

**ALEXANDRIA CITY MARSHAL
ALEXANDRIA, LOUISIANA**

September 30, 2020

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Independent Auditor's Report

Alexandria City Marshal
Alexandria, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Alexandria City Marshal, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Alexandria City Marshal's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Alexandria City Marshal as of September 30, 2020, and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alexandria City Marshal's basic financial statements. The schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer included on page 24 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 February 23, 2021, on our consideration of the Alexandria City Marshal'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alexandria City Marshal's internal control over financial reporting and compliance.

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

February 23, 2021

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Alexandria City Marshal
Statement of Net Position
September 30, 2020**

	Primary Government Governmental Activities
Assets	
Cash	\$ 177,881
Court cost receivable	9,606
Capital assets, net of accumulated depreciation	78,866
Total assets	\$ 266,353
Liabilities	
Accounts payable	\$ 285
Payroll taxes payable	94
Total liabilities	379
Net position	
Net investment in capital assets	78,866
Restricted	82,843
Unrestricted	104,265
Total net position	\$ 265,974

The notes to the financial statements are an integral part of this statement.

**Alexandria City Marshal
Statement of Activities
For The Year Ended September 30, 2020**

	Program Revenues				Net Revenue and Changes in Net Position Primary Government Governmental Activities
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>		
GOVERNMENTAL FUNCTIONS					
Primary Government					
Governmental activities					
General government	\$ 166,585	\$ 116,140	\$ -	\$ -	\$ (50,445)
Public Safety	15,988	6,510	-	-	(9,478)
Total governmental activities	182,573	122,650	-	-	(59,923)
Total primary government	\$ 182,573	\$ 122,650	\$ -	\$ -	(59,923)
General revenues:					
				1,611	
				32,140	
				33,751	
				(26,172)	
Change in net position for the year				292,146	
Net position-Beginning of year				292,146	
Net position-End of year				\$ 265,974	

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

Balance Sheet
Governmental Funds
Alexandria City Marshal
September 30, 2020

	<u>General</u>	<u>DWI Fund</u>	<u>Equipment Fund</u>	<u>Driver Improvement</u>	<u>Total Governmental Funds</u>
Assets					
Cash	\$ 94,822	\$ 64,067	\$ 15,960	\$ 3,032	\$ 177,881
Court costs receivable	6,672	114	2,820	-	9,606
Due from other funds	3,150	1,000	-	-	4,150
Total assets	<u>\$ 104,644</u>	<u>\$ 65,181</u>	<u>\$ 18,780</u>	<u>\$ 3,032</u>	<u>\$ 191,637</u>
Liabilities and Fund Balance					
Accounts payable	\$ 285	\$ -	\$ -	\$ -	\$ 285
Payroll taxes payable	94	-	-	-	94
Due to other funds	700	-	3,150	1,000	4,850
Total liabilities	<u>1,079</u>	<u>-</u>	<u>3,150</u>	<u>1,000</u>	<u>5,229</u>
Fund Balance					
Restricted	-	65,181	15,630	2,032	82,843
Unassigned	103,565	-	-	-	103,565
Total fund balances	<u>103,565</u>	<u>65,181</u>	<u>15,630</u>	<u>2,032</u>	<u>186,408</u>
Total liabilities and fund balances	<u>\$ 104,644</u>	<u>\$ 65,181</u>	<u>\$ 18,780</u>	<u>\$ 3,032</u>	<u>\$ 191,637</u>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Balance Sheet
of Governmental Funds to the
Statement of Net Position
September 30, 2020**

Total fund balance-total governmental funds	\$	186,408
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:		
Capital assets of \$567,650 net of accumulated depreciation of \$488,784, are not financial resources and are not reported in the funds.	\$	78,866
Internal service funds are used by management to charge the costs of certain activities to individual funds. Assets and liabilities of the internal services funds of \$700 are included in governmental activities, but not in the statement of net position.		<u>700</u>
Total adjustments		<u>79,566</u>
Net position of governmental activities	\$	<u><u>265,974</u></u>

The notes to the financial statements are an integral part of this statement.

**Statement of Revenues, Expenditures, and Changes
in Fund Balances-Governmental Funds
Alexandria City Marshal
For the year ended September 30, 2020**

	<u>General Fund</u>	<u>DWI Fund</u>	<u>Equipment Fund</u>	<u>Driver Improvement</u>	<u>Total Governmental Funds</u>
Revenues:					
Court costs	\$ 74,374	\$ 1,080	\$ 41,766	\$ -	\$ 117,220
Other revenue	32,140	-	-	5,430	37,570
Interest	1,611	-	-	-	1,611
Total revenues	<u>108,125</u>	<u>1,080</u>	<u>41,766</u>	<u>5,430</u>	<u>156,401</u>
Expenditures:					
Current:					
General and administrative	150,610	263	9,802	5,923	166,598
Capital outlay	-	-	55,904	-	55,904
Total expenditures	<u>150,610</u>	<u>263</u>	<u>65,706</u>	<u>5,923</u>	<u>222,502</u>
Excess (deficiency) of revenues over expenditures	<u>(42,485)</u>	<u>817</u>	<u>(23,940)</u>	<u>(493)</u>	<u>(66,101)</u>
Fund balances, beginning of year	<u>146,050</u>	<u>64,364</u>	<u>39,570</u>	<u>2,525</u>	<u>252,509</u>
Fund balances, end of year	<u>\$ 103,565</u>	<u>\$ 65,181</u>	<u>\$ 15,630</u>	<u>\$ 2,032</u>	<u>\$ 186,408</u>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the year ended September 30, 2020**

Net changes in fund balances-total governmental funds		\$ (66,101)
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital expenditures	\$ 55,904	
Depreciation expense	<u>(32,424)</u>	23,480
Changes in internal service funds balances		<u>16,449</u>
Change in net position of governmental activities		<u>\$ (26,172)</u>

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND

Statement of Fiduciary Net Position
Alexandria City Marshal
September 30, 2020

	Custodial Fund
<u>Assets</u>	
Cash and cash equivalents	\$ 194,619
Due from general fund	700
	<hr/>
Total assets	195,319
	<hr/>
<u>Net Position</u>	
Restricted for:	
Bonds held for future disposition	195,319
	<hr/>
Total net position	\$ 195,319
	<hr/> <hr/>

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position
Alexandria City Marshal
September 30, 2020

	<u>Custodial Fund</u>
<u>Additions</u>	
Contributions	
Fines collected	\$ 632,717
Bonds collected	70,395
Total additions	<u>703,112</u>
<u>Deductions</u>	
Fines disbursed	592,240
Bonds refunded	10,731
Total deductions	<u>602,971</u>
Net increase in fiduciary net position	100,141
Net position, beginning	<u>95,178</u>
Net position, ended	<u>\$ 195,319</u>

The notes to the financial statements are an integral part of this statement.

ALEXANDRIA CITY MARSHAL
Notes to the Financial Statements
September 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Alexandria City Marshal as a whole, excluding fiduciary activities. Individual funds are not displayed.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The accounting and reporting practices of the Alexandria City Marshal conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide and to the industry audit guide, Audits of State and Local Governmental Units. The following is a summary of certain significant accounting policies and practices:

Reporting Entity - In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not only criterion, for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criteria used to evaluate potential component units for inclusion or exclusion from the

ALEXANDRIA CITY MARSHAL
Notes to the Financial Statements
September 30, 2020

reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The Alexandria City Marshal is a potential component unit of the City of Alexandria, Louisiana. However, the Alexandria City Marshal is a separate reportable entity from the City of Alexandria because it is essentially an autonomous unit. The Marshal, an elected official, has the ability to exercise accountability for fiscal matters. The Alexandria City Marshal is financially independent from the City of Alexandria, Louisiana.

Fund Accounting - The accounts of the Alexandria City Marshal are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government 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. Funds are categorized as follows:

Governmental Fund Categories

General Fund - The General Fund is the general operating fund of the Alexandria City Marshal. It is used to account for all financial resources except those required to be accounted for in another fund.

DWI Fund - The DWI Fund is used to account for the proceeds of DWI fines that are set aside to monitor DWI probation activities.

Driver Improvement Fund – Fees are collected from the Rapides Parish Driver Improvement Program. The funds collected are used to pay for expenses related to the Driver Improvement classes.

Equipment Fund – Fees are collected from each suit that goes through Alexandria City Court. These fees are used at the Marshal’s discretion to pay for equipment purchases and upkeep.

Fiduciary Fund Category

The Fiduciary Fund is used to account for assets held by the Alexandria City Marshal as an agent for other governments, other organizations, and other funds. Fiduciary Funds are custodial in nature (assets = liabilities).

ALEXANDRIA CITY MARSHAL
Notes to the Financial Statements
September 30, 2020

Fund Balances

Alexandria City Marshal has adopted the provisions of GASB 54 related to the classification of governmental fund balances. The governmental fund balances are classified as follows:

Restricted – Restricted fund balances are amounts that are constrained for a specific purpose through restrictions of external parties or by constitutional provision or enabling legislation.

Unassigned – Unassigned fund balance is the residual classification and includes all amounts that are not restricted or constrained in any other classification or fund balance.

Basis of Accounting –The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). The fiduciary fund financial statements report uses the same focus and basis of accounting.

Governmental fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Fiduciary fund revenues and expenses or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. The Alexandria City Marshal has one fiduciary fund, a custodial fund, which is purely custodial and thus does not involve measurement of results of operations.

The revenue received by the Alexandria City Marshal is generated through court costs allocated to the entity. Court costs are distributed based on schedules developed by the Louisiana Legislature. The office of the Alexandria City Marshal is responsible for collecting bonds and fines for cases in Alexandria City Court, then distributing these amounts when there is a disposition in the case. The amount of distribution that the entity will receive is recognized as of the last day of the month of disposition of the case.

Interfund Receivables and Payables - The Custodial Fund occasionally incurs costs such as check printing charges, cash shortages, and checks dishonored. The General Fund reimburses the Custodial Fund for these costs. Interest revenues earned on the custodial fund are used to offset these charges.

Budgets and Budgetary Accounting – The Alexandria City Marshal adopts a budget on a basis consistent with GAAP for the General Fund. The Alexandria City Marshal is required to present the adopted and final amended budgeted revenues and expenditures for

ALEXANDRIA CITY MARSHAL
Notes to the Financial Statements
September 30, 2020

the General Fund and Special Revenue Fund. The City Marshal establishes the fiscal year as the twelve-month period beginning October 1. The procedures detailed below are followed in establishing the budgetary data reflected in the financial statements.

Management prepares the proposed budget based on an estimate of the revenues expected to be received in the next fiscal year and submits the proposal to the Marshal who reviews and approves it. The budget is then submitted to the City of Alexandria and made available for public inspection.

The Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual presents a comparison of budgetary data to actual results of operations for which annual budgets have been adopted. These funds utilize the same basis of accounting for both budgetary purposes and actual results.

Cash - Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the Alexandria City Marshal may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of 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 these amounts.

Capital Assets - The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus.

All government fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

All capital assets are stated at historical cost. Historical costs include not only the purchase price and construction costs, but also ancillary charges to place the asset in its intended location and condition for use. Capital assets are depreciated using the straight-line method over their estimated useful lives.

Adoption of GASB 84

The Alexandria City Marshal early adopted the provisions of GASB 84 which require the presentation of both a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

ALEXANDRIA CITY MARSHAL
Notes to the Financial Statements
September 30, 2020

2. CASH

As of September 30, 2020, cash and cash equivalents totaled \$177,881, of which \$94,822 is classified as unrestricted. Cash balances are insured to Federal Deposit Insurance Corporation limits. Alexandria City Marshal had no cash balances that were not adequately secured.

3. CAPITAL ASSETS:

Capital asset activity for the year ended September 30, 2020 was as follows:

	<u>October 1,</u> <u>2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>September 30,</u> <u>2020</u>
Equipment	\$ 203,987	\$ 1,280	\$ -0-	\$ 205,267
Vehicles	<u>307,759</u>	<u>54,624</u>	<u>-0-</u>	<u>362,383</u>
Total cost	511,746	55,904	-0-	567,650
Accumulated depreciation	<u>(456,360)</u>	<u>(32,424)</u>	<u>-0-</u>	<u>(488,784)</u>
Capital assets, net	<u>\$ 55,386</u>			<u>\$ 78,866</u>

4. COMPENSATED ABSENCES:

The Alexandria City Marshal's obligation for employees' rights to receive compensation for future absences (such as vacation) was not material as of September 30, 2020, and thus, is not recognized in the accompanying financial statements.

5. INTERFUND RECEIVABLES AND PAYABLES:

A summary of the interfund receivables and payables by fund as of September 30, 2020, is presented below:

	<u>Interfund</u> <u>Receivables</u>	<u>Interfund</u> <u>Payables</u>
General Fund	\$ 3,150	\$ 700
Equipment Fund	-0-	3,150
Driver Improvement Fund	-0-	1,000
DWI Fund	1,000	-0-
Custodial Fund	<u>700</u>	<u>-0-</u>
Totals	<u>\$ 4,850</u>	<u>\$ 4,850</u>

REQUIRED SUPPLEMENTARY INFORMATION

Alexandria City Marshal
Statement of Revenues, Expenditures, and Changes
in Fund Balance-Budget (GAAP Basis) and Actual
For the year ended September 30, 2020

	GENERAL FUND				SPECIAL REVENUE FUNDS			
	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:								
Court costs	\$ 170,100	\$ 170,100	\$ 74,374	\$ (95,726)	\$ 17,500	\$ 17,500	\$ 48,276	\$ 30,776
Other revenue	-	-	32,140	32,140	-	-	-	-
Interest	-	-	1,611	1,611	-	-	-	-
Total revenues	<u>170,100</u>	<u>170,100</u>	<u>108,125</u>	<u>(61,975)</u>	<u>17,500</u>	<u>17,500</u>	<u>48,276</u>	<u>30,776</u>
Expenditures:								
Salaries and wages	10,000	10,000	7,503	2,497	-	-	-	-
Payroll taxes	500	500	238	262	-	-	-	-
Advertising	1,000	1,000	323	677	-	-	-	-
Dues and subscriptions	1,000	1,000	299	701	-	-	-	-
Office equipment	1,000	1,000	-	1,000	-	-	-	-
Office maintenance	1,000	1,000	-	1,000	-	-	-	-
Miscellaneous	-	-	400	(400)	-	-	-	-
Office supplies	18,000	18,000	27,384	(9,384)	-	-	85	(85)
Janitorial	500	500	-	500	-	-	-	-
Postage	2,500	2,500	400	2,100	-	-	-	-
Cable	900	900	100	800	-	-	-	-
Travel	4,000	4,000	7,392	(3,392)	11,500	11,500	3,472	8,028
Seminars	-	-	825	(825)	-	-	8,059	(8,059)
Equipment maintenance	500	500	-	500	-	-	-	-
Legal and professional	36,000	36,000	38,372	(2,372)	-	-	-	-
Computer software	200	200	555	(355)	-	-	-	-
Insurance	55,000	55,000	61,520	(6,520)	-	-	-	-
Police Jury	25,000	25,000	-	25,000	-	-	-	-
Vehicle expenses	2,500	2,500	691	1,809	-	-	4,098	(4,098)
Bond expense	-	-	-	-	-	-	-	-
Uniforms	4,000	4,000	1,354	2,646	-	-	274	(274)
Telephone	5,000	5,000	2,724	2,276	-	-	-	-
Water	1,500	1,500	530	970	-	-	-	-
Capital Expenditures	-	-	-	-	6,000	6,000	55,904	(49,904)
Total expenditures	<u>170,100</u>	<u>170,100</u>	<u>150,610</u>	<u>19,490</u>	<u>17,500</u>	<u>17,500</u>	<u>71,892</u>	<u>(54,392)</u>
Excess (deficiency) of revenues over expenditures	-	-	(42,485)	(42,485)	-	-	(23,616)	(23,616)
Fund balances, beginning	<u>146,050</u>	<u>146,050</u>	<u>146,050</u>	-	<u>106,459</u>	<u>106,459</u>	<u>106,459</u>	-
Fund balances, ending	<u>\$ 146,050</u>	<u>\$ 146,050</u>	<u>\$ 103,565</u>	<u>\$ (42,485)</u>	<u>\$ 106,459</u>	<u>\$ 106,459</u>	<u>\$ 82,843</u>	<u>\$ (23,616)</u>

The notes to the financial statements are an integral part of this statement

SUPPLEMENTARY INFORMATION

**Alexandria City Marshal
Schedule of Compensation, Benefits, and Other Payments
To Agency Head or Chief Executive Officer
For the year ended September 30, 2020**

Agency Head Marshal Jerome Hopewell

Paid by Rapides Parish Police Jury

Salary	\$ 59,283
Retirement	7,866

Paid by Alexandria City Court

Marshal Commission - Garnishments	85,558
Marshal Commission - Court costs	69,225

Paid by Alexandria City Marshal

Cell Phone	485
Seminars - Travel	180

Paid by State of Louisiana

State Supplemental	6,000
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\$ 228,597



Independent Auditor's 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*

Alexandria City Marshal
Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Alexandria City Marshal, as of and for the year ended September 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated February 23, 2021.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses listed as items number 2020-001 and 2020-002.

Compliance

As part of obtaining reasonable assurance about whether Alexandria City Marshal's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed the following instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* listed as item numbers 2020-003, 2020-004, and 2020-005.

Alexandria City Marshal's Response to Findings

Alexandria City Marshal's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Alexandria City Marshal's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

February 23, 2021

**Alexandria City Marshal
Schedule of Findings and Questioned Costs
For the year ended September 30, 2020**

Section I - Summary of Auditor's Reports

- The Independent Auditor's Report on the financial statements of the Alexandria City Marshal as of September 30, 2020 and for the year then ended reported an unmodified opinion.
- Two deficiencies in internal control were reported as material weaknesses as listed below
- Three acts of noncompliance of the Alexandria City Marshal were disclosed during the audit as listed below.

Section II - Financial Statement Findings

Report on Internal Control and Compliance Material to the Financial Statements

Finding 2020-001 – Job Description

Statement of Condition: The Alexandria City Marshal does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Criteria: A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Effect of Condition: The Alexandria City Marshal needed assistance in preparing the annual financial statements.

Cause of Condition: There was no written job description available to ensure hiring of staff that have appropriate training in applying generally accepted accounting principles.

Recommendation: The Alexandria City Marshal should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Questioned costs: None

Finding 2020-002 – Segregation of Duties

Statement of Condition: The Alexandria City Marshal does not have adequate segregation of duties within the administrative office.

Criteria: A system of internal control procedures requires a segregation of duties so that no individual handles a transaction from start to finish.

Effect of Condition: There could be a lack of oversight that could lead to improperly recorded transactions.

Cause of Condition: There is a small number of personnel employed by the Alexandria City Marshal.

Recommendation: The Alexandria City Marshal should monitor the assignment of duties to insure as much segregation of duties as possible.

Questioned costs: None

Finding 2020-003 – Budget Violation

Statement of Condition: The budget showed a greater than 5% variance in revenues and expenditures.

Criteria: Revenues and expenditures exceeded the amounts budgeted by more than 5%.

Effect of Condition: Alexandria City Marshal was not in compliance with Louisiana budget law.

Cause of Condition: An amendment to the budget was not completed once Alexandria City Marshal realized that revenues and expenditures were exceeding 5% of the budget.

Recommendation: The Alexandria City Marshal should implement written policies to ensure Louisiana budget law is followed.

Questioned costs: None

Finding 2020-004 – Budget Violation

Statement of Condition: The budget was not made available for public inspection.

Criteria: Budgets must be made available for public inspection no later than fifteen days prior to the beginning of each fiscal year.

Effect of Condition: Alexandria City Marshal was not in compliance with Louisiana budget law.

Cause of Condition: This action did not take place due to an oversight by management.

Recommendation: The Alexandria City Marshal should implement written policies to ensure Louisiana budget law is followed.

Questioned costs: None

Finding 2020-005 – Budget Violation

Statement of Condition: The budget did not include all information required by law.

Criteria: Budgets must include a signed budget message and a statement including items outlined in the Local Government Budget Act.

Effect of Condition: Alexandria City Marshal was not in compliance with Louisiana budget law.

Cause of Condition: This action did not take place due to an oversight by management.

Recommendation: The Alexandria City Marshal should implement written policies to ensure Louisiana budget law is followed.

Questioned costs: None

Section III - Federal Award Findings and Questioned Costs

There were no federal awards.

**Alexandria City Marshal
Summary Schedule of Prior Audit Findings
For the year ended September 30, 2020**

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

Finding No. 2019-001 - The Alexandria City Marshal does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Corrective action taken- Condition is not resolved. See Finding 2020-001.

Finding No. 2019-002 - The Alexandria City Marshal does not have adequate segregation of duties within the administrative office.

Corrective action taken- Condition is not resolved. See Finding 2020-002.

Finding No. 2019-003 – An employee advance was given to an employee.

Corrective action taken- Condition has been resolved.

Finding No. 2019-004 – Funds were used to purchase flowers for other individuals.

Corrective action taken- Condition has been resolved.

Finding No. 2019-005 – A custodial fund disbursement was paid twice.

Corrective action taken- Condition has been resolved.

Finding No. 2019-006 – The budget showed a greater than 5% overage variance in general fund expenditures.

Corrective action taken- Condition is not resolved. See Finding 2020-003.

Finding No. 2019-007 – The budget was not made available for public inspection.

Corrective action taken- Condition is not resolved. See Finding 2020-004.

Finding No. 2019-008 – The budget did not include all information required by law.

Corrective action taken- Condition is not resolved. See Finding 2020-005.

Section II – Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III – Federal Awards Findings and Questioned Costs

There were no federal awards.

**Alexandria City Marshal
P.O. Box 30
Alexandria, LA 71301**

February 23, 2021

MANAGEMENT'S CORRECTIVE ACTION PLAN

Alexandria City Marshal respectfully submits the following corrective action plan for the year ended September 30, 2020.

Name and address of contact person: Jerome Hopewell, Alexandria City Marshal, 515 Washington Street, Alexandria, Louisiana 71301.

Name and address of independent public accounting firm: Oestrieher and Company, CPAs, 4641 Windermere Place, Alexandria, Louisiana 71303-3548.

Audit period: October 1, 2019 through September 30, 2020.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule. The Summary of Audit Results does not include findings and is not addressed.

FINDINGS-FINANCIAL STATEMENT AUDIT

FINDING 2020-001:

Recommendation: Alexandria City Marshal should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Action Taken: While management understands the nature of the finding and the necessity of personnel with qualifications that are higher than our current job descriptions, the benefits of hiring personnel with increased qualifications do not outweigh the costs.

FINDING 2020-002:

Recommendation: Alexandria City Marshal should monitor the assignment of duties to ensure as much segregation of duties as possible.

Action Taken: Employees will be monitored as effectively as possible with the limited staff.

FINDING 2020-003:

Recommendation: The Alexandria City Marshal should develop and implement written policies to ensure Louisiana budget law is followed.

Action Taken: Alexandria City Marshal will develop and implement policies concerning amendments to the budget.

FINDING 2020-004:

Recommendation: The Alexandria City Marshal should develop and implement written policies to ensure Louisiana budget law is followed.

Action Taken: Alexandria City Marshal will develop and implement policies concerning public inspection the budget.

FINDING 2020-005:

Recommendation: The Alexandria City Marshal should develop and implement written policies to ensure Louisiana budget law is followed.

Action Taken: Alexandria City Marshal will develop and implement policies concerning items included in the budget.