City Court of Ville Platte - Civil Fees	-	30
City Court of Hammond - Civil Fees	-	30
Lafayette City Court - Civil Fees	95,952	128,735
Lake Charles City Court - Civil Fees	30	30
A Able Bonding Company, Inc. - Service / Collection Fees	-	179
Quick Track Asset Recovery, LLC - Service / Collection Fees	18,750	79,500
Bayou Recovery Services - Service / Collection Fees	1,750	4,750
ARB of Louisiana- Service / Collection Fees	1,250	750
M. Guedry Ltd, Inc. - Service / Collection Fees	183	76
Lafayette City Court - Service / Collection Fees	-	100
Lafayette Parish District Attorney - Restitution	1,625	1,300
General Public - Service / Collection Fees	<u>10,320</u>	<u>9,650</u>
Total Receipts	<u>\$ 278,913</u>	<u>\$ 381,155</u>

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity
Year Ended October 31, 2022

Cash Basis Presentation	First Six Month Period Ended 4/30/2022	Second Six Month Period Ended 10/31/2022
Beginning Balance of Amounts Collected	\$ 7,330	\$ -
Add: Collections -		
Civil Fees - Garnishments	466,759	556,642
Restitution	<u>15,940</u>	<u>14,152</u>
Subtotal Collections	<u>482,699</u>	<u>570,794</u>
Less: Amounts Retained by Collecting Agency -		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	30,320	32,005
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies -		
Restitution Payments to Individuals	15,940	14,152
Other Disbursements to Individuals - Garnishment Refunds	17,741	34,523
Payments to Third Party Collection/Processing Agencies - Attorneys	<u>426,028</u>	<u>490,114</u>
Subtotal Disbursements/Retainage	<u>490,029</u>	<u>570,794</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ -</u>	<u>\$ -</u>

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

KOLDER, SLAVEN & COMPANY, LLC

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

To the Marshal
City Court of Lafayette, Louisiana
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal – City Court of Lafayette, Louisiana (Marshal) as of and for the year ended October 31, 2022, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements and have issued our report thereon dated March 6, 2023.

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 the 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of current and prior year findings and management's corrective action plan as item 2022-001 that we consider to be a material weakness.

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*.

Marshal's Response to Findings

The Marshal's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The Marshal's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

March 6, 2023
Lafayette, Louisiana

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year Findings
And Management’s Corrective Action Plan

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

A. Internal Control Findings-

2022-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2014

CONDITION: The Marshal did not have adequate segregation of functions within the accounting system.

CRITERIA: The Marshal should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the Marshal, there are a small number of available employees.

EFFECT: The Marshal has employees that are performing more than one related function.

RECOMMENDATION: The Marshal should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT’S CORRECTIVE ACTION PLAN: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

RECOMMENDATION: The Marshal should evaluate the cost-benefit of establishing internal controls over the preparation of the financial statements and related notes in accordance with GAAP.

MANAGEMENT’S CORRECTION ACTION PLAN: The Marshal has evaluated the cost-benefit and will outsource this task. The financial statements and related notes will be carefully reviewed prior to accepting responsibility for their contents and presentation.

B. Compliance Findings-

There were no compliance findings.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year Findings
And Management’s Corrective Action Plan

Part II. Prior Year Findings

A. Internal Control Findings-

2021-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2014

CONDITION: The Marshal did not have adequate segregation of functions within the accounting system.

CRITERIA: The Marshal should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the Marshal, there are a small number of available employees.

EFFECT: The Marshal has employees that are performing more than one related function.

RECOMMENDATION: The Marshal should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT’S CORRECTIVE ACTION PLAN: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

RECOMMENDATION: The Marshal should evaluate the cost-benefit of establishing internal controls over the preparation of the financial statements and related notes in accordance with GAAP.

MANAGEMENT’S CORRECTION ACTION PLAN: The Marshal has evaluated the cost-benefit and will outsource this task. The financial statements and related notes will be carefully reviewed prior to accepting responsibility for their contents and presentation.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year Findings
And Management’s Corrective Action Plan

B. Compliance Findings-

2021-002 Garnishment Funds

Fiscal year finding initially occurred: 2019

CONDITION: Garnishment funds were not deposited nor disbursed in a timely manner in accordance with LA R.S. 13:3921 during the months of November and December 2020; which results in additional interest and fees being incurred by the garnishees.

CRITERIA: Louisiana law requires garnishment funds to be deposited and disbursed in a timely manner.

CAUSE: The Marshal did not deposit and disburse garnishment funds timely due to some garnishee’s sending checks prior to the time that they were required to do so, resulting in us receiving checks which we cannot legally deposit.

EFFECT: The Marshal did not deposit and disburse garnishment funds which resulted in additional interest and fees being incurred by garnishees.

RECOMMENDATION: The Marshal should deposit and disburse garnishment funds timely.

MANAGEMENT’S CORRECTION ACTION PLAN: The Marshal implemented policies and procedures during 2021 to ensure deposits and disbursements of garnishment funds are timely.

**MARSHAL-CITY COURT
OF LAFAYETTE, LOUISIANA**

AGREED-UPON PROCEDURES REPORT

YEAR ENDED OCTOBER 31, 2022

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Lafayette City 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 November 1, 2021 through October 31, 2022. Lafayette City Marshal's management is responsible for those C/C areas identified in the SAUPs.

The Lafayette City Marshall has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period November 1, 2021 through October 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **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.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **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).

- e) **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(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-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).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in 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.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Board or Finance Committee

- 2. 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:
 - a) 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.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - c) 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 unrestricted fund balance in the General Fund.

Bank Reconciliations

- 3. 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 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:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) 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.

Collections (excluding electronic fund transfers)

- 4. 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).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not 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.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

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

8. 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).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) 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.
 - d) 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.
10. For each location selected under #8 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:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-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.
12. Using the listing prepared by management, we randomly selected 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:
 - a) 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.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe 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).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe 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 policy (procedure #1h).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
 - a) 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.
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - d) 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.

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, we obtained 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 or officials' cumulate leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. 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.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service

21. 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 State Bond Commission approval was obtained for each debt instrument issued.

22. 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).

Fraud Notice

23. 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.
24. Observe 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.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #15 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe 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).

28. 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 it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Exceptions:

No exceptions were found as a result of applying the procedures listed above except:

Written Policies and Procedures

1. The entity's written policies and procedures for purchasing do not address controls to ensure compliance with public bid law and documentation required to be maintained for all bids and price quotes.

Collections

2. Deposits into the restitution account are not made in a timely manner (within 1 business day).

Disbursements

3. The employee responsible for signing checks gives the signed checks to an employee, who is also responsible for processing payments.

Management's Response:

Management concurs with the exceptions noted and are working to address the deficiencies identified.

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 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 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 6, 2023