

**CITY MARSHAL OF PORT ALLEN  
PORT ALLEN, LOUISIANA  
(A Component Unit of the City of Port Allen)**

**FINANCIAL REPORT**

**DECEMBER 31, 2017**

**CITY MARSHAL OF PORT ALLEN  
PORT ALLEN, LOUISIANA  
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DECEMBER 31, 2017**

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To the City Marshal of Port Allen  
Port Allen, Louisiana

## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

We have reviewed the accompanying financial statements of the governmental activities, and each major fund of the City Marshal of Port Allen, a component unit of the City of Port Allen, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City Marshal of Port Allen'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 management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Service promulgated by the Accounting and Review Services Committee of the AICPA. Those standards required 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 provided a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, except for the issued noted in the Known Departure from Accounting Principles Accepted in the United States of America paragraph, 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.

### **Known Departure from Accounting Principles Generally Accepted in the United States of America**

As explained in Note E to the financial statements, management did not adopt the provisions of GASB 68 as amended by GASB 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68.*" These statements require the City Marshal to recognize within the governmental activities financial statements, net pension liability, deferred inflows, deferred outflows and pension expense related to its participation in the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple employer defined benefit pension plan. The amount by which this departure would affect deferred outflows, liabilities, deferred inflows, net position and expenses of the governmental activities has not been determined.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule 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 statement 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 accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

*Other Information*

The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer on page 25 is not a required part of the basic financial statements but is supplementary information required by the *Louisiana Governmental Audit Guide*. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on it.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Additionally, in accordance with *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 27, 2018 on the results of agreed upon procedures.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
June 27, 2018

## BASIC FINANCIAL STATEMENTS

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 680,292
Investments	288,219
Receivables	25,640
Prepaid insurance	10,355
Capital assets, net of accumulated depreciation	50,973
Total Assets	1,055,479
<b>LIABILITIES</b>	
Accounts payable	12,242
Total Liabilities	12,242
<b>NET POSITION</b>	
Net investment in capital assets	50,973
Unrestricted	992,264
Total Net Position	\$ 1,043,237

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

		<b>Program Revenues</b>		<b>Net (Expenses)</b>
	<b>Expenses</b>	<b>Charges for</b>	<b>Operating</b>	<b>Revenue and</b>
		<b>Services</b>	<b>Grants and</b>	<b>Change in Net</b>
		<b>Contributions</b>	<b>Position of Gov.</b>	<b>Activities</b>
Governmental Activities:				
Public safety	\$ 524,886	\$ 425,766	\$ 20,795	\$ (78,325)
Total Governmental Activities	\$ 524,886	\$ 425,766	\$ 20,795	\$ (78,325)
General Revenues:				
Witness fees				23,115
Investment income				2,130
Total General Revenues				25,245
Change in Net Position				(53,080)
Net Position at the Beginning of Year				1,096,317
Net Position at End of Year				\$ 1,043,237

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**BALANCE SHEET**  
**GOVERNMENTAL FUND - GENERAL FUND**  
**DECEMBER 31, 2017**

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 680,292
Investments	288,219
Receivables	25,640
Prepaid insurance	10,355
<b>Total Assets</b>	<b><u>\$ 1,004,506</u></b>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 12,242
<b>Total Liabilities</b>	<b><u>12,242</u></b>
 <b>Fund Balance:</b>	
Nonspendable - prepaids	10,355
Unassigned	981,909
<b>Total Fund Balances - Governmental Fund</b>	<b><u>992,264</u></b>
 <b>Reconciliation of fund balance to net position:</b>	
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.</p>	
Governmental capital assets	278,042
Less: accumulated depreciation	(227,069)
	<b><u>50,973</u></b>
 <b>Net position of governmental activities</b>	 <b><u>\$ 1,043,237</u></b>

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUND - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>REVENUES</b>		
Intergovernmental	\$	425,766
Witness fees		23,115
On behalf payments		20,795
Interest income		2,130
<b>TOTAL REVENUES</b>		<u><b>471,806</b></u>
<b>EXPENDITURES</b>		
Current:		
Public safety		521,254
<b>TOTAL EXPENDITURES</b>		<u><b>521,254</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>(49,448)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>		<u><b>1,041,712</b></u>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$</b>	<u><u><b>992,264</b></u></u>

See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>Net change in fund balances - total governmental funds</b>	<b>\$</b>	<b>(49,448)</b>
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Amounts reported for governmental activities in 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 depreciated over their estimated useful lives:

Expenditures for capital assets		23,255
Less: Current year depreciation		<u>(26,887)</u>

<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>(53,080)</u></b>
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See accompanying notes and independent accountant's review report.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City Marshal of Port Allen (the City Marshal) was established under the provisions of Louisiana Revised Statutes 13:1879. Each city court shall have a marshal or constable, elected at the congressional election every six years. The Marshal is charged with responsibility of conducting, policing, and security functions for the City Court of Port Allen, Louisiana. Operations of the Marshal's office are funded by court costs charged by the City of Port Allen, Louisiana. The Marshal employs nine full-time and part-time persons.

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

**Reporting Entity**

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an Amendment of GASB Statements No. 14 and No. 34*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the financial statements must present the City Marshal as a component unit of the City of Port Allen, Louisiana because the City of Port Allen provided office space, related utility costs, and the primary funding of salary costs for the Marshal's office.

The accompanying financial statements present information only on the funds maintained by the City Marshal and do not present information on the City of Port Allen or any other governmental units that comprise the City of Port Allen.

**Fund Accounting**

The City Marshal used 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 City Marshal functions and activities.

The governmental funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring inter-period equity and whether current year revenues were sufficient to pay for the current year services.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Governmental Funds*

Governmental funds account for all or most of the City Marshal's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the City Marshal. The following are the City Marshal's governmental funds:

General Fund – The General Fund is the primary operating fund of the City Marshal. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is available for any purpose provided as long as it is expended or transferred in accordance with state and federal laws according the City Marshal policy.

**Measurement Focus, Basis of Accounting**

*Government-wide Financial Statements*

The Statement of Net Position and the Statement of Activities display information about the City Marshal as a whole. These statements include all the financial activities of the City Marshal.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the City Marshal's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

The government-wide financial statements reflect the economic resources measurement focus and accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when the cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Fund Financial Statements (FFS)*

The amounts reflected in the General Fund of the Statement of Net Position and Statement of Activities are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports on the sources (i.e. revenues and other financing sources) and the 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 the City Marshal.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded 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. The City Marshal considers all revenue as available if they are collected within sixty days after year end. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt, which are recognized when due and payable. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Fines, grants, and interest associated with the current fiscal period are all considered susceptible to accrual and therefore have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures – Salaries and capital outlays associated with the current fiscal period are also considered to be susceptible to accrual and so have been recognized as expenditures of the fiscal period.

**Budget**

The City Marshal uses the following budget practices:

- Annually, in the fall of each year, the City Marshal's management submits a proposed operating budget for the general fund prepared on the GAAP basis to the City Marshal.
- After the City Marshal adopts the budget, usually in December, the budget is sent to the City of Port Allen who conducts a public hearing on the budget, which must be adopted by December 15. At year end, public notices offering the public the opportunity to participate in the budget process appear in the December issues of the Westside Journal, the official journal of the Parish.
- Appropriations (unexpended budget balances) lapse at year-end.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- The GAAP basis is used in preparing and reporting the budgets, except for on behalf payments, which represent equal amounts of both revenues and expenditures and are unknown until after year end.
- The Board of Control will meet from time to time to make changes or amendments within the various budget categories.

**Use of Estimates**

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

**Assets, Liabilities, and Equity**

**Cash and Cash Equivalents** – Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and City Marshal's investment policy allow the entity to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**Investments** – Investments for the City Marshal are reported at fair value. Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the City Marshal's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments, however if the original maturities are 90 days or less, they are classified as cash equivalents.

**Receivables** – Receivables consist of all revenues earned at year-end and not yet received.

**Inventories** – All inventories not considered material of the governmental funds are recorded as expenses/expenditures when purchased rather than when consumed.

**Prepaid Items** – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**Capital Assets, Depreciation, and Amortization** – 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 market value at the date of donation. The City Marshal maintains a threshold level of \$500 for capitalizing capital assets.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an amount that is not considered material when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land are depreciated using the straight-line method over the following useful lives:

Building and building improvements	40 years
Furniture and fixtures	5-7 years
Vehicles	3 years
Machinery and equipment	5-10 years

**Fund Equity Classifications –**

*Government-wide statements* – Equity is classified as net position and displayed in three components: (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position.

*Fund financial statements* – Beginning with fiscal year 2011, the City Marshal implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. GASB 54 categories fund balance as either nonspendable or spendable.

The following classifications describe the relative strength of spending constraints placed on the purpose for which resources can be used:

Nonspendable is defined as the portion of fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.

Spendable is defined as a hierarchy of fund balance classifications that is available to be spent based on the element to which the City Marshal is bound to observe constraints imposed upon the use of resources:

- Restricted: This classification includes amounts for which constraints have been placed on the use of resources by external parties, such as creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law, through constitutional provisions or enabling legislation. The City Marshal has no restricted resources at year end.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- Committed: This classification includes portions of fund balance that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the City Marshal. These amounts cannot be used for any other purpose unless the City Marshal removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City Marshal had no committed resources at year end.
- Assigned: This classification includes spendable amounts that are reported in governmental funds other than the General Fund that are neither restricted or committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by the City Marshal, who has authority to assign amounts to be used for specific purposes. The City Marshal has no assigned any amounts at year-end.
- Unassigned: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund.

**NOTE B – DEPOSITS AND INVESTMENTS**

**Cash and Cash Equivalents and Investments**

Cash and cash equivalents include bank accounts and short-term investments. See Note A for additional cash disclosure note information.

At December 31, 2017, the City Marshal had the following cash and cash equivalents and investments:

	<b>Bank Balances</b>	<b>Book Balances</b>
Cash and cash equivalents	\$ 684,349	\$ 680,292
Investments - Certificates of Deposit	114,996	114,996
Investments - LAMP	173,223	173,223
Total	\$ 972,568	\$ 968,511

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)**

Custodial Credit Risk – Deposits and Investments

Custodial credit risk is the risk that in the event of a bank failure the City Marshal's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured or collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the City Marshal. The City Marshal's cash and investment policy, as well as state law, requires that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The following chart represents bank balances for the City Marshal as of December 31, 2017. Deposits are listed in terms of whether they are exposed to custodial credit risk.

	<u>Cash and Cash Equivalents</u>	<u>FDIC Coverage</u>	<u>Total</u>
Deposits per Balance Sheet (Reconciled bank balance)	\$ 795,288	\$ -	\$ 795,288
Deposits in bank accounts per bank	\$ 799,345	\$ (405,880)	\$ 393,465
Bank balances exposed to custodial credit risk:			<u>\$ 393,465</u>
a. Uninsured and uncollateralized			-
b. Uninsured and collateralized with securities held by the pledging institution			-
c. Uninsured and collateralized with securities held by the pledging institutions's trust department or agent, but not in the entity's name			<u>\$ 496,470</u>
Excess of FDIC insurance and pledged securities over cash and investments at December 31, 2017			<u>\$ (103,005)</u>

**LAMP**

At December 31, 2017, the City Marshal had an investment of \$173,223 with the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)**

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like pool. The following facts are relevant for 2a7-like investment pools:

Credit risk: LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 43 as of December 31, 2017.

Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Credit Risk – Investments:

Investments permitted by state statute include obligations issued, insured, or guaranteed by the U.S. government including certificates or other ownership interest in such obligations and/or investments in registered mutual or trust funds consisting solely of U.S. government securities. The City Marshal's investment program is limited to purchases of bank certificates of deposit.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE B – DEPOSITS AND INVESTMENTS (CONTINUED)**

Custodial Credit Risk – Investments:

Custodial credit risk for investments is the risk that in the event of the failure of the counterpart to a transaction, the City Marshal will not be able to recover the value of the investment. Investments are exposed to custodial risk if the securities are (a) uninsured and unregistered and held by the counterparty or (b) uninsured, unregistered and held by the counterparty's trust department or agent but not in the name of the City Marshal. The following chart presents the investment portion of the City Marshal at December 31, 2017. The various types of investments are listed and presented by whether they are exposed to custodial credit risk.

	<u>Uninsured, Unregistered, and Held by the Counterparty</u>	<u>Uninsured, Unregistered, and Held by the Counterparty's Trust Department or Agent But Not in the Entity's Name</u>	<u>All Investments- Reported Amounts</u>	<u>All Investments- Fair Value</u>
Certificates of Deposit	\$ -	\$ -	\$ 114,996	\$ 114,996
Investments not Categorized: LAMP	-	-	173,223	173,223
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 288,219</u>	<u>\$ 288,219</u>

Interest Rate Risk – Investments:

Interest rate risk is defined as the risk that changes in interest rates that will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. The City Marshal's investment policy with regards to interest rate risk is to match cash flow requirements with cash flow from investments. This matching allows for securities to be held to maturity thereby avoiding realizing losses due to liquidation of securities prior to maturity especially in a rising interest rate environment. Investments classified by maturity date at December 31, 2017 are summarized below:

	<u>Fair Value</u>	<u>0-1 Years Before Maturity</u>	<u>1-5 Years Before Maturity</u>	<u>6+ Years Before Maturity</u>
Certificates of Deposit	\$ 114,996	\$ 114,996	\$ -	\$ -
Items not categorized: LAMP	173,223	173,223	-	-
	<u>\$ 288,219</u>	<u>\$ 288,219</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE C – RECEIVABLES**

The receivables of \$25,640 at December 31, 2017, are as follows:

<b>Class of Receivable</b>	<b>Interfund Payables</b>
Intergovernmental:	
West Baton Rouge Parish Council	\$ 12,064
City Court of Port Allen	13,576
Total Receivables	\$ 25,640

**NOTE D – CAPITAL ASSETS**

A summary of changes in fixed assets follows and current depreciation of \$26,887 is reported in Public Safety expense in the Statement of Activities:

	<b>Balance 1/1/2017</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2017</b>
Governmental Activities:				
Intangible assets	\$ 3,840	\$ -	\$ -	\$ 3,840
Vehicles	159,087	23,255	-	182,342
Furniture and fixtures	10,516	-	-	10,516
Improvements	12,605	-	-	12,605
Equipment	68,739	-	-	68,739
Total Capital Assets	254,787	23,255	-	278,042
	<b>Balance 1/1/2017</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2017</b>
Less Accumulated Depreciation for:				
Intangible assets	\$ 3,072	\$ 768	\$ -	\$ 3,840
Vehicles	121,489	22,449	-	143,938
Furniture and fixtures	9,161	550	-	9,711
Improvements	2,272	315	-	2,587
Equipment	64,188	2,805	-	66,993
Total Accumulated Depreciation	200,182	26,887	-	227,069
<b>Net Capital Assets</b>	<b>\$ 54,605</b>			<b>\$ 50,973</b>

Depreciation expense is charged to functions of the primary government as follows:

Public safety	\$26,887
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**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE E – NET PENSION LIABILITY**

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "*Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27.*" This Statement is effective for financial statements for years beginning after June 30, 2014. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments to their actuarial present value, and attribute the present value to the period of employee service.

The adoption of GASB 68 as amended by GASB 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68,*" requires the City Marshal to recognize the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets related to its participation in the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple employer defined benefit pension plan, as a net pension liability on the statement of net position. In addition, the City Marshal is required to recognize its share of the deferred outflows and deferred inflows associated with its participation in the plans. However, because the City Marshal participates under the umbrella of the City of Port Allen, Louisiana (of which they are a component unit), their share of the net pension liability, deferred inflows and outflows are included in the City of Port Allen, Louisiana's amounts. Information specific to the City Marshal needed to implement these accounting changes was not readily available. As such, the City Marshal did not adopt the provisions of this statement as of December 31, 2017. Information related to the participation in the retirement plan can be found in the financial statements of the City of Port Allen, Louisiana as of June 30, 2017, which includes the City Marshal of Port Allen.

**NOTE F – PENSION PLAN**

The City Marshal of Port Allen is a member of the Municipal Employees Retirement System of Louisiana (the "System"). This system is a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

*Plan Description.* The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City Marshal are members of Plan A.

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE F – PENSION PLAN (CONTINUED)**

Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service.

Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provided death and disability benefits. Benefits are established or amended by state statute.

*Funding Policy.* Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the member's salary and remitted by the participating municipality. According to state statute, contributions for all employers are actuarially determined each year. However, subject to certain restrictions, the board of trustees may maintain the employer contribution rate for the next fiscal year at the same rate as the current year if the rate determined by the Public Retirement Systems' Actuarial Committee for the next fiscal year is less than the rate for the current year. The rate for 7/1/15 through 6/30/16 was 19.75% and the rate for 7/1/16 through 6/30/17 is 22.75%.

According to state statute, the System also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes except for Orleans. Tax monies are apportioned between Plan A and Plan B in proportion to salaries of plan participants. Tax monies received from East Baton Rouge Parish are apportioned between the Municipal Employees' Retirement System and the Employees' Retirement System of the City of Baton Rouge. The System also received revenue sharing funds each year as apportioned by the Legislature. These additional sources of income are used as additional employer contributions.

The City Marshal's contributions to the System under Plan A for the years ending December 31, 2017, 2016, and 2015 were \$2,337, \$2,276, and \$3,031, respectively, equal to the required contributions each year.

The System issued a public report annually that included financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809, or by calling (225) 925-1840, or from their website at [www.merlsa.com](http://www.merlsa.com).

**CITY MARSHAL OF PORT ALLEN  
(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE G – ON-BEHALF PAYMENTS**

GASB Statement No. 24, *Accounting and Financial for Certain Grants and Other Financial Assistance*, requires the City Marshal to report in the financial statements on-behalf payments made by the City of Port Allen to the City Marshal's employees. Salary payments are made by the City directly to the employees. The basis for recognizing the revenue and expenditures payments is the actual contribution made by the City. For 2017, the City paid salaries and benefits for the City Marshal. On-behalf payments recorded as revenues and expenditures in the financial statements for 2017 totaled \$20,795.

**NOTE H – RELATED PARTY TRANSACTIONS**

The West Baton Rouge Council provides accounting and administrative services to the City Marshal. The City Marshal paid the Council \$119,518 for the clerical salary and related benefits during 2017.

The City of Port Allen paid salary and benefits for the City Marshal totaling \$20,795 for 2017. The City of Port Allen also provided office facilities for the City Marshal.

**NOTE I – JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There was no litigation pending against the City Marshal as of December 31, 2017. City Marshal's management believes that any potential lawsuits would be covered by insurance or resolved without any material impact upon the City Marshal's financial statements. No claims were paid out or litigation costs incurred during the year ended December 31, 2017.

**NOTE J – RISK RETENTION**

The City 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; employee medical insurance; and natural disasters. The City Marshal carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. Historically, the insurance coverage has been sufficient to cover these risks.

**NOTE K – SUBSEQUENT EVENTS**

These financial statements considered subsequent events through June 27, 2018, the date the financial statements were available to be issued and determined that there were no events that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY MARSHAL OF PORT ALLEN**  
**(A COMPONENT UNIT OF THE CITY OF PORT ALLEN)**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUE</b>				
Intergovernmental				
City Court fines and off duty reimbursements	\$ 410,000	\$ 410,000	\$ 425,766	\$ 15,766
Witness fees	25,000	25,000	23,115	(1,885)
On-behalf payments	-	-	20,795	20,795
Investment income	1,000	1,000	2,130	1,130
Other Income	-	-	-	-
<b>TOTAL REVENUES</b>	<u>436,000</u>	<u>436,000</u>	<u>471,806</u>	<u>35,806</u>
<b>EXPENDITURES</b>				
Current operations				
Public Safety:				
Deputy marshal fees paid	180,000	180,000	260,297	(80,297)
Other salaries	115,000	115,000	119,518	(4,518)
On-behalf payments	-	-	20,795	(20,795)
Municipal employee retirement	3,000	3,000	2,337	663
Auto expense	20,000	20,000	37,288	(17,288)
Repairs and maintenance	500	500	142	358
Uniforms	2,500	2,500	2,310	190
Travel - Seminars & training	14,000	14,000	12,522	1,478
Seminars and conventions	3,000	3,000	2,500	500
Office expense	3,000	3,000	2,503	497
Insurance	20,000	20,000	17,835	2,165
Supplies	5,000	5,000	4,803	197
Dues and subscriptions	500	500	500	-
Legal & accounting	11,000	11,000	10,400	600
Rent expense	-	-	-	-
Miscellaneous	3,000	3,000	4,249	(1,249)
Capital outlay	25,000	25,000	23,255	1,745
<b>TOTAL EXPENDITURES</b>	<u>405,500</u>	<u>405,500</u>	<u>521,254</u>	<u>(115,754)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	30,500	30,500	(49,448)	(79,948)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,041,712</u>	<u>1,041,712</u>	<u>1,041,712</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,072,212</u>	<u>\$ 1,072,212</u>	<u>\$ 992,264</u>	<u>\$ (79,948)</u>

**Notes to Budgetary Comparison Schedule:**

- 1.) The Budget was prepared using the Modified Accrual Basis of Accounting (GAAP)
- 2.) There were no amendments to the 2017 Budget.

See independent accountant's review report.

**OTHER SUPPLEMENTARY INFORMATION**

CITY MARSHAL OF PORT ALLEN  
 (A COMPONENT UNIT OF THE CITY OF PORT ALLEN)  
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS  
 TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
 FOR THE YEAR ENDED DECEMBER 31, 2017

Agency Head Name: Michael A. Zito, City Marshal

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary (On-behalf payments)	\$ 20,795
Benefits - insurance	5,856
Benefits - retirement	2,850
Benefits - other	90
Per diem	6,000
Reimbursements	460
Continuing professional education fees	540
Meals	473
<b>TOTAL</b>	<b>\$ 37,064</b>

See independent accountant's review report.

**OTHER REPORTS**

# **BAXLEY AND ASSOCIATES, LLC**

P. O. Box 482  
58225 Belleview Drive  
Plaquemine, Louisiana 70764  
Phone (225) 687-6630 Fax (225) 687-0365

Hugh F. Baxley, CPA/CGMA/CVA  
Margaret A. Pritchard, CPA/CGMA  
Matthew Berthelot, CPA

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Staci H. Joffrion, CPA/CGMA

## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

To Michael Zito  
City Marshal of Port Allen  
Port Allen, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of City Marshal of Port Allen and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about City Marshal of Port Allen's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying Louisiana Attestation Questionnaire. Management of City Marshal of Port Allen 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 this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### ***Public Bid Law***

Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

*We scanned the year-to-date general ledger for any expenditure purchases that exceeded \$30,000. There were no purchases that exceeded the limits.*

### ***Code of Ethics for Public Officials and Public Employees***

Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics).

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

Obtain a list of all employees paid during the fiscal year.

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

Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

*No immediate family members appeared on the list of the City Marshal's employees.*

Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

*Management provided us with a list of all disbursements made during the year and a list of outside business interests. Per management, there were no outside business interests noted for employees and employees' immediate families.*

### **Budgeting**

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

*Management provided us with a copy of the original budget. There were no amendments made to the budget during the year.*

Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

*The City Marshal is an independently elected official, therefore there is no minute book.*

Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

*We compared the revenues and expenditures of the final budget to the actual revenues and expenditures. Actual revenues did not fail to meet budgeted amounts by 5%. The actual expenditures exceeded budgeted expenditures by more than 5%. Actual expenditures exceeded budgeted expenditures by 23%.*

### **Accounting and Reporting**

Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

*We examined supporting documentation for each of the six randomly selected disbursements and found all disbursements agreed to the amount and payee in the supporting documentation, were coded to the correct fund and general ledger account, and were approved by management in accordance with the policies and procedures.*

### **Meetings**

Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

*The City Marshal is an independently elected official that is responsible for oversight of the entity. Therefore, there are no minutes to examine.*

### **Debt**

Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

*We inspected copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.*

### **Advances and Bonuses**

Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

*We examined payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.*

### **State Audit Law**

Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*The City Marshal provided for a timely report in accordance with R.S. 24:513.*

Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 37:72.1 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 (audit law).

*The City Marshal did not enter into any contracts that utilized state funds.*

### ***Prior Comments and Recommendations***

Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

*The prior year report dated June 27, 2017 did not include any comments or unresolved matters.*

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 included in this report.

This report is intended for the use of management of the City Marshal of Port Allen 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 Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Baxley & Associates, LLC*

Plaquemine, Louisiana  
June 27, 2018

**CITY MARSHAL OF PORT ALLEN  
A COMPONENT UNIT OF THE CITY OF PORT ALLEN  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**COMPLIANCE:**

**2017-001 BUDGET**

Condition:

In the City Marshal's General Fund, actual expenditures exceeded budgeted expenditures by 23%.

Criteria:

The City Marshal is required to comply with the Local Government Budget Act (R.S. 39:1301-15).

Effect:

The City Marshal failed to comply with the Local Government Budget Act (R.S. 39:1301-15).

Recommendation:

We recommend that the City Marshal implement procedures to monitor budget to actual comparisons and amend budgets as necessary to comply with the Local Government Budget Act.

Management's Response:

I have since changed procedures in that all expenditures come to my desk to my attention to be approved by me (Mike Zito). I have also changed how personnel complete warrant duties. This was the most costly operations and has been eliminated totally. As a part-time marshal, it was poor management on my office, but this is changing in the current year.

**CITY MARSHAL OF PORT ALLEN  
A COMPONENT UNIT OF THE CITY OF PORT ALLEN  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

There were no findings in the prior year.

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

4-23-2018 (Date Transmitted)

Baxley & Associates, LLC  
P.O. Box 482  
Plaquemine, LA 70765-0482

In connection with your review of the financial statements and the 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.

_____	Secretary	_____	Date
_____	Treasurer	_____	Date
<i>Mark A. ...</i>	President	4-23-2018	Date
	<i>Marshall</i>		