

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS

FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT.....	1
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	5
STATEMENT OF NET POSITION.....	11
STATEMENT OF ACTIVITIES.....	12
BALANCE SHEET -- GOVERNMENTAL FUND -- GENERAL FUND	13
RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENTAL FUND - GENERAL FUND TO THE STATEMENT OF NET POSITION.....	14
STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN FUND BALANCE -- GOVERNMENTAL FUND -- GENERAL FUND	15
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN FUND BALANCE -- GOVERNMENTAL FUND- GENERAL FUND TO THE STATEMENT OF ACTIVITIES	16
STATEMENT OF FIDUCIARY NET POSITION -- AGENCY FUND	17
STATEMENT OF CHANGES IN NET POSITION -- AGENCY FUND	18
NOTES TO THE FINANCIAL STATEMENTS.....	19
REQUIRED SUPPLEMENTARY INFORMATION:	
SCHEDULE I - Budgetary Comparison Schedule -- General Fund.....	38
SCHEDULE II -- Schedule of Employer's Pension Contributions.....	39
SCHEDULE III -- Schedule of Employer's Proportionate Share of the Net Pension Liability.....	40
SUPPLEMENTARY INFORMATION:	
SCHEDULE IV --Schedule of Compensation, Benefits and Other Payments to the Constable.....	41

TABLE OF CONTENTS, CONTINUED

	<u>PAGE</u>
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 <i>GOVERNMENT AUDITING STANDARDS</i>	42
SCHEDULE OF FINDINGS.....	46
SCHEDULE OF PRIOR YEAR FINDINGS	47

INDEPENDENT AUDITORS' REPORT

Constable Lambert C. Boissiere, Jr.
First City Court
City of New Orleans
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund (general fund) and the agency fund of the **Constable of the First City Court, City of New Orleans (the Constable)**, a component unit of the City of New Orleans, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise **the Constable'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, the general fund and the agency fund of **the Constable**, as of December 31, 2021, and the respective changes in financial position 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **the Constable** 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.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

Constable Lambert C. Boissiere, Jr.
First City Court
City of New Orleans
New Orleans, Louisiana

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 Constable'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 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.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

Constable Lambert C. Boissiere, Jr.
First City Court
City of New Orleans
New Orleans, Louisiana

Auditors' Responsibilities for the Audit of the Financial Statements, Continued

- 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 Constable'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 Constable's** ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

- Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 10 and page 38, respectively, and the required pension information on pages 39 and 40 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

Constable Lambert C. Boissiere, Jr.
First City Court
City of New Orleans
New Orleans, Louisiana

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **the Constable's** basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to the President & Chief Executive Officer on page 41 is 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 the President & Chief Executive Officer is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022, on our consideration of **the Constable's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of **the Constable's** 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 Constable's** internal control over financial reporting and compliance.

Bruno & Tervalon, LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

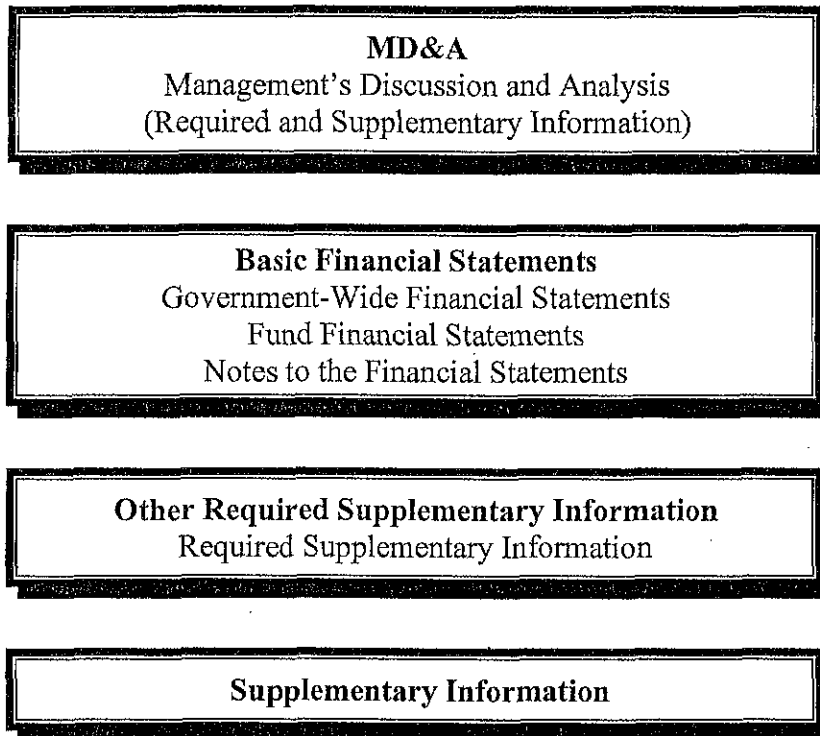
June 28, 2022



**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

The Constable of the First City Court, City of New Orleans' (the Constable) management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the Constable's financial activity, and identify changes in the Constable's financial position and its ability to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" and is intended to provide the financial results for the fiscal year ended December 31, 2021.

The following is an illustration on how this financial report is presented.



CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021

As indicated in the illustration on the previous page, GASB 34 requires the presentation of two basic types of financial statements: Government-Wide Financial Statements and Fund Financial Statements.

Government-Wide Financial Statements

The government-wide financial statements provide a perspective of **the Constable** as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two government-wide statements: the Statement of Net Position and the Statement of Activities.

The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

Consistent with the full accrual basis method of accounting, the Statement of Activities accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various services.

Fund Financial Statements

The fund statements are similar to financial presentations of years past, but the focus is on **the Constable's** major funds rather than fund types as in the past. The two account groups: General Fixed Assets and General Long-term Debt are no longer reported. Consistent with previous years, the fund statements are reported using the modified accrual method of accounting. Under this basis of accounting, revenues are recorded when received except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used. In addition, capital asset purchases are expensed and not recorded as assets. Debt payments are recorded as expenditures in the current year and future debt obligations are not recorded.

The General Fund is the only governmental fund of **the Constable**. The General Fund is used primarily to account for the general operations. Its revenues are derived from fees and commissions earned from serving court pleadings, performing seizures, and conducting sales under the orders of the First City Court.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the governmental-wide financial statements because those resources for those funds are not available to support **the Constable's** own programs. **The Constable's** employs an agency fund to account for deposits held pending court action.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021**

Financial Analysis of the Constable

Summary Statements of Net Position

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Assets and Deferred Outflow:			
Current assets	\$ 807,734	\$ 1,211,311	\$ (403,577)
Capital assets, net	115,744	41,039	74,705
Deferred outflow of pension resources	<u>458,881</u>	<u>503,276</u>	<u>(44,395)</u>
Total assets and deferred outflow of resources	<u>1,382,359</u>	<u>1,755,626</u>	<u>(373,267)</u>
Liabilities and Deferred Inflow:			
Current liabilities	36,834	37,192	(358)
Noncurrent liabilities	922,082	724,049	198,033
Deferred inflow of pension resources	<u>235,057</u>	<u>371,399</u>	<u>(136,342)</u>
Total assets and deferred inflow of resources	<u>1,193,973</u>	<u>1,132,640</u>	<u>61,333</u>
Net Position			
Invested in capital assets	115,744	41,039	74,705
Unrestricted	<u>72,642</u>	<u>581,947</u>	<u>(509,305)</u>
Total net position	<u>\$ 188,386</u>	<u>\$ 622,986</u>	<u>\$ (434,600)</u>

As indicated above, net position at December 31, 2021 was \$188,386. In 2021, the Constable's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$188,386. Noncurrent liabilities in 2021 increased due to the increase in the net pension liability.

Invested in capital assets is a combination of capital assets at original cost less accumulated depreciation. The original cost of capital assets is \$253,554, which is an accumulation of capital assets year after year less any capital disposals. The accumulated depreciation is the accumulation of depreciation expense since acquisition. In accordance with accounting principles generally accepted in the United States of America, depreciation expense is recorded on the original cost of the asset, less an estimated salvage value, expensed over the estimated useful life of the asset. Total accumulated depreciation is \$137,810.

The remaining \$72,642 in net position is unrestricted. The unrestricted net position is an accumulation of prior years' operating results. This balance is directly affected each year by the Constable's operating results.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021**

Results of Operations

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Program Revenues			
Fees	\$ 857,038	\$ 902,001	\$ (44,963)
Commissions	161,389	141,074	20,315
Security services	215,829	314,505	(98,676)
General Revenues			
Interest	515	2,597	(2,082)
Other	35	-	35
Total revenues	<u>1,234,806</u>	<u>1,360,177</u>	<u>(125,371)</u>
Expenses			
Salaries	811,238	805,978	5,260
Employee benefits	319,529	251,734	67,795
Payroll taxes	61,880	62,359	(479)
Labor cost	62,376	140,426	(78,050)
Professional fees	203,411	294,183	(90,772)
Automobile and insurance	29,023	34,837	(5,814)
Telephone	13,604	10,384	3,220
Office supplies and services	23,459	18,466	4,993
Other operating expenses	72,607	61,916	10,691
Depreciation	21,295	24,777	(3,482)
Postage	5,324	4,939	385
Travel	11,846	22,398	(10,552)
Rent	13,217	14,039	(822)
Equipment	20,086	2,087	17,999
Repairs and maintenance	511	2,195	(1,684)
Total expenses	<u>1,669,406</u>	<u>1,750,718</u>	<u>(81,312)</u>
Changes in net position	<u>\$ (434,600)</u>	<u>\$ (390,541)</u>	<u>\$ (44,059)</u>

As indicated above, net position decreased by \$434,600, in 2021. Total revenue decreased in 2021 by 9% due to the negative affects COVID-19 had on fee generated services, such as, service of legal documents, notices and subpoenas, execution of writs and court orders, notices to vacate and other eviction actions, and execution of notices of seizure.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021**

Capital Assets

At December 31, 2021 and 2020, **the Constable** had \$235,555 and \$157,554, respectively, invested in property and equipment, automobiles and office improvements as follows:

Assets	<u>2021</u>	<u>2020</u>
Capital assets	\$253,554	\$157,554
Less accumulated depreciation	<u>(137,810)</u>	<u>(116,515)</u>
Net capital assets	<u>\$115,744</u>	<u>\$ 41,039</u>

Depreciation expense for the years ended December 31, 2021 and 2020 was \$21,295 and \$24,777, respectively. Additional information on **the Constable's** capital assets can be found in NOTE 4 on page 28 of this report.

Economic Factors and Next Year's Budget

The major factor affecting the budget is the revenues earned for fees and commissions.

Original vs. Revised Budget

As required by state law, **the Constable** adopts the original budget for the office. **The Constable** amended its original budget once during the 2021 fiscal year.

Revenue Budget

The Constable's actual general fund revenues of \$1,234,806 were less than the budget by \$21,994.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021**

Expenditure Budget

The Constable's actual general fund expenditures of \$1,638,026 were less than the budget by \$9,974.

Contacting the Constable's Financial Management

This financial report is designed to provide a general overview of **the Constable's** finances for all those who have interest in **the Constable's** finances. If you have questions about this report or need additional information, contact Mr. Lambert C. Boissiere, Jr., Constable, at 421 Loyola Avenue, New Orleans, Louisiana 70112.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

ASSETS

Current Assets:

Cash	\$ 460,693
Investments (NOTE 3)	341,027
Prepaid	<u>6,014</u>
Total current assets	<u>807,734</u>

Noncurrent Assets:

Capital assets, net (NOTE 4)	<u>115,744</u>
Total noncurrent assets	<u>115,744</u>

Total assets	<u>923,478</u>
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Deferred Outflow of Resources:

Pension resources (NOTE 6)	<u>458,881</u>
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of resources	<u>1,382,359</u>
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LIABILITIES

Current Liabilities:

Accounts payable	30,463
Accrued liabilities	1,871
Compensated absences	<u>4,500</u>

Total current liabilities	<u>36,834</u>
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Noncurrent Liabilities

Compensated absences (NOTE 5)	59,611
Net pension liability (NOTE 6)	<u>862,471</u>
Total noncurrent liabilities	<u>922,082</u>

Total liabilities	<u>958,916</u>
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Deferred Inflow of Resources:

Pension resources (NOTE 6)	<u>235,057</u>
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Total liabilities and deferred	<u>1,193,973</u>
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NET POSITION

Net investment in capital assets	115,744
Unrestricted	<u>72,642</u>

Total net position	<u>\$ 188,386</u>
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The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES:	<u>Governmental Activities</u>
Program revenues:	
Fees	\$ 857,038
Commissions	161,389
Service Income	215,829
General revenues:	
Interest	515
Other income	35
Total operating revenues	<u>1,234,806</u>
EXPENSES:	
Salaries	811,238
Employees benefits	319,529
Payroll taxes	61,880
Labor cost	62,376
Professional fees	203,411
Automobile and insurance	29,023
Telephone	13,604
Office supplies and services	23,459
Other operating expenses	72,607
Depreciation	21,295
Postage	5,324
Travel	11,846
Rent	13,217
Equipment	20,086
Repairs and maintenance	511
Total operating expenses	<u>1,669,406</u>
Change in net position	(434,600)
Net position, beginning of year	<u>622,986</u>
Net position, end of year	<u><u>\$ 188,386</u></u>

The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
BALANCE SHEET - GOVERNMENTAL FUND - GENERAL FUND
DECEMBER 31, 2021

ASSETS

Cash	\$ 460,693
Investments	341,027
Prepaid Expenses	<u>6,014</u>

Total assets	<u>\$ 807,734</u>
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LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 30,464
Accrued liabilities	<u>6,371</u>

Total liabilities	<u>36,835</u>
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Fund Balance (NOTE 2)

Nonspendable	6,014
Spendable - unassigned	<u>764,885</u>

Total fund balance	<u>770,899</u>
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Total liabilities and fund balance	<u>\$ 807,734</u>
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The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND -
GENERAL FUND - TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

Total fund balance - Governmental Fund - General Fund \$ 770,899

Amounts 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 fund (NOTE 4):

The cost of capital assets is	\$ 253,554	
Accumulated depreciation is	<u>(137,810)</u>	115,745

Deferred outflow of resources related to pension	458,881
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Long-term liabilities are not due and
payable in the current period therefore
are not reported in the fund:

Compensated absences	(59,611)	
Net pension liability	<u>(862,471)</u>	(922,082)

Deferred inflow of resources related to pension	<u>(235,057)</u>
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Net position of governmental activities	<u><u>\$ 188,386</u></u>
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The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
STATEMENT OF REVENUES, EXPENDITURES AND NET CHANGE IN
FUND BALANCE - GOVERNMENTAL FUND - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES:

Program revenues:	
Fees	\$ 857,038
Commissions	161,389
Security services	215,829
General revenues:	
Interest	515
Other	<u>35</u>
Total revenues	<u>1,234,806</u>

EXPENSES:

Salaries	811,238
Employees benefits	213,444
Payroll taxes	61,880
Labor cost	62,376
Professional fees	203,411
Automobile and insurance	29,023
Telephone	13,604
Office supplies and services	23,459
Other operating expenditures	72,607
Postage	5,324
Travel	11,846
Rent	13,217
Equipment	20,086
Repairs and maintenance	511
Capital outlays	<u>96,000</u>
Total expenditures	<u>1,638,026</u>

Net change in fund balance	<u>(403,220)</u>
Fund balance, beginning of year	<u>1,174,119</u>
Fund balance, end of year	<u>\$ 770,899</u>

The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
 RECONCILIATION OF THE STATEMENT OF REVEUES,
 EXPENDITURES AND NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND -
 GENERAL FUND - TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2021

Total net change in fund balance - Governmental Fund - General Fund \$ (403,220)

Amounts reported for governmental activities in
the Statement of Net Position is different because:

The Governmental Fund reported capital outlays as
expenditures whereas in the Statement of Activities,
these costs are depreciated over their estimated lives:

Capital outlays	96,000
Depreciation expense	(21,295)

Some expenses reported in the statement of activities do not
require the use of current financial resources and therefore
are not reported as expenditures in governmental funds.

Compensated absences	(1,365)
Pension expense	<u>(104,720)</u>

Change in net position of governmental activities \$ (434,600)

The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUND
DECEMBER 31, 2021

ASSETS

Cash	<u>\$ 48,321</u>
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NET POSITION

Restricted	<u>\$ 48,321</u>
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Total net position	<u>\$ 48,321</u>
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The accompanying notes are an integral part of this statement.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - AGENCY FUND
DECEMBER 31, 2021

Additions	\$ 2,447,518
Deductions	<u>2,454,924</u>
Net decrease in fiduciary net position	(7,406)
Net position, beginning of year	<u>55,538</u>
Net position, end of year	<u>\$ 48,132</u>

The accompanying notes are an integral part of this statement.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 - INTRODUCTION:

The Constable of the First City Court, City of New Orleans (the Constable), was established by Sections 89 and 92 of Article 7 of the Louisiana Constitution of 1921 and retained by virtue of the revised provisions of Article 5, Section 15(A) of the Louisiana Constitution of 1974. Act No. 461 of the 1978 Louisiana Regular Session established a fund for the Office of Constable, First City Court, composed of all fees collected by the Constable as provided in Revised Statute 13:2158. The Constable pays from this fund all salaries, including his own and any other costs or expenses of any other nature whatsoever, including the purchase of office or other equipment, automobiles, or other necessities deemed proper by the Constable. In the event, fees and commissions authorized by Revised Statute 13:2158 exceed the necessary expenditures of the Constable in the efficient performance of his duties, the excess shall remain in the Constable's fund and may be expended by him in any succeeding year in which fees and commissions are insufficient to cover salaries and expenditures. However, in accordance with Louisiana Revised Statute 33:5827, at the end of each six-year term, the Constable is required to remit to the State Treasurer any remaining moneys in the Constable's fund in excess of one third of the amount of revenues of the last year of his term in office. The amount left in the Constable's fund shall be used as a revolving fund to assist in financing the operation of the Constable's office and for purchasing equipment.

The Constable serves court pleadings, makes seizures, conducts sales, and performs other duties under orders of the First City Court. The First City Court has civil jurisdiction concurrent with the District Court in cases where the principal amount in dispute, or the value of property involved does not exceed \$25,000.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS**
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Reporting Entity

According to GASB No. 14, **the Constable** is considered a primary government and does not include any component units. Therefore, for financial reporting purposes, **the Constable** includes all funds and activities that are controlled by **the Constable** as an independently elected parish official. The activities of the parish, other independently elected parish officials and municipal level governments are not included within the accompanying financial statements as they are considered autonomous governmental units. These governmental units issue financial statements separate from those of **the Constable**.

B. Basis of Presentation

Government-Wide and Fund Financial Statements – The combined government-wide financial statements and fund financial statements (i.e., the statement of net position and governmental funds balance sheet and the statement of activities and governmental fund revenues, expenditures and changes in fund balance) report information to **the Constable** on the accrual basis of accounting and the economic resources measurement focus, respectively.

The operations of the fund statements are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. **The Constable** resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. **The Constable** uses the following funds:

Governmental fund types are used to account for the activities of **the Constable**. The measurement focus is based upon spending or financial flow and the determination of changes in fund balance (net current assets). **The Constable** uses the following governmental fund type:

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

B. Basis of Presentation, Continued

The General Fund is the principal fund of **the Constable** and accounts for the operations of **the Constable's** office. The major source of revenues is from fees and commissions. General operating expenditures are paid from this fund.

The Constable reports the following fiduciary fund type, which is held in an agent capacity for others and therefore is not available to support **the Constable** programs.

The Agency Fund is used as a depository for collection of civil suits, garnishments, **the Constable's** sale of real estate and movable property. Disbursements from this fund are made to various parish agencies, litigants in suits, etc., in a manner prescribed by law.

The statement of net position and statement of activities columns reflect consolidated results of operations using the accrual basis of accounting.

Basis of Accounting refers to when revenues and expenditures are recognized in the accounts and reported in the basic financial statements. Governmental fund types are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available as net current assets. Revenues not considered available are recorded as deferred revenues. Revenues considered susceptible to accrual include interest and lease payments. Expenditures are generally recognized when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due.

The statement of net position and statement of activities columns represent operations on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when liabilities incurred, regardless of the timing of related cash flows.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS**
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

C. Budgetary Accounting

The proposed budget, prepared on the modified accrual basis of accounting, was published prior to the ensuing fiscal year. The budget is legally adopted and amended, as necessary, by **the Constable**. At fiscal close, all appropriations lapse. All changes in the budget must be approved by the Constable. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are made. Budget amounts included in the accompanying financial statements reflect the originally adopted budget and all subsequent amendments.

D. Vacation and Sick Leave

Employees of the office are allowed to accumulate ten (10) days of vacation time and ten (10) days of sick leave during a calendar year. For the year ended December 31, 2021, vacation time not used at the end of the year is lost. Unused sick leave is either paid to employees at the end of each calendar year or allowed to accumulate up to a maximum of thirty (30) days. Upon resignation or termination of employment, unused sick leave is paid to the employee.

E. Cash and Cash Equivalents

Cash includes amounts on hand and in demand deposits and cash equivalents. Cash equivalents include amounts in certificates of deposit with original maturities of 90 days or less. Cash equivalents are held in safe keeping at a custodial bank in **the Constable's** name. Under state law, **the Constable** may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2021, **the Constable** had no cash equivalents.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

F. Investments

The Constable's investments are in a state investment pool, Louisiana Asset Management Pool, Inc. (LAMP), which is a 2a7-like investment pool. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 365 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted Constable rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

H. Fund Equity

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

- *Net invested in capital assets* - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowing attributable to those assets.
- *Restricted net position* - Consists of net assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
- *Unrestricted net position* - All other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted net positions are available for use, generally it is **the Constable’s** policy to use restricted resources first.

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- *Nonspendable* - Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.
- *Restricted* - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- *Committed* - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by **the Constable** through formal action of the highest level of decision-making authority. Any changes or removal of specific purpose requires majority action by the governing board.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

H. Fund Equity, Continued

- *Assigned* - Includes fund balance amounts that are constrained by **the Constable's** intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* - Includes the residual balance of the General Fund that has not been assigned to other funds that has not been restricted, committed, or assigned to specific purposes.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, generally it is **the Constable's** policy to use restricted resources first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

I. Capital Assets

Capital assets are recorded at cost, if purchased or at fair Constable value at the date of the gift, if donated. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expended as incurred.

Depreciation of automobiles, property and equipment is computed as follows:

<u>Description</u>	<u>Method</u>	<u>Estimated Useful Lives (years)</u>
Automobiles	Straight-line	5
Property and equipment	Straight-line	3 to 7

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 3 - CASH AND INVESTMENTS:

Cash

At December 31, 2021, **the Constable** has cash (book balances) totaling \$903,623 as follows:

Cash on hand	\$ 350
Noninterest-bearing demand deposits:	
General fund	854,952
Agency fund	<u>48,321</u>
Total	\$ <u>903,623</u>

These deposits are stated at cost, which approximates Constable. 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 Constable 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 pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. **The Constable** maintains interest bearing and non-interest bearing accounts at local banks. As of December 31, 2021, **the Constable** has \$508,825 in bank deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance and secured from risk by \$30,000 of pledged securities held by the custodial bank in the name of **the Constable**.

Custodial credit risk is the risk that, in event of a failure of financial institution or counterparty, **the Constable** would not be able to recover its deposits, investments, or collateral securities that are in the possession of an outside party. **The Constable's** deposits are not subject to custodial credit risk.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 3 - CASH AND INVESTMENTS, CONTINUED

Investments

As of December 31, 2021, the **Constable** had the following investments:

<u>Investment Type</u>	<u>Rating</u>	<u>Maturities (in years)</u>	<u>Fair Value</u>
Louisiana Asset Management Pool, Inc.	AAAm	1 to 5 years	<u>\$341,027</u>

The **Constable** categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs in used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The **Constable** has the following recurring fair value measurements as of December 31, 2021:

- Louisiana Asset Management Pool, Inc. of \$341,027 is valued using quoted market prices (Level 1 Inputs).

Interest Rate Risk. The **Constable** does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to those prescribed in LSA R.S. 33:2955. The **Constable** does not have a formal investment policy that would further limit its investment choices or one that addresses credit risk.

Custodial Credit Risk - Investments. Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, **The Constable** will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. **The Constable** does not have a formal investment policy that addresses custodial credit risk. As of December 31, 2021, **The Constable** did not have any investments to which this would apply.

Concentration of Credit Risk. Disclosure of investments by amount and issuer for any issuer that represents five percent or more of total investments is required. This requirement does not apply to investments issued or explicitly guaranteed by the U. S. government, investments in mutual funds and external investment pools, and other pooled investments.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 4 - CAPITAL ASSETS:

Changes in capital assets are as follows at December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Property and equipment	\$ 9,754	\$96,000	\$ -0-	\$ 105,754
Automobiles	<u>147,800</u>	<u>-0-</u>	<u>-0-</u>	<u>147,800</u>
Total	157,554	96,000	-0-	253,554
Less: Accumulated depreciation	<u>(116,515)</u>	<u>(21,295)</u>	<u>-0-</u>	<u>(137,810)</u>
Net capital assets	<u>\$ 41,039</u>	<u>\$ 74,705</u>	<u>\$ -0-</u>	<u>\$ 115,744</u>

Depreciation expense for the year ended December 31, 2021 was \$21,295.

NOTE 5 - LONG-TERM DEBT:

The following is a summary of changes in the long-term debt at December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Compensated absences payable	<u>\$ 58,246</u>	<u>\$ 1,365</u>	<u>\$ -</u>	<u>\$ 59,611</u>
Total	<u><u>\$ 58,246</u></u>	<u><u>\$ 1,365</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 59,611</u></u>

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - PENSION PLAN:

Summary of Significant Accounting Policies

Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees Retirement System of the City of New Orleans and additions to/deductions from the Plan's' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Description

Employees of **the Constable** are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Employees Retirement System of the City of New Orleans (the Plan) established under the laws of the State of Louisiana. The Plan issues a publicly available financial report that can be obtained at www.nola.gov/nomers.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN CONTINUED:

Summary of Significant Accounting Policies, Continued

Pensions, Continued

General Information about the Pension Plan

Benefits Provided

Retirement

Regular Benefits

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

Employees with thirty (30) years of service, or who attain age 60 with ten (10) years of service, or age 65, irrespective of length of service, are entitled to a retirement allowance. The retirement allowance consists of an annuity, which is the actuarial equivalent of the employee's accumulation contribution, plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 2.5% to 4% of average compensation times the number of years of service. The maximum pension may not exceed 100% of average compensation. Pension amounts are reduced for service retirement prior to age 62. Average compensation is defined as average annual earned compensation for the highest thirty-six (36) successive months of service, less \$1,200. Mandatory retirement age is 70.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - PENSION PLAN, CONTINUED:

Disability Benefits

Disability benefits are awarded to active members with 10 or more years of creditable service if a physician nominated by the board certifies that the member is totally incapacitated and that such incapacitation is likely to be permanent. The member receives an annuity, which is the actuarial equivalent to the employee's accumulated contribution, plus an annual pension, which, together with the annuity shall be 75% of the service allowance that would have been payable upon service retirement at age 65, had the member continued in service to the age of 65. Such allowance is to be computed on the average compensation, plus the sum of \$1,200 provided, however, that the minimum annual retirement allowance will be \$300 per year.

Contributions

Contribution requirements of active employees are governed by the Retirement Ordinance of the City Charter of New Orleans. Employee and employer contributions are deducted from a member's salary and remitted to the Plan by participating employers. For the 2021 fiscal year, employees participating in the Retirement System are required to contribute 6% of their salary and the employer is required to contribute 15.31%. Employer contributions to the Retirement System are based upon the amount necessary to fund normal cost and amortization of past service costs over a period of thirty years. The contribution requirements of Retirement System members of **the Constable** are established and may be amended by the Retirement System's board of trustees. **The Constable's** contributions to the Retirement System, which were equal to the required contribution, for the year ended December 31, 2021 were \$90,114. However, **the Constable** does not guarantee any of the benefits granted by the plan.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - PENSION PLAN, CONTINUED:

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and
Deferred Inflow of Resources Related to Pensions

At December 31, 2021, the Employer reported a liability of \$862,471 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. **The Constable's** proportion of the Net Pension Liability was based on a projection of **the Constable's** long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, **the Constable's** proportion was .301882%, which was an increase of .0821993% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, **the Constable** recognized pension expense of \$104,720 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$38,180.

At December 31, 2021, **the Constable** reported deferred outflow of resources and deferred inflow of resources related to pensions from the following sources:

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN, CONTINUED:

	Deferred Outflow of Resources	Deferred Inflow of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 131,368	\$ (30,306)
Changes of assumptions	106,972	(9,569)
Net difference between projected and actual earnings on pension plan investments	-	(77,630)
Changes in proportion and differences between employer contributions and proportionate share of contributions	130,427	(117,552)
Employer contributions subsequent to the measurement date	90,114	-
Total	<u>\$ 458,881</u>	<u>\$ (235,057)</u>

\$90,114 reported as deferred outflow of resources related to pensions resulting from **the Constable** contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ending December 31, 2021. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN, CONTINUED:

**Year Ended
December 31:**

2022	\$106,827
2023	(41,749)
2024	(7,047)
2025	8,117

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019 are as follows:

Valuation Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Adjusted Constable Value using seven-year smoothing
Actuarial Assumptions:	
Investment Rate of Return	7.25% per annum
Mortality	Non-disabled members - Mortality rates based on the PubG-2010 tables Disabled members – Mortality rates based on the PubNS-2010 tables. Project the mortality improvement for all participants with the Scale MP-2018
Turnover	Recent experience
Salary Increases	Age-based annual rates ranging from 10% to 3.2%

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN, CONTINUED:

Actuarial Assumptions, Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash equivalents	2.0%	-0.20%
Domestic equity securities	42.5%	6.55%
International equity securities	14.0%	7.30%
Fixed income	22.0%	0.65%
Real estate	5.0%	3.65%
Hedge funds and GTAA	9.5%	2.45%
Private investments	5.0%	10.55%
Total	<u>100.0%</u>	

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN, CONTINUED:

Discount Rate

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

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

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer's proportionate share of the net pension liability	<u>\$1,113,626</u>	<u>\$862,471</u>	<u>\$652,585</u>

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

NOTE 6 - PENSION PLAN, CONTINUED:

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees Retirement System of the City of New Orleans 2020 Comprehensive Annual Financial Report at www.nola.gov/nomers.

NOTE 7 - RISK MANAGEMENT:

The Constable is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which **the Constable** carries commercial insurance.

NOTE 8 - SUBSEQUENT EVENTS:

The Constable is required to evaluate events or transactions that may occur after the Statement of Financial Position date for potential recognition or disclosure in the financial statements. **The Constable** performed such an evaluation through June 28, 2022, the date which the financial statements were available to be issued.

The Constable's operations may be affected by the ongoing outbreak of the coronavirus disease 2019 (COVID 19), which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in an adverse impact on **the Constable's** subsequent financial statements. A possible effect may include, but not limited to, the disruption of **the Constable's** operations and related revenue.

SCHEDULE I

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Fees	\$ 1,100,000	\$ 875,000	\$ 857,038	\$ (17,962)
Commissions	300,000	161,000	161,389	389
Security Services	316,000	220,000	215,829	(4,171)
Other	-	-	35	35
Interest	<u>800</u>	<u>800</u>	<u>515</u>	<u>(285)</u>
Total revenues	<u>1,716,800</u>	<u>1,256,800</u>	<u>1,234,806</u>	<u>(21,994)</u>
EXPENDITURES:				
Salaries	800,000	812,000	811,238	762
Payroll taxes	61,000	63,000	61,880	1,120
Labor cost	142,000	63,000	62,376	624
Professional fees	236,000	204,000	203,411	589
Employee benefits	255,000	253,000	213,444	39,556
Auto and insurance	36,000	30,500	29,023	1,477
Repairs and maintenance	6,000	500	511	(11)
Telephone	17,600	18,000	13,604	4,396
Office supplies and services	20,000	23,000	23,459	(459)
Other operating expenditures	40,000	30,000	72,607	(42,607)
Postage	5,000	5,500	5,324	176
Travel	15,000	12,000	11,846	154
Rent	18,000	17,500	13,217	4,283
Equipment	8,000	20,000	20,086	(86)
Capital outlays	<u>20,000</u>	<u>96,000</u>	<u>96,000</u>	<u>-</u>
Total expenditures	<u>1,679,600</u>	<u>1,648,000</u>	<u>1,638,026</u>	<u>9,974</u>
Net changes in fund balance	37,200	(391,200)	(403,220)	(12,020)
Fund balance, beginning of year	<u>1,162,691</u>	<u>1,174,119</u>	<u>1,174,119</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,199,891</u>	<u>\$ 782,919</u>	<u>\$ 770,899</u>	<u>\$ (12,020)</u>

See Independent Auditors' Report on Required Supplementary Information.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered-Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2021	\$ 98,459	\$ 98,459	\$ -	\$ 643,103	15.310%
2020	\$ 157,909	\$ 157,909	\$ -	\$ 707,478	22.320%
2019	\$ 131,831	\$ 131,831	\$ -	\$ 568,482	23.190%
2018	\$ 122,954	\$ 122,039	\$ 915	\$ 528,107	23.282%
2017	\$ 112,411	\$ 112,411	\$ -	\$ 482,824	23.282%
2016	\$ 125,311	\$ 125,355	\$ (44)	\$ 556,836	22.512%
2015	\$ 115,149	\$ 101,101	\$ 14,048	\$ 510,005	22.578%

NOTE: Employer's covered employee payroll amount represents the amount from the 2021 fiscal year.

NOTE: GASB 68 requires this schedule to show information for 10 years. **The Constable** has implemented GASB 68 on its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

SCHEDULE III

CONSTABLE OF THE FIRST CITY COURT
 CITY OF NEW ORLEANS
 SCHEDULE OF EMPLOYER'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 DECEMBER 31, 2020

	2021	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability	0.301882	0.218889%	0.322222%	0.174752%	0.174752%	0.551708%	0.551708%
Employer's Proportionate Share of the Net Pension Liability	\$ 862,471	\$ 665,804	\$ 942,871	\$ 415,803	\$ 446,439	\$ 1,233,551	\$ 934,735
Employer's Covered-Employee Payroll	\$ 643,103	\$ 707,478	\$ 568,482	\$ 528,107	\$ 482,824	\$ 556,836	\$ 510,005
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	134.11%	94.11%	166.00%	78.00%	92.00%	221.53%	183.28%
Plan Fiduciary Net Position as a Percentage of total Pension Liability	61.72%	57.94%	55.55%	62.22%	58.06%	60.26%	68.64%

NOTE: The amounts presented have a measurement date of the previous fiscal year end.

NOTE: GASB 68 requires this schedule to show information for 10 years. The Constable has implemented GASB 68 on its 2015 fiscal year. Therefore, additional years will be displayed as they become available.

See Independent Auditors' Report on Required Supplementary Information.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS**
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO THE CONSTABLE
FOR THE YEAR ENDED DECEMBER 31, 2021

Constable Name: Mr. Lambert C. Boissiere, Jr.

<u>Purpose</u>	<u>Amount</u>
Salary	\$117,729
Benefits – insurance	8,984
Benefits – retirement	26,277
Benefits – other	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel/Lodging	684
Registration fees	380
Conference travel	-0-
Continuing professional education fees	200
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

See Independent Auditors' Report on Supplementary Information.

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*

Constable Lambert C. Boissiere, Jr.
First City Court
City of New Orleans
New Orleans, 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, the general fund and the agency fund of **the Constable of the First City Court, City of New Orleans (the Constable)**, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise **the Constable's** basic financial statements, and have issued our report thereon dated June 28, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **the Constable'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 Constable's** internal control. Accordingly, we do not express an opinion on the effectiveness of **the Constable's** internal control.

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
(CONTINUED)

Internal Control Over Financial Reporting, Continued

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 of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **the Constable's** financial statements are free from 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*.

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
(CONTINUED)

Purpose of this Report

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

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

Bruno & Tervalon, LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

June 28, 2022

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Section I - Summary of Auditors' Results

- A. The type of report issued on the financial statements: **unmodified opinion**.
- B. Significant deficiencies in internal control were disclosed by the audit of the financial statements: **none reported** material weaknesses: **no**.
- C. Noncompliance which is material to the financial statements: **no**.
- D. Significant deficiencies in internal control over major programs: **not applicable** material weaknesses: **not applicable**.
- E. The type of report issued on compliance for major programs: **not applicable**.
- F. Any audit findings which are required to be reported under Section 200.516 of OMB Uniform Guidance: **not applicable**.
- G. Major programs: **not applicable**.
- H. Dollar threshold used to distinguish between Type A and Type B programs: **not applicable**.
- I. Auditee qualified as a low-risk auditee under Section 200.520 of OMB Uniform Guidance: **not applicable**.
- J. A management letter issued: **no**.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
SCHEDULE OF FINDINGS, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2021

**Section II - Findings Relating to the Financial Statements Reported
In Accordance with *Government Auditing Standards***

No matters reported.

Section III - Findings and Questioned Costs Relating to Federal Awards

Not applicable.

**CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Section I - Internal Control and Compliance Material to the Financial Statements

No matters reported.

Section II - Findings and Questioned Costs Related to Federal Awards

Not applicable.

Section III - Management Letter

No management letter comments reported.

CONSTABLE OF THE FIRST CITY COURT
CITY OF NEW ORLEANS
INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2021

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES

To Constable Lambert C. Boissiere, Jr., **First City Court**
City of New Orleans 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 year ended December 31, 2021. **The Constable of First City Court (the Constable)** management is responsible for those C/C areas identified in the SAUPs.

The Constable 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 year ended December 31, 2021. 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.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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 whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

No exceptions were noted.

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.

No exceptions were noted.

c) ***Disbursements***, including processing, reviewing, and approving.

No exceptions were noted.

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).

No exceptions were noted.

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.

No exceptions were noted.

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.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

- 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).

No exceptions were noted.

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

No exceptions were noted.

- i) *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.

No exceptions were noted.

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

No exceptions were noted.

- k) *Information Technology Disaster Recovery/Business Continuity*, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exceptions were noted.

- l) *Sexual Harassment*, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

No exceptions were noted.

- b) 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 *Alternately, for those entities reporting on the nonprofit 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.*

No exceptions were noted.

- c) 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.

No exceptions were noted.

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 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:

- a) 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);

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

- 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

No exceptions were noted.

- 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.

No exceptions were noted.

Collections (excluding electronic funds 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.

No exceptions were noted.

- 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.

No exceptions were noted.

- 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.

No exceptions were noted.

- 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/official verifies the reconciliation.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

No exceptions were noted.

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.

No exceptions were noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions were noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions were noted.

- 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).

No exceptions were noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions were noted.

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).

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

No exceptions were noted.

b) At least two employees are involved in processing and approving payments to vendors.

No exceptions were noted.

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.

No exceptions were noted.

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.

No exceptions were noted.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

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.

No exceptions were noted.

b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #8, as applicable.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

No exceptions were noted.

12. 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:

- 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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions were noted.

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

No exceptions were noted.

13. Using the monthly statements or combined statements selected under #11 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 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.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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).

No exceptions were noted.

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

No exceptions were noted.

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).

No exceptions were noted.

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

No exceptions were noted.

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.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

- 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).

No exceptions were noted.

- 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).

No exceptions were noted.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were noted.

Payroll and Personnel

16. 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.

No exceptions were noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #15 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions were noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions were noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions were noted.

18. 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, 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 or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

No exceptions were noted.

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.

No exceptions were noted.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #15 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.

No exceptions were noted.

- 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.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

No exceptions were noted.

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).

No exceptions were noted.

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.

No exceptions were noted.

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.

No exceptions were noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "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.

No exceptions were noted.

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

- 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.

No exceptions were noted.

- 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.

No exceptions were noted.

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.

No exceptions were noted.

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).

No exceptions were noted.

**INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)**

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.

No exceptions were noted for procedures 28 a) to e).

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

INDEPENDENT ACCOUNTANTS' REPORT
ON
APPLYING STATEWIDE AGREED-UPON PROCEDURES
(CONTINUED)

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.

Bruno & Tervalon, LLP

BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS
New Orleans, Louisiana

June 28, 2022