

**WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana**

**ANNUAL FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REPORTS**

Year Ended December 31, 2017

ROYCE T. SCIMEMI, CPA, APAC
Oberlin, LA

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana
ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORTS
Year Ended December 31, 2017

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

June 22, 2018

Honorable Michael R. Slaney
Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish (the Marshal), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Marshal. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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

Accountants' Responsibilities. Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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

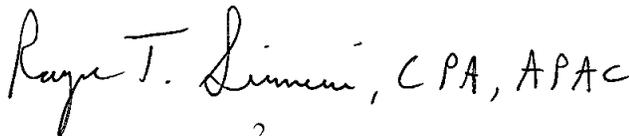
Required Supplementary Information.

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule (on page 23) be presented to supplement the basic financial statements. Such information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Other Supplementary Information. The accompanying schedule of compensation, benefits and other payments to chief executive officers (on page 27) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on it.

Royce T. Scimemi, CPA, APAC



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Statement of Net Position
December 31, 2017**

| | Primary Government | |
|--|--------------------------------|--------------|
| | Governmental Activities | |
| ASSETS | | |
| Cash and certificates of deposit | \$ | 3,486 |
| Capital assets | | 6,501 |
| Total Assets | | 9,987 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Aggregated deferred outflows | | -- |
| Total Deferred Outflows of Resources | | -- |
| LIABILITIES | | |
| Accounts payable | | 2,355 |
| Payroll liabilities | | 315 |
| Total Liabilities | | 2,670 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Aggregated deferred inflows | | -- |
| Total Deferred Inflows of Resources | | -- |
| NET POSITION | | |
| <i>Invested in capital assets, net of related debt</i> | | 6,501 |
| <i>Unrestricted</i> | | 816 |
| Total Net Position | \$ | 7,317 |

See accompanying notes and independent accountants' review report.

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Statement of Activities
For the Year Ended December 31, 2017**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue |
|--------------------------------------|-------------------|---------------------------------|---|---|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental Activities |
| Primary Government | | | | | |
| Governmental Activities: | | | | | |
| Police and court services | \$ 177,299 | \$ -- | \$ -- | \$ -- | \$ (177,299) |
| Total Governmental Activities | \$ 177,299 | \$ -- | \$ -- | \$ -- | (177,299) |
| General Revenues: | | | | | |
| | | | | | 57,544 |
| | | | | | 103,608 |
| | | | | | 24,874 |
| | | | | | 186,026 |
| | | | | | 8,727 |
| | | | | | (1,410) |
| | | | | | \$ 7,317 |

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Major Fund Descriptions

Governmental Fund -

General Fund

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

Agency Fund -

Garnishment Fund

To account for assets held by the Marshal as agent. This fund is used for the collection of court ordered garnishment judgements.

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Balance Sheet
Governmental Fund
December 31, 2017**

| | General Fund |
|--|---------------------|
| ASSETS | |
| Cash and certificates of deposit | \$ 3,486 |
| Total Assets | 3,486 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Aggregated deferred outflows | -- |
| Total Assets and Deferred Outflows of Resources | \$ 3,486 |
| LIABILITIES | |
| Accounts payable | \$ 2,355 |
| Payroll liabilities | 315 |
| Total Liabilities | 2,670 |
| DEFERRED INFLOWS OF RESOURCES | |
| Aggregated deferred inflows | -- |
| Total Liabilities and Deferred Inflows of Resources | 2,670 |
| FUND BALANCE | |
| Unassigned | 816 |
| Total Fund Balance | 816 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | \$ 3,486 |

See accompanying notes and independent accountants' review report.

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position
December 31, 2017**

| | | |
|---|-----------|---------------------|
| Total Fund Balance - Governmental Fund | \$ | 816 |
| Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance. | | 6,501 |
| Total Net Position-Governmental Fund | \$ | <u>7,317</u> |

See accompanying notes and independent accountants' review report.

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2017**

| | General Fund |
|--|---------------------|
| Revenues | |
| Marshal fees | \$ 57,544 |
| Intergovernmental | 128,482 |
| Total Revenues | 186,026 |
| Expenditures | |
| Current: | |
| Automotive | 30,336 |
| Contract labor | 10,300 |
| Dues & subscriptions | 50 |
| Insurance | 7,213 |
| Office supplies | 2,935 |
| Payroll taxes | 5,240 |
| Penalties & interest | 5,604 |
| Professional fees | 6,955 |
| Rent | 6,000 |
| Salaries | 82,978 |
| Supplies | 8,751 |
| Telephone | 3,291 |
| Travel | 3,096 |
| Uniforms | 3,370 |
| Total Expenditures | 176,119 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 9,907 |
| Net Change in Fund Balance | 9,907 |
| <i>Fund Balance at Beginning of Period</i> | <i>(9,091)</i> |
| Fund Balance at End of Period | \$ 816 |

See accompanying notes and independent accountants' review report.

**Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance with Statement of Activities
For the Year Ended December 31, 2017**

| | | |
|--|-----------|---------------------|
| Total Net Change in Fund Balance - Governmental Fund | \$ | 9,907 |
| Depreciation expense reflected in entity-wide statements and not reflected in governmental fund statement. | | (1,180) |
| Changes in Net Position-Governmental Fund | \$ | <u>8,727</u> |

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
December 31, 2017

| | | Agency Fund |
|----------------------------------|----|-------------------------|
| | | Garnishment Fund |
| ASSETS | | |
| Cash and certificates of deposit | \$ | 537 |
| Total Assets | | 537 |
| LIABILITIES | | |
| Due to Others | | 537 |
| Total Liabilities | \$ | 537 |

See accompanying notes and independent accountants' review report.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements

December 31, 2017

INTRODUCTION

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Reporting Entity

The Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish (Marshal) is an elected official who serves six-year terms. The Marshal is charged with the responsibility of policing and security functions for the City Court of Oakdale and Ward 5 of Allen Parish. The operation of the Marshal's office is funded by the Allen Parish Police Jury, fees collected from garnishments and other civil services, and court costs charged by the City Court of Oakdale and Ward 5 of Allen Parish. The Marshal is partially funded and housed in a building owned by the City of Oakdale.

The financial statements only include funds, activities, et cetera, that are controlled by the Marshal as an independently elected official. Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component unit should be considered part of the reporting for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the City of Oakdale, the City Court of Oakdale, or the Allen Parish Police Jury, the general government services provided by those governmental units, or any other governmental units. The Marshal has no component units.

2. Basis of Presentation

The accompanying basic financial statements of the Marshal have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). The accompanying basic financial statements have also been prepared in conformity with GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments," issued in June 1999.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Marshal as a whole. These statements include all the financial activities of the Marshal. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchanges occur (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Revenues that are not classified as program revenues are presented as general revenues. Fiduciary funds are not included in the government-wide financial statements.

Fund Financial Statements (FFS)

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

Governmental Fund Types:

General Fund –

The General Fund is the general operating fund of the Marshal. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Fiduciary (Agency) Funds:

Garnishment Fund –

The Garnishment Fund is used to account for assets held by the Marshal as agent. This fund is used for the collection of court-ordered garnishment judgments. The Marshal charges an administrative fee and remits all other funds to the respective creditors. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements.

On the government-wide statement of net position and statement of activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. Equity is classified as net position.

The amounts reflected in the governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Marshal operations. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The amounts reflected in the governmental funds use the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Marshal considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Those revenues susceptible to accrual are court costs, intergovernmental grants, and fees on garnishments. These revenues are recorded when the Marshal is entitled to the funds.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Capital expenditures are regarded as expenditures at the time purchased.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits as well as those investments with a maturity date of 90 days or less. Under state law, the Marshal may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Louisiana Revised Statute 33:2955 authorizes the Marshal to invest in obligations of the

U.S. Treasury, U.S. government agencies, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP generates a local government investment pool.

These deposits are stated at cost, which approximates market.

5. Accounts Receivable

Uncollectible amounts due for court costs, intergovernmental revenues, fees on garnishments and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

6. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve that portion of applicable appropriations is not employed by the Marshal as an extension of formal budgetary integration in the funds.

7. Budget

A general fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before December 15 of each fiscal year, the budget is prepared by function and activity, based on information from the past year and current year estimates for the next fiscal year. The budget is available for public inspection no later than December 15 and is adopted before the end of the fiscal year. The final budget for 2017 consists of the original budget adopted December 18, 2017, which not amended.

8. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The Marshal maintains a threshold level of \$1,500 or more for capitalizing capital assets. Capital assets are recorded in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

| | |
|-----------|-----------------------------------|
| | <u>Estimated Useful Lives</u> |
| Vehicles | 5 Years |
| Equipment | 2-5 Years |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

9. Equity Classification

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulation of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Marshal. The Marshal is the highest level of decision-making authority for the Marshal’s office. Commitments may be established, modified, or rescinded only through decisions of the Marshal.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Marshal's adopted policy, only the Marshal may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

It is the Marshal's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Marshal uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

10. Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

11. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of December 31, 2017.

12. Subsequent Events

Management has evaluated subsequent events through June 22, 2018, the date the financial statements were available to be issued.

NOTE B – CASH AND INTEREST BEARING DEPOSITS

As of December 31, 2017, the Marshal had cash and interest-bearing deposits (book balances) totaling \$4,023. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Marshal will not be able to recover its deposits or the collateral securities that are in the possession of an outside party. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2017, the Marshal had \$6,526 in deposits (collected bank balances) secured as follows:

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

| | |
|---------------------------------|-----------------|
| Bank balances | <u>\$ 6,526</u> |
| Federal deposit insurance | \$ 6,526 |
| Pledged securities (Category 3) | <u>-</u> |
| Total | <u>\$ 6,526</u> |

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Marshal's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities after being notified by the Marshal that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C – CAPITAL ASSETS

A summary of changes in capital assets follows:

| | <u>12/31/16</u> | | | <u>12/31/17</u> |
|-----------------------------------|-----------------|-------------------|------------------|-----------------|
| | <u>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> |
| Capital assets being depreciated: | | | | |
| Vehicles | \$ 24,200 | \$ - | \$ - | \$ 24,200 |
| Equipment | <u>5,720</u> | <u>-</u> | <u>343</u> | <u>5,377</u> |
| Total | 29,920 | - | 343 | 29,577 |
| Less: accumulated depreciation: | | | | |
| Vehicles | 19,530 | 237 | - | 19,767 |
| Equipment | <u>2,709</u> | <u>943</u> | <u>343</u> | <u>3,309</u> |
| Total | <u>22,239</u> | <u>1,180</u> | <u>343</u> | <u>23,076</u> |
| Net capital assets | <u>\$ 7,681</u> | <u>\$ (1,180)</u> | <u>\$ -</u> | <u>\$ 6,501</u> |

Depreciation expense in the amount of \$1,180 was charged to police and security in 2017.

NOTE D – EXPENDITURES OF THE MARSHAL'S OFFICE PAID BY THE CITY OF OAKDALE, LOUISIANA

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

NOTE E – RISK MANAGEMENT

The Marshal is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Marshal maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Marshal. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Notes to the Financial Statements (Continued)

December 31, 2017

NOTE F – ON-BEHALF PAYMENTS OF FRINGE BENEFITS AND SALARIES

GASB Statement No. 24 establishes accounting and financial reporting for on-behalf payments for fringe benefits and salaries. The following amounts were paid on-behalf of the Marshal for employee salaries and fringe benefits during 2017:

| | |
|--------------------------|-----------------|
| Allen Parish Police Jury | \$ 9,957 |
| City of Oakdale | <u>12,315</u> |
| Total | <u>\$22,272</u> |

In accordance with GASB Statement No. 24, these on-behalf payments are included as intergovernmental revenues and expenditures in the accompanying financial statements. Included in the above on-behalf payments are salaries and payroll taxes of \$20,690 and \$1,582, respectively.

NOTE G - CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances at December 31, 2017 is as follows:

| | Garnishment Fund |
|-----------------------------|---------------------|
| Balances, December 31, 2016 | \$ 14,931 |
| Additions | 105,998 |
| Reductions | <u>(120,392)</u> |
| Balances, December 31, 2017 | <u>\$ 537</u> |

REQUIRED SUPPLEMENTARY INFORMATION

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2017

| | Budgeted Amounts Original/ Final | Actual | Variance Favorable (Unfavorable) Final to Actual |
|--|---|----------------|---|
| Revenues | | | |
| Marshal fees | \$ 50,000 | \$ 57,544 | \$ 7,544 |
| Intergovernmental | 90,800 | 128,482 | 37,682 |
| Total Revenues | 140,800 | 186,026 | 45,226 |
| Expenditures | | | |
| Current: | | | |
| Automotive | 33,000 | 30,336 | 2,664 |
| Contract labor | 9,700 | 10,300 | (600) |
| Dues & subscriptions | 50 | 50 | - |
| Insurance | 7,200 | 7,213 | (13) |
| Office supplies | 2,600 | 2,935 | (335) |
| Payroll taxes | 16,000 | 5,240 | 10,760 |
| Penalties & interest | -- | 5,604 | (5,604) |
| Professional fees | 7,000 | 6,955 | 45 |
| Rent | 6,000 | 6,000 | - |
| Salaries | 72,000 | 82,978 | (10,978) |
| Supplies | 9,000 | 8,751 | 249 |
| Telephone | 3,600 | 3,291 | 309 |
| Travel | 3,200 | 3,096 | 104 |
| Uniforms | 3,200 | 3,370 | (170) |
| Capital outlay | 1,000 | --- | 1,000 |
| Total Expenditures | 173,550 | 176,119 | (2,569) |
| Net Change in Fund Balance | (32,750) | 9,907 | 42,657 |
| <i>Fund Balance at Beginning of Period</i> | (9,091) | (9,091) | -- |
| Fund Balance at End of Period | \$ (41,841) | \$ 816 | \$ 42,657 |

See accompanying notes and independent accountants' review report.

OTHER SUPPLEMENTARY INFORMATION

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Statement of Fiduciary Assets and Liabilities – Agency Fund

December 31, 2017

| | <u>Garnishment Fund</u> |
|----------------------------------|-----------------------------|
| ASSETS | |
| Cash and certificates of deposit | \$ <u>537</u> |
| TOTAL ASSETS | \$ <u>537</u> |
| LIABILITIES | |
| Due to litigants and others | \$ <u>537</u> |

See independent accountants' review report.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Statement of Changes in Fiduciary Assets and Liabilities – Agency Fund

Year Ended December 31, 2017

| | <u>Garnishment Fund</u> |
|----------------------------|-----------------------------|
| Balance, beginning of year | \$ 14,931 |
| Additions: | |
| Garnishment collections | <u>105,998</u> |
| Subtotal | 120,929 |
| Reductions | |
| Deposits settled to – | |
| Litigants | 113,796 |
| Ward Marshal | <u>6,596</u> |
| Total Reductions | <u>120,392</u> |
| Balance, end of year | \$ <u>537</u> |

See independent accountants' review report.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Schedule of Compensation, Benefits and Other Payments to
Chief Executive Officers

Year Ended December 31, 2017

Chief Executive Officer: Michael R. Slaney, Ward Marshal, 11/21/17 to 12/31/17

| <u>Purpose</u> | <u>Amount</u> |
|--|---------------|
| Salary | \$ 1,804 |
| Civil fees | 258 |
| Benefits-insurance | -0- |
| Benefits-retirement | -0- |
| Benefits-cell phone | -0- |
| Car allowance | -0- |
| Vehicle provided by government | -0- |
| Per diem | -0- |
| Reimbursements | -0- |
| Travel | -0- |
| Registration fees | -0- |
| Conference travel | -0- |
| Continuing professional education fees | -0- |
| Housing | -0- |
| Unvouchered expenses | -0- |
| Special meals | -0- |

Chief Executive Officer: Joseph Chamberlain, Ward Marshal. 01/01/17 to 11/20/17

| <u>Purpose</u> | <u>Amount</u> |
|--|---------------|
| Salary | \$ 22,023 |
| Civil fees | 2,344 |
| Benefits-insurance | -0- |
| Benefits-retirement | -0- |
| Benefits-cell phone | 3,326 |
| Car allowance | -0- |
| Vehicle provided by government | -0- |
| Per diem | 480 |
| Reimbursements | -0- |
| Travel | -0- |
| Registration fees | 600 |
| Conference travel | 1,869 |
| Continuing professional education fees | -0- |
| Housing | -0- |
| Unvouchered expenses | -0- |
| Special meals | -0- |

See independent accountants' review report.

ROYCE T. SCIMEMI, CPA, APAC



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 22, 2018

Honorable Michael R. Slaney
Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana 71463

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Marshal's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Marshal is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$152,550, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law) or LSA-R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

There were no expenditures made during the year for materials and supplies exceeding \$30,000, and no expenditures were made during the year for public works exceeding \$152,550.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information for the current Marshal. However, the prior Marshal did not provide the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list including the noted information.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

Budgeting

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

Management provided us with a copy of the original budget. There was no budget amendments during the year.

6. Trace the budget adoption and amendments to the minute book.

The Marshal is an autonomous government agency with no board and no meetings are required. The budget was adopted by the Marshal's signature December 18, 2017.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues did exceed actual revenues by 5% or more. Actual expenditures did not exceed budgeted expenditures by 5% or more.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account; and

The payments were properly coded to the correct fund and general ledger account.

- c. determine whether payments received approval from proper authorities.

The payments received proper approvals.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law).

The Marshal is an autonomous government agency which has no board and holds no meetings.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected all bank deposits recorded in the Marshal's records for the period under examination and noted no deposits which appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

Our review of the Marshal's records indicated no authorization for any payments that would constitute bonuses, advances or gifts with the exception of matters disclosed in the schedule of findings and responses. Our review of the Marshal's payroll records for the year did reveal instances which would indicate payments that would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

The most recent prior year report was for 2015, dated June 7, 2017, included three comments concerning: 1) Inadequate Segregation of Duties, 2) Reporting Deficiency, and 3) Violation of Louisiana Audit Law. All of these findings were repeated for the year 2017 and had not been resolved.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the use of management of Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

5/17/17 (Date Transmitted)

Royce T. Scimemi, CPA, APAC
P. O. Box 210
Oberlin, LA 70655

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of **December 31, 2017** and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] No []

Accounting and Reporting

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Meetings

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

Yes [] No []

Debt

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

Yes [] No []

Advances and Bonuses

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

Yes [] No []

Prior-Year Comments

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

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

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

Yes [] No []

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

Yes [] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

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

[Handwritten Signature]

Ward Marshal

5-17-18

Date

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

Schedule of Findings and Responses

Year Ended December 31, 2017

1. Summary of Accountants' Results:
 - a) Accountants issued a review report on the financial statements.
 - b) The attestation procedures yielded the noncompliance's in findings #2017-2 C & #2017-5 C.
2. Findings Related to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

Findings – Financial Statement Review

Finding #2017-1 I/C:

Inadequate Segregation of Duties

Criteria: Because of the lack of a large staff, more specifically accounting personnel, there is insufficient segregation of duties necessary for proper controls. We do note that this situation is inherent in most entities of this type and is difficult to resolve due to the funding limitations of the Marshal. This was a prior year finding.

Cause: Lack of a large staff.

Effect: Possible inadequate segregation of duties.

Recommendation: The Marshal should take an active interest in the review of all of the financial information.

Response: The Marshal will not change staff levels.

Responsible Party: Michael Slaney, Ward Marshal

Finding #2017-2 C Local Governmental Budget Act – Budgetary Authority and Control

Condition: The Marshal did not adopt and make the 2017 original budget available for public inspection until December 18, 2017 as required and therefore may be in violation of Louisiana Revised Statutes 39:1308.

Criteria: La. R.S. 39:1308 requires a political subdivision to have the budget completed and made available for public inspection no later than 15 days prior to the beginning of each fiscal year and adopted before the beginning of the fiscal year. This was a prior year finding.

Cause: Lack of administrative oversight by the prior Marshal.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES – CONTINUED

For the Year Ended December 31, 2017

Effect: Violation of Local Government Budget Act.

Recommendation: The Marshal should prepare, adopt, implement and, if necessary, amend a budget on an annual basis and make it available for public inspection no later than fifteen days prior to the beginning of each fiscal year.

Response: This was the responsibility of the prior Marshal. The current Marshal did adopt and make available the original 2017 budget late in December 2017. Further, the current Marshal adopted and made available its 2018 original budget timely and will continue to comply with the budget requirements in the future.

Responsible Party: Michael Slaney, Ward Marshal

Finding #2017-3 C Louisiana Audit Law

Condition: The Marshal did not have an audit or review and related work and examination of his financial statements for the fiscal year ended December 31, 2016 submitted to the Louisiana Legislative Auditor by June 30, 2017 and therefore may be in violation of Louisiana Audit Law (La. R.S. 24:513).

Criteria: La. R.S. 24:513 requires governmental audits and related work and examination of quasi-public agencies, as follows: if during the fiscal year revenues and other sources are equal to or less than \$75,000 the auditee shall annually file a certification of receiving \$75,000 or less in funds along with sworn financial statements as required by La. R.S. 24:514; if during the fiscal year revenues and other sources are equal to or greater than \$75,000 but less than \$200,000 the auditee shall have an annual compilation of its financial statements, with or without footnotes; if during the fiscal year revenues and other sources are greater than \$200,000 but less than \$500,000, the auditee shall have an annual review of its financial statements along with an attestation report in accordance with Louisiana Governmental Audit Guide; and if during the fiscal year revenues and other sources equal to or exceed \$500,000, the auditee shall have an annual audit of its financial statements. This was a prior year finding.

Cause: Lack of administrative oversight by the prior Marshal.

Effect: Possible Violation of the Louisiana Audit Law.

Recommendation: The Marshal should timely file its annual reviewed financial statements along with the agreed-upon attestation report with the Louisiana Legislative Auditor by the statutory deadline of six months after the end of the fiscal year.

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES – CONTINUED

For the Year Ended December 31, 2017

Response: This was the responsibility of the prior Marshal. The current Marshal has timely filed his 2017 required reports and will file his future reports timely.

Responsible Party: Michael Slaney, Ward Marshal

Finding #2017-4 C Delinquent Payroll Taxes

Condition: Various payroll tax returns and payments were prepared, filed and paid late. Significant penalties have been and will be assessed for failure to file and pay said taxes.

Criteria: The federal and state tax codes require that payroll tax returns and payments be prepared and filed accurately and timely. This was a prior year finding.

Cause: Lack of administrative oversight by the prior Marshals.

Effect: Late payment and filing penalties of \$5,604 were paid in 2017.

Recommendation: Management should ensure timely filing of all payroll tax returns to avoid late filing and penalties regardless of availability of cash. Funding should be provided to pay all tax liabilities and remain current with tax obligations.

Response: This was the responsibility of the prior Marshals. The Marshal has filed all payroll tax returns due at the date of this report and all payroll taxes are current.

Responsible Party: Michael Slaney, Ward Marshal

Finding #2017-5 C Article 7 Section 14 of the 1974 Louisiana Constitution.

Condition: Expenditures were made for several items without concern as to whether the Marshal was legally liable for those expenditures which are detailed as follows: 1) During the summer of 2017, the prior Marshal purchased 3 Kevlar bullet proof vests for \$915 and when the current Marshal took office in November 2017 only one of the vests were on hand; 2) In the 1st and 2nd quarters of 2017, the janitor was paid \$210 and \$250, respectively for cleaning the office. In the 3rd quarter and 1st 1 ½ months of the 4th quarter of 2017, the janitor was paid \$1,150 and \$950, respectively. The Marshal's primary and runoff were held on October 13, 2017 and November 18th, 2017 of that year; 3) One of the prior Marshal deputies was compensated \$2,250 per month from March through October 2017. For the 1st 21 days of work in November, he was compensated \$3,000 with no documentation of an approved raise; 4) Another of the prior Marshal's deputies was being compensated \$345 for two-

WARD MARSHAL, CITY COURT OF OAKDALE & WARD 5 OF ALLEN PARISH
Oakdale, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES – CONTINUED

For the Year Ended December 31, 2017

week pay periods from September 1st through November 9, 2017. For the two-week pay period ended November 21, 2017, he was compensated \$805 with no documentation of an approved raise.

Criteria: Article 7, Section 14 of the 1974 Louisiana Constitution prohibits the use of funds, credit, property, or things of value of the political subdivision from loaning, pledging, or donating to or for any person, association, or corporation, public or private.

Cause: Lack of administrative oversight by the prior Marshal.

Effect: Possible violation of Article 7, Section 14 of the 1974 Louisiana Constitution.

Recommendation: Management should ensure that expenditures of this type do not occur in the future and the Marshal's funds are used strictly for allowable public purposes.

Response: This was the responsibility of the prior Marshal who lost the election on November 18, 2017. The current Marshal is aware the he cannot legally make these types of expenditures and will comply in the future.

Responsible Party: Michael Slaney, Ward Marshal

3. Findings and Questioned Costs for Federal Awards:
N/A