

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

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

Year Ended December 31, 2018

ROYCE T. SCIMEMI, CPA, APAC
Oberlin, LA

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

ANNUAL FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORTS
Year Ended December 31, 2018

TABLE OF CONTENTS

	<u>Pages</u>
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	2
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of Net Position	5
Statement of Activities	6
FUND FINANCIAL STATEMENTS (FFS)	
Governmental Fund	
Balance Sheet - Governmental Fund	9
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Fund	11
Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	12
Fiduciary Fund	
Statement of Fiduciary Net Position – Agency Fund	13
NOTES TO THE FINANCIAL STATEMENTS	14-21
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary Comparison Schedule	23
OTHER SUPPLEMENTARY INFORMATION	
Statement of Fiduciary Net Position – Agency Fund	25
Statement of Changes in Fiduciary Net Position – Agency Fund	26
Schedule of Compensation, Benefits and Other Payments to Chief Executive Officers	27
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	28-31
LOUISIANA ATTESTATION QUESTIONNAIRE	32-34
SCHEDULE OF FINDINGS AND RESPONSES	35

ROYCE T. SCIMEMI, CPA, APAC
CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210

Oberlin, LA 70655

Tele (337) 639-4334, Fax (337) 639-4068

Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

June 24, 2019

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

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish (the Marshal) as of and for the year ended December 31, 2018, 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. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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

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

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

Required Supplementary Information.

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

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

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

Royce T. Scimemi, CPA, APAC

Royce T. Scimemi, CPA, APAC

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Statement of Net Position
December 31, 2018

		<u>Primary Government</u>
		<u>Governmental Activities</u>
ASSETS		
Cash and certificates of deposit	\$	4,106
Accounts receivable		6,735
Capital assets, net		20,212
Total Assets		31,053
DEFERRED OUTFLOWS OF RESOURCES		
Aggregated deferred outflows		--
Total Deferred Outflows of Resources		--
LIABILITIES		
Payroll liabilities		470
Total Liabilities		470
DEFERRED INFLOWS OF RESOURCES		
Aggregated deferred inflows		--
Total Deferred Inflows of Resources		--
NET POSITION		
<i>Invested in capital assets, net of related debt</i>		20,212
<i>Unrestricted</i>		10,371
Total Net Position	\$	30,583

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u> <u>Revenue</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital Grants</u> <u>and</u> <u>Contributions</u>	<u>Primary</u> <u>Government</u> <u>Governmental</u> <u>Activities</u>
Primary Government					
Governmental Activities:					
Police and security services	\$ 92,098	\$ 28,627	\$ 76,800	\$ 5,942	\$ 19,271
<i>Total Governmental Activities</i>	92,098	28,627	76,800	5,942	19,271
		General Revenues:			
					3,995
					3,995
					23,266
					7,317
					\$ 30,583

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

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

Major Fund Descriptions

Governmental Fund -

General Fund

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

Agency Fund -

Garnishment Fund

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

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Balance Sheet
Governmental Fund
December 31, 2018

	General Fund
ASSETS	
Cash and certificates of deposit	\$ 4,106
Accounts receivable	6,735
<i>Total Assets</i>	10,841
 DEFERRED OUTFLOWS OF RESOURCES	
Aggregated deferred outflows	--
<i>Total Assets and Deferred Outflows of Resources</i>	\$ 10,841
 LIABILITIES	
Payroll liabilities	\$ 470
<i>Total Liabilities</i>	470
 DEFERRED INFLOWS OF RESOURCES	
Aggregated deferred inflows	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	470
 FUND BALANCE	
Unassigned	10,371
<i>Total Fund Balance</i>	10,371
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 10,841

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position
December 31, 2018

Total Fund Balance - Governmental Fund	\$	10,371
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		20,212
Total Net Position - Governmental Activities	\$	<u>30,583</u>

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2018

		General Fund
Revenues		
Marshal fees	\$	28,627
Intergovernmental		82,742
Miscellaneous		3,995
Total Revenues		115,364
Expenditures		
Current:		
Automotive		10,390
Contract labor		2,690
Dues and subscriptions		275
Insurance		4,937
Office supplies		1,663
Payroll taxes		3,093
Professional fees		7,209
Rent		6,228
Salaries		43,135
Seminars		380
Supplies		2,144
Travel		583
Uniforms		2,579
Capital outlay		20,503
Total Expenditures		105,809
Net Change in Fund Balance		9,555
<i>Fund Balance at Beginning of Period</i>		816
Fund Balance at End of Period	\$	10,371

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and
Changes in Fund Balance to Statement of Activities
For the Year Ended December 31, 2018**

Total Net Change in Fund Balance - Governmental Fund	\$	9,555
Depreciation expense reflected in entity wide statements and not reflected in governmental fund statements.		(2,359)
Fixed assets expensed as capital outlay in governmental fund statements and capitalized as fixed assets in Statement of Net Position.		20,503
Basis in assets disposed of during the year.		(4,433)
Change in Net Position - Governmental Activities	\$	<u>23,266</u>

See accompanying notes and independent accountants' review report.

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2018

	<u>Agency Fund</u>
	<u>Garnishment Fund</u>
ASSETS	
Cash and certificates of deposit	\$ 239
<i>Total Assets</i>	<u>239</u>
LIABILITIES	
Due to litigants and others	239
<i>Total Liabilities</i>	<u>\$ 239</u>

See accompanying notes and independent accountants' review report.

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

Notes to the Financial Statements

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Reporting Entity

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

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

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

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

2. Basis of Presentation

The accompanying basic financial statements of the Marshal have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP). The accompanying basic financial statements have also been prepared in conformity with GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments," issued in June 1999.

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements (FFS)

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

Governmental Fund Types:

General Fund –

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

Fiduciary (Agency) Funds:

Garnishment Fund –

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

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus/Basis of Accounting

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

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

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

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

Revenues

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

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Capital expenditures are regarded as expenditures at the time purchased.

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits as well as those investments with a maturity date of 90 days or less. Under Louisiana law, the Marshal may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having an office in Louisiana. Louisiana Revised Statute 33:2955 authorizes the Marshal to invest in obligations of the U.S. Treasury, U.S. government agencies, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having an office in Louisiana or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP generates a local government investment pool.

These deposits are stated at cost, which approximates market.

5. Accounts Receivable

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

6. Encumbrance Accounting

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

7. Budget

A general fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before December 15 of each fiscal year, the budget is prepared by function and activity, based on information from the past year and current year estimates for the next fiscal year. The budget is available for public inspection no later than December 15 and is adopted before the end of the fiscal year. The budget for 2018 consists of the original budget adopted December 12, 2017 and an amended budget adopted on December 13, 2018.

8. Capital Assets

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

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

9. Equity Classification

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

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

The District’s policy is to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense or expenditure which has been incurred.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified 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 externally imposed by creditors, grantors, contributors, or the laws or regulation of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Marshal. The Marshal is the highest level of decision-making authority for

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

the Marshal's office. Commitments may be established, modified, or rescinded only through decisions of 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.

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

10. Use of Estimates

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

11. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of December 31, 2018.

12. Subsequent Events

Management has evaluated subsequent events through June 24, 2019, the date the financial statements were available to be issued.

NOTE B – CASH AND INTEREST BEARING DEPOSITS

As of December 31, 2018, the Marshal had cash and interest-bearing deposits (book balances) totaling \$4,345. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Marshal will not be able to recover its deposits or the collateral securities that are in the possession of an outside party. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2018, the Marshal had \$11,215 in deposits (collected bank balances) secured as follows:

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

Notes to the Financial Statements (Continued)

December 31, 2018

NOTE B – CASH AND INTEREST BEARING DEPOSITS (Continued)

Bank balances	\$ <u>11,215</u>
Federal deposit insurance	\$ 11,215
Pledged securities (Category 3)	<u>-</u>
Total	\$ <u>11,215</u>

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

NOTE C – CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/17			12/31/18
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital assets being depreciated:				
Vehicles	\$24,200	\$ 8,552	\$22,161	\$10,591
Equipment	<u>5,377</u>	<u>11,951</u>	<u>-</u>	<u>17,328</u>
Total	29,577	20,503	22,161	27,919
Less: accumulated depreciation:				
Vehicles	19,767	1,140	17,728	3,179
Equipment	<u>3,309</u>	<u>1,219</u>	<u>-</u>	<u>4,528</u>
Total	<u>23,076</u>	<u>2,359</u>	<u>17,728</u>	<u>7,707</u>
Net capital assets	\$ <u>6,501</u>	\$ <u>18,144</u>	\$ <u>4,433</u>	\$ <u>20,212</u>

Depreciation expense in the amount of \$2,359 was charged to police and security in 2018.

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

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

NOTE E – RISK MANAGEMENT

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

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

Notes to the Financial Statements (Continued)

December 31, 2018

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

GASB Statement No. 24 establishes accounting and financial reporting for on-behalf payments for fringe benefits and salaries. The following amounts were paid on-behalf of the Marshal for employee salaries and fringe benefits during 2018:

Allen Parish Police Jury	\$ 10,011
City of Oakdale	<u>12,686</u>
Total	<u>\$22,697</u>

In accordance with GASB Statement No. 24, these on-behalf payments are included as intergovernmental revenues and expenditures in the accompanying financial statements. Included in the above on-behalf payments are salaries and payroll taxes of \$21,240 and \$1,457, respectively.

NOTE G - CHANGES IN AGENCY NET POSITION

A summary of changes in agency net position at December 31, 2018 is as follows:

	Garnishment Fund
Balances, December 31, 2017	\$ 537
Additions	100,471
Reductions	<u>(100,769)</u>
Balances, December 31, 2018	<u>\$ 239</u>

REQUIRED SUPPLEMENTARY INFORMATION

Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish
Oakdale, Louisiana

**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2018**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Marshal fees	\$ 42,000	\$ 24,500	\$ 28,627	\$ 4,127
Intergovernmental	--	75,000	82,742	7,742
Miscellaneous	--	3,500	3,995	495
Total Revenues	<u>42,000</u>	<u>103,000</u>	<u>115,364</u>	<u>12,364</u>
Expenditures				
Current:				
Advertising	--	675	--	675
Automotive	6,500	10,500	10,390	110
Contract labor	1,500	2,150	2,690	(540)
Dues and subscriptions	50	275	275	0
Insurance	7,000	4,300	4,937	(637)
Office supplies	1,500	2,500	1,663	837
Payroll taxes	800	3,100	3,093	7
Professional fees	11,000	9,950	7,209	2,741
Rent	6,000	6,500	6,228	272
Salaries	7,800	41,000	43,135	(2,135)
Seminars	--	900	380	520
Supplies	2,500	1,550	2,144	(594)
Travel	3,500	500	583	(83)
Uniforms	2,500	2,600	2,579	21
Capital outlay	1,000	16,500	20,503	(4,003)
Total Expenditures	<u>51,650</u>	<u>103,000</u>	<u>105,809</u>	<u>(2,809)</u>
Net Change in Fund Balance	(9,650)	--	9,555	9,555
<i>Fund Balance at Beginning of Period</i>	816	816	816	--
Fund Balance at End of Period	<u>\$ (8,834)</u>	<u>\$ 816</u>	<u>\$ 10,371</u>	<u>\$ 9,555</u>

See accompanying notes and independent accountants' review report.

OTHER SUPPLEMENTARY INFORMATION

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

Statement of Fiduciary Net Position – Agency Fund

December 31, 2018

	<u>Garnishment Fund</u>
ASSETS	
Cash and certificates of deposit	\$ <u>239</u>
TOTAL ASSETS	\$ <u>239</u>
LIABILITIES	
Due to litigants and others	\$ <u>239</u>
TOTAL LIABILITIES	\$ <u>239</u>

See independent accountants' review report.

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

Statement of Changes in Fiduciary Net Position – Agency Fund

Year Ended December 31, 2018

	<u>Garnishment Fund</u>
Balance, beginning of year	\$ 537
Additions:	
Garnishment collections	<u>100,471</u>
Subtotal	101,008
Reductions	
Deposits settled to –	
Litigants	94,722
Ward Marshal	<u>6,047</u>
Total Reductions	<u>100,769</u>
Balance, end of year	\$ <u>239</u>

See independent accountants' review report.

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

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

Year Ended December 31, 2018

Chief Executive Officer: Michael R. Slaney, Ward Marshal

<u>Purpose</u>		<u>Amount</u>
Salary	\$	24,143
Civil fees		-0-
Benefits-insurance		-0-
Benefits-retirement		-0-
Benefits-cell phone		-0-
Car allowance		-0-
Vehicle provided by government		-0-
Per diem		-0-
Reimbursements		-0-
Travel		-0-
Registration fees		130
Conference travel		-0-
Continuing professional education fees		450
Housing		-0-
Unvouchered expenses		-0-
Special meals		-0-

See independent accountants' review report.

ROYCE T. SCIMEMI, CPA, APAC



CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210

Oberlin, LA 70655

Tele (337) 639-4334, Fax (337) 639-4068

Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 24, 2019

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

We have performed the procedures enumerated below, which were agreed to by the management of the Ward Marshal, City Court of Oakdale & Ward 5 of Allen Parish and the Legislative Auditor (the specified parties), on the Marshal's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the year ended December 31, 2018, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Marshal is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or 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.

There were no expenditures made during the year for materials and supplies exceeding \$30,000, and no expenditures were made during the year for public works exceeding \$154,450.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with the requested information.

3. Obtain a listing of all employees paid during the fiscal year.

Management provided us with the requested information.

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

None of the employees included on the list of employees provided by management for agreed-upon Procedure 3 appeared on the list provided by management in agreed-upon Procedure 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.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

Management provided us with a copy of the original budget. There was one budget amendment during the year.

7. 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 Marshal is an autonomous government agency which has no board and holds no meetings. The original budget was adopted by the Marshal's signature dated December 12, 2017 and the amended budget was adopted by the Marshal's signature dated December 13, 2018 .

8. 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. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

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

Accounting and Reporting

9. 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 the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- b. Report whether the six disbursements were coded to the correct fund and general ledger account.

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

- c. Report whether the six disbursements were approved in accordance with management's policies and procedures.

The Marshal's policies and procedures only require that approval of invoices be evidenced by the Marshal's signature on each check paying such invoice. The payments received proper approvals.

Meetings

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

Debt

11. 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 scanned 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

12. 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 scanned payroll disbursements and we found no payments to employees that would constitute bonuses, advances, or gifts.

State Audit Law

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

The Marshal's report was due on June 30, 2018, and was submitted by that due date.

14. 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).

Management represented that the Marshal has not entered into any contract during the fiscal year that utilized state funds that was subject to the public bid law

Prior-Year Comments

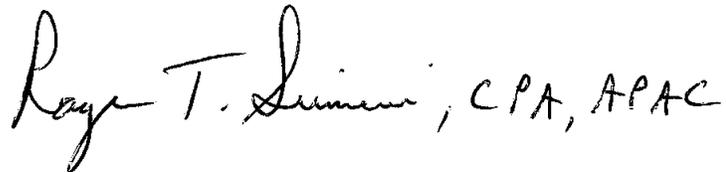
15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

The most recent prior year report was for 2017, dated June 22, 2018, included five comments concerning: 1) Inadequate Segregation of Duties, 2) Violation of the Local Governmental Budget Act 3) Violation of Louisiana Audit Law 4) Delinquent Payroll Taxes, and 5) Violation of Article 7 Section 14 of the 1974 Louisiana Constitution. The only finding repeated for the year 2018 and that has not been resolved was the finding for Inadequate Segregation of Duties.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct 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, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document

Royce T. Scimemi, CPA, APAC

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R'.

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

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

5-10, 2019
(Date Transmitted)

Royce T. Scimemi, CPA, APAC
Attention: Mr. Royce T. Scimemi
Post Office Box 210
Oberlin, LA 70655

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2018 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.

N/A 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 []

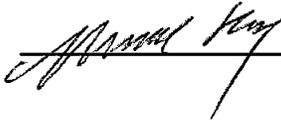
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period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



Ward Marshal 5-10-19 Date

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

Schedule of Findings and Responses

Year Ended December 31, 2018

1. Summary of Accountants' Results:

- a) Accountants issued a review report on the financial statements.
- b) The attestation procedures yielded no compliance findings.

2. Findings Related to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

Findings – Financial Statement Review

Finding #2018-1 I/C:

Inadequate Segregation of Duties

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

Cause: Lack of a large staff.

Effect: Possible inadequate segregation of duties.

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

Response: The Marshal will not change staff levels.

Responsible Party: Michael Slaney, Ward Marshal

3. Findings and Questioned Costs for Federal Awards:

N/A