

**WARD THREE MARSHAL
OF THE PARISH OF ST. MARY**
Franklin, Louisiana

Financial Report

Year Ended June 30, 2020

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Honorable Carla Weidenboerner, Marshal
Ward Three Marshal of the Parish of St. Mary
Franklin, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Ward Three Marshal of the Parish of St. Mary (hereinafter "the Marshal"), a component unit of the City of Franklin, as of and for the year ended June 30, 2020, 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 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 Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and applicable provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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.

Accountant's 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require a 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited or reviewed the budgetary comparison schedule on pages 23-25 and do not express an opinion, a conclusion, nor provide any assurance on the schedule.

The Marshal has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
December 31, 2020

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 27,898
Receivables	
Due from other governmental units	895
Capital assets, net	<u>2,601</u>
Total assets	<u>31,394</u>
NET POSITION	
Net position	
Net investment in capital assets	2,601
Unrestricted	<u>28,793</u>
Total net position	<u>\$ 31,394</u>

See accompanying notes and independent accountant's review report.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:				
General government	\$ 171,336	\$ 23,180	\$ 155,996	\$ 7,840
	General revenue			
	Miscellaneous			1,115
	Change in net position			8,955
	Net position, beginning			22,439
	Net position, ending			\$ 31,394

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Balance Sheet
Governmental Fund
June 30, 2020

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 27,898
Receivables	
Due from other governmental units	<u>895</u>
Total assets	<u>\$ 28,793</u>
FUND BALANCE	
Fund balance	
Unassigned	<u>\$ 28,793</u>

(continued)

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Balance Sheet (continued)
Governmental Fund
June 30, 2020

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

Total fund balance for the governmental fund at June 30, 2020	\$ 28,793
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Cost of capital assets, net of accumulated depreciation	<u>2,601</u>
Total net position of governmental activities at June 30, 2020	<u>\$ 31,394</u>

See accompanying notes and independent accountant's review report.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Year Ended June 30, 2020

	<u>General Fund</u>
Revenues	
Court fees and costs	\$ 23,180
Intergovernmental	155,996
Miscellaneous	<u>1,115</u>
Total revenues	<u>180,291</u>
 Expenditures	
Current -	
General government	
Accounting and legal	6,300
Automobile	4,072
Insurance	9,737
Marshal expenses	1,877
Memberships and dues	485
Miscellaneous	555
Office expense	6,008
Postage	1,136
Salaries	133,678
Seminars	1,324
Telephone	<u>5,033</u>
Total expenditures	<u>170,205</u>
Net change in fund balance	10,086
 Fund balance, beginning	<u>18,707</u>
Fund balance, ending	<u>\$ 28,793</u>

(continued)

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Governmental Fund
Year Ended June 30, 2020

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the
Governmental Fund to the Statement of Activities

Total net changes in fund balance for the year ended June 30, 2020 per the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 10,086
The change in net position reported for governmental activities in the Statement of Activities is different because:	
Depreciation expense for the year ended June 30, 2020	<u>(1,131)</u>
Total changes in net position for the year ended June 30, 2020 per the Statement of Activities	<u>\$ 8,955</u>

See accompanying notes and independent accountant's review report.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Statement of Fiduciary Net Position
June 30, 2020

		<u>Agency Fund</u>
	ASSETS	
Cash		<u>\$ 1</u>
	LIABILITIES	
Due to others		<u>\$ 1</u>

See accompanying notes and independent accountant's review report.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

As provided by LSA-RS 13:2488 et seq, the City Court of the City of Franklin was established and included the creation of the office of the Marshal. The territorial jurisdiction of the City Court extends throughout the City of Franklin, Louisiana and throughout the whole of Ward Three of St. Mary Parish. The court is composed of a city judge, a marshal, and a clerk of court. The office of marshal is elected for a six-year term. The marshal's salary is funded by the St. Mary Parish Council and by the City of Franklin at no cost to the Marshal's Fund.

(1) Summary of Significant Accounting Policies

The accompanying component unit financial statements of the Ward Three Marshal of the Parish of St. Mary (hereinafter "Marshal") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority, for reporting purposes, the City of Franklin is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended, established criteria for determining which component units should be considered part of the City of Franklin 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the City to impose its will on the organization and/or
 - b. the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
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.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

Because the City of Franklin provides compensation and office space to the Marshal and the significance of the relationship between the Marshal and the City, the Marshal was determined to be a component unit of the City of Franklin, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the City, the general government services provided by the City, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements

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 exchange occurs (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 function 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. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level.

Fund Financial Statements

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 functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Marshal are classified into one category: governmental. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Marshal or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is a least ten (10) percent of the corresponding total for all governmental funds. The general fund of the Marshal is considered to be the major fund.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

The funds of the Marshal are described below:

Governmental Fund –

General Fund

The General Fund, as provided by Louisiana Revised Statutes, is the principal fund of the Marshal and is used to account for the operations of the Marshal. The Marshal's primary source of revenue is fees from the City Court of the City of Franklin. General operating expenditures are paid from this fund.

Fiduciary Fund

Fiduciary fund reporting focuses on net position and changes in net position. The only fund accounted for in this category by the Marshal is an agency fund. The agency fund accounts for assets held by the Marshal as an agent for litigants in garnishment proceedings. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Consequently, the agency fund has no measurement focus, but uses the accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available expendable financial resources during a given period. This fund uses fund balance as a measure of available expendable financial resources at the end of the period.
- b. The government-wide financial statements utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Marshal considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Marshal.

Capital assets

Capital assets, which include vehicles, furniture, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated historical 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 Marshal maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Vehicles	5
Furniture and equipment	5 - 10

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

Equity Classifications

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

- a. Net investment in capital assets – 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 – 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 – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance as 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 eternally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only 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 resolutions approved by the Marshal.
- 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.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Marshal considers the restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Marshal considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Marshal has provided otherwise in his commitment or assignment actions.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

E. Expenditures and Expenses

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character and function.

(2) Cash and Interest-bearing Deposits

Under state law, the Marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the Marshal has a cash balance (book balance) totaling \$27,899 as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash and interest-bearing deposits	\$ 27,898	\$ 1	\$ 27,899

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances), must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Marshal or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial credit risk for deposits is the risk that in the event of the failure of the depository financial institution, the Marshal's deposits may not be recovered or the Marshal will not be able to recover collateral securities that are in the possession of an outside party. The Marshal does not have a policy to monitor or reduce exposure to custodial credit risk. Deposit balances (bank balances) at June 30, 2020, were \$27,708, which were fully secured by federal deposit insurance and not subject to custodial credit risk.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Basic Financial Statements (continued)

(3) Capital Assets

A summary of changes in capital assets follows:

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
Vehicles	\$ 23,770	\$ -	\$ -	\$ 23,770
Furniture and equipment	7,164	-	-	7,164
	30,934	-	-	30,934
Less accumulated depreciation	27,202	1,131	-	28,333
Total	<u>\$ 3,732</u>	<u>\$ (1,131)</u>	<u>\$ -</u>	<u>\$ 2,601</u>

Depreciation expense for the year ended June 30, 2020 was charged to the general government function.

(4) Retirement Plan

Substantially all employees of the Marshal's office are members of the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Marshal's office are members of Plan A. All permanent employees working at least 35 hours per week who are paid wholly or in part from city funds and all elected city officials are eligible to participate in the System.

Regular Retirement Benefits

A member of Plan A is eligible to retire and receive regular benefits if:

1. He has credit for at least thirty years of service, regardless of his age;
2. He has credit for at least twenty-five years of service and is at least the age of fifty-five; or
3. He has credit for at least ten years of service and is at least sixty years of age.

The Plan A regular retirement benefit is an amount equal to three percent of the member's final compensation multiplied by his years of credited service (three percent multiplied by each year of credited service multiplied by final compensation), provided that:

1. A member who held an elective office in the participating municipality is paid an additional benefit equal to one-half of one percent of the member's final compensation multiplied by each year of such elective service (one-half of one percent multiplied by final compensation); and

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Notes to Basic Financial Statements (continued)

2. For an employee who was a member only of the supplemental plan prior to the revision date, the benefit earned for service credited prior to the revision date will be determined on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation for each year of service after the revision date.

The System issues an annual, publicly available financial report that includes financial statements and required supplementary information for the System. A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana, 70809, or by calling (800) 820-1137.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Marshal is required to contribute an actuarially determined rate. The current rate is 24.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the marshal are established and may be amended by state statute. As provided by LSA-RS 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City of Franklin makes contributions to the retirement system on behalf of the Marshal. Therefore, the disclosure of pension liabilities, deferred outflows of resources, and deferred inflows of resources required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, is included within the City's financial report. The City's publicly available financial report may be obtained by writing to the City of Franklin, 300 Iberia Street, Franklin, LA 70538.

(5) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Garnishments Fund
Balance, July 1, 2019	\$ -
Additions	152,039
Reductions	152,038
Balance, June 30, 2020	\$ 1

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Notes to Basic Financial Statements (continued)

(6) Compensation and Other Payments to Marshal

Act 706 of the 2014 Legislative Session amended R.S. 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Payments to the Marshal, Carla Weidenboerner, for the year ended June 30, 2020 are as follows:

Salary	\$	32,609
Marshal Commission		14,637
Benefits-Retirement		8,829
Benefits-Insurance and Other		3,961
		<u>60,036</u>

(7) On-Behalf Payments for Salaries and Related Benefits

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* requires the Marshal to report in the financial statements on-behalf payments made by others. The City of Franklin makes salary and related benefit payments to the Marshal and Marshal's employees, as well as miscellaneous other expenditures, including professional services, computer expenses, vehicle insurance, and internet services to various vendors. Salary/vendor payments are made by the City directly to the employees/vendors. The basis for recognizing the revenue and expenditure payments is that actual contributions are made by the City. For the year ended June 30, 2020, the City paid salaries and related benefits to the marshal and employees totaling \$133,678 and other miscellaneous expenditures to various vendors totaling \$22,318. On-behalf payments recorded as revenues and expenditures in the financial statements for the year ended June 30, 2020 totaled \$155,996.

(8) Expenditures of the Marshal's Office Paid by the City of Franklin

The cost of some expenditures for the operations of the Marshal's office as required by Louisiana Revised Statute 13:1889, is paid by the City of Franklin. Such expenditures are not included in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana
General Fund

Budgetary Comparison Schedule
Year Ended June 30, 2020

	<u>Budget</u>		<u>Actual</u>	Variance-
	<u>Original</u>	<u>Final</u>	(Non-GAAP Basis)	Favorable (Unfavorable)
Revenues				
Local sources				
Court fees and costs	\$ 15,000	\$15,000	\$ 23,180	\$ 8,180
Miscellaneous	-	-	1,115	1,115
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>24,295</u>	<u>9,295</u>
Expenditures				
General government				
Current				
Automobile	4,000	4,000	2,544	1,456
Insurance	500	500	620	(120)
Marshal expenses	3,100	3,100	1,877	1,223
Memberships and dues	1,000	1,000	485	515
Miscellaneous	-	-	555	(555)
Office expense	1,500	1,500	4,228	(2,728)
Postage	200	200	1,136	(936)
Repairs and maintenance	200	200	-	200
Seminars	2,500	2,500	1,324	1,176
Telephone	<u>2,000</u>	<u>2,000</u>	<u>1,440</u>	<u>560</u>
Total general government expenditures	<u>15,000</u>	<u>15,000</u>	<u>14,209</u>	<u>791</u>
Net change in fund balance	-	-	10,086	10,086
Fund balance, beginning	<u>13,205</u>	<u>18,707</u>	<u>18,707</u>	<u>-</u>
Fund balance, ending	<u>\$ 13,205</u>	<u>\$18,707</u>	<u>\$ 28,793</u>	<u>\$ 10,086</u>

See independent accountant's review report regarding required supplementary information.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
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Notes to Budgetary Comparison Schedule

(1) Budgetary Basis

The budget is not adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Marshal.

(2) Budgetary Practice

Ward Marshals are required under Louisiana Revised Statute 39:1301 et seq to adopt a budget. The Marshal follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Marshal for the fiscal year prior to the beginning of each fiscal year.
2. If proposed expenditures exceed \$500,000, a summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called, if required.
3. If required, a public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing, if required, and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.

(3) Non-GAAP Reporting Reconciliation

Budgetary amounts adopted by the Marshal for the General Fund do not include on-behalf payments made by the City of Franklin to the Marshal's employees for salaries and related benefits, as well as miscellaneous other expenditures, including professional services, computer expenses, vehicle insurance, and internet services. These on-behalf payments are reflected as revenues and expenditures in the Marshal's financial statements as required by GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Notes to Budgetary Comparison Schedule (continued)

Actual amounts for the General Fund are reconciled on a non-GAAP basis for comparison to budget as follows:

	<u>As Reported</u>	<u>Adjustment to Budgetary Basis</u>	<u>Non-GAAP Basis</u>
Revenues			
Local sources			
Court fees and costs	\$ 23,180	\$ -	\$ 23,180
Intergovernmental	155,996	(155,996)	-
Miscellaneous	<u>1,115</u>	<u>-</u>	<u>1,115</u>
Total	<u>\$ 180,291</u>	<u>\$ (155,996)</u>	<u>\$ 24,295</u>
 Expenditures			
General government			
Current			
Accounting and legal	\$ 6,300	\$ (6,300)	\$ -
Automobile	4,072	(1,528)	2,544
Insurance	9,737	(9,117)	620
Marshal expenses	1,877	-	1,877
Memberships and dues	485	-	485
Miscellaneous	555	-	555
Office expense	6,008	(1,780)	4,228
Postage	1,136	-	1,136
Salaries	133,678	(133,678)	-
Seminars	1,324	-	1,324
Telephone	<u>5,033</u>	<u>(3,593)</u>	<u>1,440</u>
Total	<u>\$ 170,205</u>	<u>\$ (155,996)</u>	<u>\$ 14,209</u>

REQUIREMENTS OF THE *LOUISIANA GOVERNMENTAL AUDIT GUIDE*

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Carla Weidenboerner, Ward Three Marshal of the Parish of St. Mary and
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Ward Three Marshal of the Parish of St. Mary (hereinafter "Marshal") and the Louisiana Legislative Auditor (LLA), on the Marshal's compliance with certain laws and regulations during the year ended June 30, 2020 contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A), as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The 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 the provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States, applicable to attestation engagements. The sufficiency of these procedures is solely the responsibility of the Marshal and the LLA. 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.

The procedures and associated exceptions, if any, are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$157,700 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law).

No expenditures for materials and supplies were made during the year that exceeded \$30,000, nor were there any expenditures for public works made during the year that exceeded \$157,700.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the Marshal's immediate family members as defined by LSA-RS 42:1101-1124 (the ethics law).

Management provided us with the required list.

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

Management provided us with the required list.

4. Determine and report whether any of those employees included in the listing obtained from management were also included on the listing obtained from management as immediate family members in step (2).

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 procedures (2).

5. 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.

No vendors appeared on both lists.

Budgeting

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

Management provided us with a copy of the originally adopted budget. There were no budgetary amendments.

7. Trace the budget adoption and approval of any amendments to the minute book. Report whether there were any exceptions.

Marshal is an independently elected official, therefore not required to maintain minutes. Adoption of budget traced to executed process verbal.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budget revenues by five percent (5%) or more or if actual expenditures exceeded budgeted amounts by five percent (5%) or more.

Actual revenues did not fail to meet budgeted amounts by five percent (5%) or more and actual expenditures did not exceed budgeted amounts by five percent (5%) or more.

Accounting and Reporting

9. Randomly select six (6) 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

We traced the selected disbursements to their respective general ledger postings and determined that all were properly coded to the correct fund and general ledger account.

- (c) determine whether payments were approved in accordance with management's policies and procedures.

We inspected the disbursement for the proper approval and determined that the Marshal had properly approved all disbursements in accordance with their policies and procedures.

Debt

10. Obtain and scan bank deposit slips for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness. If any of the circumstances exist, obtain from management evidence of approval by the State Board of Commission, and report any exceptions.

We obtained and inspected copies of all bank deposit slips for the year ended June 30, 2020 and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and meeting minutes of the governing board (if applicable) for the year to determine whether any payments have been made, or were approved to be made, to employees which may constitute bonuses, advances, or gifts.

Employees of the Marshal are paid by the City of Franklin. Therefore, all payroll is processed, and all records maintained, by the City of Franklin.

State Audit Law

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

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

13. Inquire of management and report whether the agency entered 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).

The Marshal did not enter into any contracts utilizing state funds as defined in R.S. 39:72.1 A. (2) during the current fiscal year that were subject to public bid law (R.S. 38:2211, et seq.), while not complying with R.S. 24:513 (the audit law).

Prior Comments and Recommendations

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

Our prior year report, dated October 28, 2019, did not include any comments or unresolved matters with regard to the foregoing agreed upon procedures.

We were not engaged to and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Marshal's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Marshal's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A), and the result of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information of and use by the Marshal's management and the LLA and should not be used by anyone other than those specified parties. Accordingly, this report is not suitable for any other purpose 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 LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
December 31, 2020

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Schedule of Findings
Year Ended June 30, 2020

Findings reported in accordance with *Government Auditing Standards*

2020-001 Inadequate Segregation of Duties

YEAR INITIALLY OCCURRING: Unknown

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The Marshal's internal control over financial reporting includes those policies and procedures that pertain to the Marshal's ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.

CAUSE: The cause of the condition is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected and corrected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Summary Schedule of Prior Findings
Year Ended June 30, 2020

2019-001 Inadequate Segregation of Duties

CONDITION – Accounting and financial functions are not adequately segregated.

RECOMMENDATION – Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS – See schedule of findings item 2020-001.

WARD THREE MARSHAL OF THE PARISH OF ST. MARY
Franklin, Louisiana

Corrective Action Plan for Current Findings
Year Ended June 30, 2020

2020-001 Inadequate Segregation of Duties

CONDITION – Accounting and financial functions are not adequately segregated.

MANAGEMENT’S RESPONSE – No response considered necessary.

LOUISIANA ATTESTATION QUESTIONNAIRE

Exhibit A

**WARD THREE MARSHAL FOR THE PARISH OF ST. MARY
Louisiana Attestation Questionnaire
Year Ended June 30, 2020**

Kolder, Slaven & Company, LLC, CPAs
Post Office Box 3438
Morgan City, Louisiana

In connection with your engagement to apply agree-upon procedures to the control and compliance matters identified below, as of June 30, 2020 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. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

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 NA

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.

Marshal Caldwell
Ward Three Marshal for the Parish of St. Mary

Dec. 28, 2020
Date