

**Bossier City Marshal
Bossier City, Louisiana
A Component Unit of the City of Bossier City, Louisiana
Annual Financial Statements**

As of and For the Year Ended December 31, 2019

Bossier City Marshal
Bossier City, Louisiana

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Bossier City Marshal
Bossier City, Louisiana

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COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Bossier City Marshal
City of Bossier City, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier City Marshal, a component unit of the City of Bossier City, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Bossier City Marshal's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier City Marshal, as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, in 2019, the Bossier City Marshal adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of and for the year ended December 31, 2019. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 10, budgetary comparison information on pages 37 – 40, the Schedule of Proportionate Share of Net Pension Liability on page 35, and the Schedule of Contributions on page 36, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

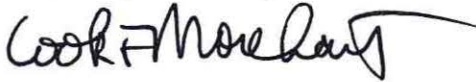
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier City Marshal's basic financial statements. The other supplementary information Schedule of Compensation, Benefits, and Other Payments to Agency Head shown on page 41 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is the responsibility of management. Section I of that schedule was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information in Section I of the schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Section I of the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Section II of the Schedule of Compensation, Benefits, and Other Payments to Agency Head shown on page 41 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2020, on our consideration of Bossier City Marshal's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bossier City Marshal's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bossier City Marshal's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
May 4, 2020

**BOSSIER CITY MARSHAL
BOSSIER CITY, LOUISIANA**

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the Bossier City Marshal, (hereafter referred to as the “Marshal”) we offer the readers of the Marshal’s financial statements this narrative overview and analysis of the financial activities of the Marshal as of and for the year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the Marshal’s basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

The Marshal experienced a decrease in net assets of 0.15% (\$1,234) during the fiscal year ended December 31, 2019 compared to a increase of 2.56% (\$20,801) during the prior year. As of December 31, 2019 the assets of the Marshal exceed its liabilities by \$831,639. Of this amount \$696,537 (83.75%) is reported as “unrestricted net position” and represents the amount available to be used to meet the Marshal’s ongoing obligations to the citizens of Bossier City, Louisiana.

Traffic fines, commissions and fees revenue for the year ended December 31, 2019 increased by \$43,696 as compared to the year ended December 31, 2018.

Expenses for the year ended December 31, 2019 increased by \$77,875 or 28% from the year ended December 31, 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Marshal’s basic financial statements. The Marshal’s basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) in addition to the basic financial statements. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the Bossier City Marshal - the **Government-wide Financial Statements** and the **Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide additional detail.

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the Marshal's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Marshal's financial position, which assists users in assessing the Marshal's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenses connected with the year even if cash has not been received or paid and include all assets and liabilities of the Marshal. The Marshal's financial statements contain only governmental activities. The government-wide financial statements include two statements:

- The *statement of net position* presents all of the Marshal's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Marshal's net position may serve as a useful indicator of whether the financial position of the Marshal is improving or deteriorating.
- The *statement of activities* presents information showing how the Marshal's net position changed during the most recent year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years. This statement also presents a comparison between the direct expenses and program revenues of the Marshal.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Marshal, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the Marshal's office, reporting the Marshal's operations in more detail than the government-wide statements. The funds of the Marshal are divided into two categories: governmental funds and fiduciary funds.

- *Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the Marshal's near-term financing requirements. This approach is known as using the flow of financial resources measurement focus and the modified accrual basis of accounting. These

statements provide a detailed short-term view of the Marshal's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Marshal.

Because the focus of the governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, users may better understand the long-term impact of the Marshal's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental funds financial statement.

The Marshal has three governmental funds: the General Fund, Probation Fund, and the Equipment and Training Fund, each of which is considered a major fund for presentation purposes. That is, each major fund is presented in a separate column in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances.

- *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside of the Marshal. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Marshal's own programs. The accrual basis of accounting is used for fiduciary funds.

The Marshal has one fiduciary fund, the Garnishment Fund.

The funds financial statements can be found immediately following the government-wide financial statements.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the funds financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for the General Fund, Probation fund, and Equipment and Training Fund as presented in the governmental fund financial statements. The amounts reported on the budgetary basis differ from the basis used to present the basic financial statements in accordance with generally accepted accounting policies (GAAP). Annual budgets are prepared on the cash basis of accounting. This section also includes a Schedule of Proportionate Share of Net Pension Liability and a Schedule of Contributions related to the Marshal's participation in the Municipal Employees' Retirement System.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

Net Position

Net Position may serve over time as a useful indicator of the Marshal's financial position. The Marshal's assets exceeded liabilities by \$831,639 as of December 31, 2019, compared to \$832,873 at the end of the previous year. The Marshal continues to maintain a high level of liquidity with \$466,096 (66.89% of unrestricted net position) held in cash and cash equivalents and \$258,938 (37.18% of unrestricted net position) invested in short-term time deposits with local financial institutions.

At December 31, 2019, \$87,784 (10.56%) of the Marshal's net position reflects investment in capital assets compared to \$125,765 (15.10%) for the prior year. The Marshal uses these capital assets to provide services to the citizens of Bossier City, Louisiana; consequently, these assets are not available for future spending.

	Governmental Activities	
	2019	2018
Current assets	\$ 813,812	\$ 764,259
Capital assets, net of accumulated depreciation	87,784	125,765
Total assets	901,596	890,024
Deferred outflows of resources-pension related	10,197	15,529
Current liabilities	53,185	46,196
Non-current liabilities:		
Due in more than one year	25,405	25,342
Total liabilities	78,590	71,538
Deferred inflows of resources-pension related	1,564	1,142
Investment in capital assets	87,784	125,765
Restricted	47,318	37,366
Unrestricted	696,537	669,742
Total net position	\$ 831,639	\$ 832,873

Changes in Net Position

The Marshal's net position decreased by \$1,234 (0.15%) during the year ended December 31, 2019, compared to an increase in net position of \$20,801 (2.56%) during the prior year.

During the year ended December 31, 2019, program revenues accounted for \$353,197 or 99.24% of total revenues compared to \$298,194 or 99.37% of total revenues during the prior year.

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Revenues:		
Program revenues:		
Charges for services	\$ 341,138	\$ 297,442
Operating contributions:		
Pension related	766	752
Grant-contract revenue	11,293	
General revenues:		
Interest	2,710	1,873
Total revenues	<u>355,907</u>	<u>300,067</u>
Expenses:		
Public Safety	<u>357,141</u>	<u>279,266</u>
Increase (decrease) in net position	(1,234)	20,801
Net position, beginning of year	<u>832,873</u>	<u>812,072</u>
Net position, end of year	<u>\$ 831,639</u>	<u>\$ 832,873</u>

Total revenues increased \$55,840, or 18.61%, from total revenues in 2018 of \$300,067 to total revenues of \$355,907 in 2019. The main reason for the increase is an increase in fees collected from fines, commissions and fees. Expenses increased \$77,875, or 27.89%, from total expenses in 2018 of \$279,266 to total expenses of \$357,141 in 2019. The main reason for the increase in expenses is due to increase expenses in equipment and supplies.

FINANCIAL ANALYSIS OF THE MARSHAL'S INDIVIDUAL FUNDS

As noted earlier, the Marshal uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Marshal's governmental funds is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Marshal's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Marshal's net resources available for spending at the end of the year.

As of the end of the current year, the Marshal's governmental funds reported ending fund balances totaling \$740,288, an increase of \$50,704 (7.35%) compared to the prior year. The ending fund balances are available for spending in the coming year.

The General Fund is the chief operating fund of the Marshal. The general fund's unassigned fund balance as of December 31, 2019, totaled \$692,970 compared to \$652,218 at the end of the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Marshal complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

Actual expenditures were \$611,073 less than the final budgeted amounts.

Revenues available for expenditure were \$55,596 more than the final budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Marshal’s investment in capital assets for its governmental activities as of December 31, 2019, totaled \$664,171, net of accumulated depreciation of \$576,387, leaving a book value of \$87,784. This investment in capital assets consists of automobiles, law enforcement equipment, office equipment, and furniture and fixtures.

There was one capital asset addition during 2019, totaling \$8,601 for equipment.

Debt

At the end of 2019, the Marshal had \$25,405 in long-term liabilities with regards to pensions, as described below.

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Net pension liability	<u>\$ 25,405</u>	<u>\$ 25,342</u>

More detailed information about the pension liability is presented in Notes 13 and 14 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The following economic factors were considered when the budget for the fiscal year ended December 31, 2019 was prepared:

Revenues are expected to remain consistent with the prior year.

Expenses are expected to remain consistent with the prior year.

It is anticipated that management will consider and monitor the economic uncertainties of COVID-19 and the impact on available financial resources.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the Marshal and seeks to demonstrate the Marshal's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mr. Jim Whitman, Bossier City Marshal, 620 Benton Road, Bossier City, Louisiana 71111, or by calling (318) 741-8835.

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Net Position
December 31, 2019

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 466,096
Investments	258,938
Accounts receivable	19,444
Due from Bossier City	40,578
Due from City Court	8,417
Prepaid expenses	20,339
Capital assets (net of accumulated depreciation)	87,784
Total assets	901,596
Deferred outflows of resources-pension related	10,197
Liabilities	
Accounts payable	703
Due to Bossier City	52,482
Non current liabilities	
Due in more than one year	25,405
Total liabilities	78,590
Deferred inflows of resources-pension related	1,564
Net Position	
Investment in capital assets	87,784
Restricted for probation activities	32,535
Restricted for equipment and training	14,783
Unrestricted	696,537
Total net position	\$ 831,639

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Activities
For the Year Ended December 31, 2019

	Governmental Activities
Expenses	
Public safety	\$ 357,141
Program Revenues	
Charges for services:	
City Court - traffic fines	155,622
Commissions and fees	185,516
Operating grants and contributions:	
Pension related	766
Grant-contract revenue	11,293
Total program revenues	353,197
Net program revenues (expense)	(3,944)
General Revenues	
Interest income	2,710
Total general revenues	2,710
Change in net position	(1,234)
Net position - December 31, 2018	832,873
Net position - December 31, 2019	\$ 831,639

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Probation Fund	Equipment and Training Fund	Total
Assets				
Cash and cash equivalents	\$ 422,090	\$ 32,535	\$ 11,471	\$ 466,096
Investments	258,938			258,938
Accounts receivable	16,132		3,312	19,444
Due from Bossier City	40,578			40,578
Due from City Court	8,417			8,417
Total assets	\$ 746,155	\$ 32,535	\$ 14,783	\$ 793,473
Liabilities				
Accounts payable	\$ 703	\$	\$	\$ 703
Due to Bossier City	52,482			52,482
Total liabilities	53,185			53,185
Fund Balances				
Restricted for probation activities		32,535		32,535
Restricted for equipment and training			14,783	14,783
Unassigned	692,970			692,970
Total fund balances	692,970	32,535	14,783	740,288
Total liabilities and fund balances	\$ 746,155	\$ 32,535	\$ 14,783	\$ 793,473

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds
to Net Position of Governmental Activities on the Statement of Net Position
December 31, 2019

Fund Balances - Total Governmental Funds	\$	740,288
Amounts reported for governmental activities in the statement of net position are different because:		
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.		
		20,339
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Add - capital assets		664,171
Deduct - accumulated depreciation		(576,387)
Other long-term amounts are not available to pay for current-period expenditures and therefore are not available in the governmental funds:		
Deferred outflows-pension related		10,197
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds:		
Deferred inflows-pension related		(1,564)
Net pension liability		(25,405)
		831,639
Net Position of Governmental Activities	\$	831,639

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Probation Fund	Equipment and Training Fund	Total
Revenues:				
City Court - traffic fines	\$ 112,363	\$	\$ 43,259	\$ 155,622
Commissions and fees	155,348	30,168		185,516
Grant-contract revenue	11,293			11,293
Interest income	2,659	42	9	2,710
Total revenues	<u>281,663</u>	<u>30,210</u>	<u>43,268</u>	<u>355,141</u>
Expenditures:				
Current - Public Safety				
Dues and publications	7,867			7,867
Law enforcement supplies	65,314			65,314
Office expense	23,401		125	23,526
Training	7,527			7,527
Travel, lodging, and meals	15,026			15,026
Public education	4,950			4,950
Insurance	19,459			19,459
Professional fees	8,228			8,228
Other operating	7,209	41		7,250
Salaries and related expenses	27,552			27,552
Appropriation to City for equipment	28,295		28,360	56,655
Appropriation to City for personnel related	52,482			52,482
Capital outlay	8,601			8,601
Total expenditures	<u>275,911</u>	<u>41</u>	<u>28,485</u>	<u>304,437</u>
Net changes in fund balances	<u>5,752</u>	<u>30,169</u>	<u>14,783</u>	<u>50,704</u>
Other financing sources (uses):				
Transfers in	35,000			35,000
Transfers out		(35,000)		(35,000)
	<u>35,000</u>	<u>(35,000)</u>		
Net changes in fund balance and other sources	40,752	(4,831)	14,783	50,704
Fund balances at beginning of year	<u>652,218</u>	<u>37,366</u>		<u>689,584</u>
Fund balances at end of year	<u>\$ 692,970</u>	<u>\$ 32,535</u>	<u>\$ 14,783</u>	<u>\$ 740,288</u>

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net Change in Fund Balances - Governmental Funds	\$	50,704
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$46,582) exceeds capital outlays (\$8,601) in the current period.		
		(37,981)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
		(8,140)
Revenues that are not available to pay current obligations are not reported in the fund financial statements, but they are presented as revenues in the statement of activities		
Non-employer contributions to cost-sharing pension plan		766
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
Pension expense		<u>(6,583)</u>
Change in Net Position of Governmental Activities	\$	<u><u>(1,234)</u></u>

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	Custodial Fund
Assets	
Cash and cash equivalents	\$ 46,564
Total assets	46,564
Liabilities	
Accounts payable - due to others	46,564
Total liabilities	46,564
Net Fiduciary Position	
Total net fiduciary position	\$

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

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	Custodial Fund
Additions:	
Investment income - interest	\$ 33
Funds collected for other entities	427,781
Total additions	427,814
Deductions:	
Payments of funds to other entities	427,814
Total deductions	427,814
Change in fiduciary net position	
Net fiduciary position - beginning	
Net fiduciary position - ending	\$

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

Bossier City Marshal
A Component of the City of Bossier City
Notes to Financial Statements
December 31, 2019

INTRODUCTION

The Bossier City Marshal (the Marshal) is a separate organization within the City of Bossier City's (the City) organizational structure established in accordance with Louisiana Revised Statute 13:1879. The Marshal's office is funded by the City. The Marshal's departmental expenses, such as payroll and related costs, maintenance, utilities, etc., are paid by the City. These financial statements account for all activities of the Marshal's office not funded by the City.

The Marshal is the executor of City Court and, therefore, is responsible for executing the orders and mandates of the City Court.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Marshal have been prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

B. REPORTING ENTITY

The Marshal is an independently elected official; however, the Marshal is fiscally dependent on the City. The City maintains and operates the city courthouse in which the Marshal's office is located and provides funds for payroll and related costs, equipment and furniture of the Marshal's office. Because the Marshal is fiscally dependent on the City, the Marshal was determined to be a component unit of the City, 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 that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Marshal uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

(Continued)

Bossier City Marshal
A Component of the City of Bossier City
Notes to Financial Statements
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(Continued)

Funds of the Marshal are classified into two categories: governmental funds and fiduciary (custodial) funds. These funds are described as follows:

Governmental Funds

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

General Fund – The General Fund is the general operating fund of the Marshal. The Marshal's share of court costs assessed by City Court as authorized by Louisiana Statute R.S. 13:1899C, collections of traffic fines, and collections of court-imposed fines remitted to City Court are all accounted for in this fund. General operating expenditures are paid from this fund.

Special Revenue Funds – Funds established to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service and capital projects. The Marshal's special revenue funds are as follows:

Probation Fund – The Probation Fund is used to account for the collection of probation fees as ordered by City Court. These funds are used for equipment and other operational expenditures of the Marshal's office to defray the cost of the probation activity.

Equipment and Training Fund – The Equipment and Training Fund is used to account for the fees associated with Louisiana Statute R.S. 13:5807 as amended by Act No. 166 of the 2019 regular session. Funds shall be used to assist in the purchasing or updating of necessary equipment and officer training to carry out the efficient performance of all duties imposed by law on constables and marshals.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Marshal in a trustee capacity or as an agent for individuals, private organizations, other government units, and / or other funds. The following is the Marshal's fiduciary fund:

Garnishment Fund – The Garnishment Fund is used to account for the collection and disbursement of garnishments of wages in accordance with the orders and writs of City Court. The Marshal receives a 6% commission for the executions of orders and writs of City Court as established by Louisiana Statute R.S. 33:1704.

(Continued)

Bossier City Marshal
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Notes to Financial Statements
December 31, 2019
(Continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

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.

The amounts reflected in the Governmental Funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to 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.

Revenues

Commissions and fees for services are recorded in the year in which they are earned. Interest income on time deposits is recorded when the time deposits have matured and the income is available. Substantially all other revenues are recorded when received by the Bossier City Marshal. Based on the above criteria, commissions and fees for services are treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Capital outlays are reported at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted as other financing sources (uses) and are recognized when the underlying events occur.

(Continued)

Bossier City Marshal
A Component of the City of Bossier City
Notes to Financial Statements
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(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 non-fiduciary 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).

Program Revenues – Program revenues included in the Statement of Activities consist of charges for services which are derived directly from a fee for services, grant-contract revenues, and non-employer contributions to cost-sharing pension plan. Program revenues reduce the cost of the function to be financed from the Marshal's general revenues.

E. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Time deposits with original maturities in excess of 90 days are recorded as investments. Investments are stated at cost, which approximates market value.

The Marshal's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Marshal may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. CAPITAL ASSETS

Capital assets are reported in the government-wide financial statements at historical cost. Additions, improvements or other capital outlays that significantly extend the useful life of an asset are capitalized. Donated assets are recorded as capital assets at acquisition value at the date of donation. The Marshal maintains a threshold level of \$2,500 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Since surplus assets are sold for an immaterial amount when declared as no 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:

Furniture and equipment	5 – 20 years
Vehicles	5 years

For fund financial statements, capital assets are recorded as expenditures in the governmental funds at the time purchased.

No depreciation is recorded in the fund financial statements.

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Bossier City Marshal
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Notes to Financial Statements
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(Continued)

G. USE OF ESTIMATES

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

H. NET POSITION

Government-wide net position is divided into three components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. Restricted net position consists of assets that are restricted by the Marshal's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors (less related liabilities and deferred inflows of resources). All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Marshal's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

I. FUND BALANCES

In the governmental fund financial statements, fund balances are classified as follows:

1. Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted - amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the Bossier City Marshal (the Marshal's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the Bossier City Marshal removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the Marshal's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

The Marshal's policy is to apply expenditures against restricted fund balance and then to other, less-restrictive classifications - committed and then assigned fund balances before using unassigned fund balances.

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Bossier City Marshal
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Notes to Financial Statements
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(Continued)

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

J. INTERFUND ACTIVITY

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements. At December 31, 2019, there were no outstanding balances between funds.

K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Marshal currently has deferred outflows of resources related to pensions in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Marshal currently has deferred inflows of resources related to pensions.

(2) IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLE

The Marshal adopted Government Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities for the year ended December 31, 2019. The scope of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Governments with fiduciary activities meeting the established criteria are required to present a statement of fiduciary net position and a statement of changes in fiduciary net position.

(3) BUDGET

The Marshal adopts an annual budget for the General Fund and the Special Revenue Funds. Through the budget, the Marshal allocates its resources and establishes its priorities. The annual budget assures the efficient and effective uses of the Marshal's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Marshal's performance.

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Bossier City Marshal
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Notes to Financial Statements
December 31, 2019
(Continued)

The budget is structured such that revenues are budgeted by source and appropriations are budgeted by principal type of expenditure. Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year end. The Marshal may revise or amend the budget at its discretion. Management may not amend the budget.

The proposed budget for the December 31, 2019, fiscal year was made available for public inspection at the Marshal's office on December 15, 2018. The proposed budget is prepared on the cash basis of accounting which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP). There was one budget amendment during the year ended December 31, 2019.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS

At December 31, 2019, the Marshal had cash, cash equivalents, and investments (book balances) totaling \$771,598 as follows:

A. Cash and cash equivalents:

Governmental Funds:	
General Fund	\$ 422,090
Probation Fund	32,535
Equipment & Training Fund	<u>11,471</u>
Total Governmental Funds	466,096
Fiduciary (Custodial) Funds:	
Garnishment Fund	<u>46,564</u>
Total – All Funds	<u>\$ 512,660</u>

B. Investments:

At December 31, 2019, the Marshal held certificates of deposit totaling \$258,938 in the General Fund that were classified as investments since their maturity was in excess of ninety days subsequent to their initial purchase. These certificates of deposit are carried at cost which approximates market value and are secured by federal deposit insurance. Investments are limited by Louisiana Revised Statute (R.S.) 33:2955.

C. Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the government will not be able to recover its deposits. As of December 31, 2019, the government's bank balance of \$777,163 was protected by \$404,949 of FDIC insurance and \$154,332 of NCUSIF insurance, with the remaining \$217,882 protected and collateralized with pledged securities held by the custodial bank's trust department not in the Bossier Marshal's name.

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Bossier City Marshal
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Notes to Financial Statements
December 31, 2019
(Continued)

(5) ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at December 31, 2019:

Service Fees	\$ 8,151
Grant-contract revenue	<u>11,293</u>
	<u>\$ 19,444</u>

The Marshal has elected to record bad debts using the direct write-off method. Generally accepted accounting principles require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

(6) DUE FROM BOSSIER CITY

The General Fund "Due from Bossier City" in the amount of \$40,578 at December 31, 2019, represents fines collected in 2019 by the City of Bossier City not remitted to the Marshal until January, 2020.

(7) DUE FROM CITY COURT

The General Fund "Due from City Court" in the amount of \$8,417 at December 31, 2019, represents fines collected in December, 2019 by the City Court not remitted to the Marshal until January 2020.

(8) CAPITAL ASSETS

Changes in capital assets and depreciation for the year ended December 31, 2019, are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated:				
Furniture and equipment	\$ 755,338	\$ 8,601	\$ (99,768)	\$ 664,171
Less accumulated depreciation:				
Furniture and equipment	<u>(629,573)</u>	<u>(46,582)</u>	<u>99,768</u>	<u>(576,387)</u>
Net capital assets	<u>\$ 125,765</u>	<u>\$ (37,981)</u>	<u>\$</u>	<u>\$ 87,784</u>

Depreciation expense for the year ended December 31, 2019 was \$46,582 and was recorded in the public safety function.

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Bossier City Marshal
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Notes to Financial Statements
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(Continued)

(9) DUE TO BOSSIER CITY

The General Fund "Due to Bossier City", in the amount of \$52,482 at December 31, 2019, represents an amount due to the City of Bossier City for personnel and personnel related costs for 2019 which were not paid until 2020.

(10) EXPENDITURES OF THE MARSHAL PAID BY THE CITY

The Marshal's administrative office is located in a building owned by the City. The costs of maintaining and operating the building, as required by statute, are paid by the City and are not included in the accompanying financial statements.

(11) SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 4, 2020, the date the financial statements were available to be issued.

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

(12) INTERFUND TRANSFERS

The Probation Fund transfers funds annually to assist in offsetting operating expenditures of the General Fund.

(13) RETIREMENT SYSTEM

The Municipal Employees' Retirement System of Louisiana is the administrator of a cost-sharing, multiple-employer defined benefit pension plan. The System was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana and provided for by Louisiana Revised Statute 11:1731. Effective October 1, 1978, under Act 788, the "regular plan" and the "supplemental plan" were replaced, and are now known as Plan "A" and Plan "B". Plan A combines the original plan and the supplemental plan for those municipalities participating in both plans, while Plan B participates in only the original plan. The System provides retirement benefits to employees of all incorporated villages, towns and cities within the State which do not have their own retirement system and which elect to become members of the System. Effective January 1, 2016, the Bossier City Marshal's Office began participating in Plan B.

Prior to January 1, 2017, the Marshal's proportionate share of the net pension liability, deferred inflows of resources, deferred outflows of resources, and pension expense was included in the City of Bossier City's amounts and was not separately reported by the Municipal Employee's Retirement System (System). Effective January 1, 2017, the System began reporting these amounts separately for the Marshal. Accordingly, the Marshal's proportionate share of the net pension liability, deferred inflows of resources, deferred outflows of resources, and pension expense are reported in the accompanying government-wide financial statements.

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Notes to Financial Statements
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(Continued)

Plan Description

Eligibility Requirements:

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System with exceptions as outlined in the statutes.

Any person eligible for membership whose first employment making him eligible for membership in the system occurred on or after January 1, 2013 shall become a member of MERS Plan B Tier 2 of the System as a condition of employment.

Retirement Benefits:

Benefit provisions are authorized within Act 356 of the 1956 regular session and amended by LRS 11:1756-1785. The following brief description of the plan and its benefits is provided for general information purposed only. Participants should refer to the appropriate statutes for more complete information.

Any member of Plan B who commenced participation in the System prior to January 1, 2013 can retire providing the member meets one of the following criteria:

1. Any age with thirty (30) or more years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two percent of the member's final compensation multiplied by the members year of credible service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limed to specified amounts.

Any member of Plan B shall be eligible for retirement if the member meets one of the following criteria:

1. Age 67 with seven (7) or more years of creditable service
2. Age 62 with ten (10) or more years of creditable service
3. Age 55 with thirty (30) or more years of creditable service
4. Any age with twenty five (25) years of creditable service, exclusive of military service and unused sick leave, with an actuarially reduced early benefit.

The monthly amount of the retirement allowance for any member of Plan B Tier 2 shall consist of an amount equal to two percent of the member's final compensation multiplied by the members years of credible service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limed to specified amounts.

Survivor Benefits:

Upon death of any member of Plan B with five (5) or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes. Any member of Plan B, who is eligible for normal retirement at time of death and who leaves a surviving spouse, will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

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Bossier City Marshal
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Notes to Financial Statements
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(Continued)

DROP Benefits:

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan B who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in the System.

Disability Benefits:

For Plan B, a member shall be eligible to retire and receive a disability benefit if he has at least ten years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of (1) an amount equal to two percent of his final compensation multiplied by his years of creditable service, but not less than thirty percent of his final compensation, or (2) an amount equal to what the member's normal retirement benefit would be based on the member's current final compensation, but assuming the member remained in continuous service until his earliest normal retirement age and using those retirement benefit computation factors which would be applicable to the member's normal retirement.

Cost of Living Increases:

The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Deferred Benefits:

Both plans provide for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

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Bossier City Marshal
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Notes to Financial Statements
December 31, 2019
(Continued)

Contributions

Contributions for all members are established by statute. Member contributions are at 5% of earnable compensation for Plan B. The contributions are deducted from the member's salary and remitted by the participating municipality.

According to state statute, contribution for all employers are actuarially determined each year. For the plan years ending June 30, 2019 and 2018, the actual employer contribution rates were 14% and 14%, respectively, for Plan B. The Marshal's contributions to the System for the years ended December 31, 2019 and 2018 were \$3,108 and \$3,025, respectively.

Non-Employer Contributions

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions totaling \$766 are recognized as revenue during the year ended December 31, 2019, and excluded from pension expense.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the Marshal reported a liability of \$25,405 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Municipal Employees' Retirement System. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts. The allocation method used in determining each employer's proportion was based on each employer's contributions to the System during the fiscal year ended June 30, 2019 as compared to the total of all employers' contributions received by the System during the fiscal year ended June 30, 2019. The Marshal's proportion as measured at June 30, 2019, was .0290400%, which is a decrease of .0009210% from the proportion as measured at June 30, 2018.

For the year ended December 31, 2019, the Marshal recognized pension expense of \$5,488, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$4,202.

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Notes to Financial Statements
December 31, 2019
(Continued)

At December 31, 2019, the Marshal reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 1,127
Changes of assumptions	1,548	
Net difference between projected and actual earnings on pension plan investments	2,675	
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,420	437
Employer contributions subsequent to the measurement Date	1,554	
Total	\$ 10,197	\$ 1,564

The Marshal reported a total of \$1,554 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019, which will be recognized as a reduction in net pension liability in the year ended December 31, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year	Amount
2020	\$ 5,859
2021	633
2022	356
2023	231
Total	\$ 7,079

Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The actuarial assumptions used in the June 30, 2019 valuations were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Information on the actuarial valuation and assumptions is as follows:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Expected remaining service lives	3 years

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Notes to Financial Statements
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(Continued)

Actuarial Assumptions:	
Investment Rate of Return	7.0%, net of pension plan investment expense, including Inflation
Inflation Rate	2.5%
Salary increases, including Inflation and merit increase:	
1 to 4 years of service	7.4% for Plan B
More than 4 years of service	4.9% for Plan B
Annuitant and beneficiary mortality	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Employee mortality	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Disables lives mortality	PubNS-2010(B) Disability Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2019 are summarized in the following table:

	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public equity	50%	2.15%
Public fixed income	35%	1.51%
Alternatives	15%	.64%
Totals	<u>100%</u>	4.30%
Inflation		<u>2.70%</u>
Expected Arithmetic Nominal Return		<u>7.00%</u>

(Continued)

Bossier City Marshal
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(Continued)

The discount rate used to measure the total pension liability was 7.00% for the year ended June 30, 2019. The projection of cash flowed used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statues and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current discount rate (assuming all other assumptions remain unchanged).

Changes in net pension liability from changes in the discount rate as of June 30, 2019 for Plan B are as follows:

	Changes in Discount Rate		
	1%	Current	1%
	Decrease 6.00%	Discount Rate 7.00%	Increase 8.00%
Net Pension Liability	\$ 33,858	\$ 25,405	\$ 18,255

Changes in Net Pension Liability

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on the pension plan investments and actual experience with regard to those earnings is required to be include in the pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period.

Changes in Proportion:

Changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in proportion are presented in the Schedule of Pension Amounts as deferred outflows or deferred inflows as of June 30, 2019.

(Continued)

Bossier City Marshal
A Component of the City of Bossier City
Notes to Financial Statements
December 31, 2019
(Continued)

Contributions – Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of pension amounts by employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Pension Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended June 30, 2019. Access to these reports can be found on the Louisiana Legislative Auditor's website, www.la.la.gov.

(14) LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Net pension liability	\$ 25,342	\$ 63	\$ -	\$ 25,405
Governmental Activities long-term liabilities	<u>\$ 25,342</u>	<u>\$ 63</u>	<u>\$ -</u>	<u>\$ 25,405</u>

Bossier City Marshal
A Component of the City of Bossier City
Schedule of Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2019

Municipal Employee's Retirement System

	2019	2018	2017
Proportion of the net pension liability	0.029040%	0.029960%	0.029910%
Proportionate share of the net pension liability	\$ 25,405	\$ 25,342	\$ 25,878
Covered-employee payroll	\$ 22,200	\$ 22,200	\$ 22,200
Proportionate share of the net pension liability as a percentage of covered employee payroll	114.44%	114.15%	116.57%
Plan fiduciary net position as a percentage of the total pension liability	64.68%	65.60%	63.49%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Bossier City Marshal
A Component of the City of Bossier City
Schedule of Contributions
For the Year Ended December 31, 2019

Parochial Employees' Retirement System

<u>Year Ended June 30</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered-employee payroll</u>	<u>Contributions as a percentage of covered-employee payroll</u>
2019	\$ 3,108	\$ 3,108	\$	\$ 22,200	14.00%
2018	3,025	3,025		22,200	13.63%
2017	2,692	2,692		22,200	12.13%

*Amounts presented were determined as of the end of the fiscal year (December 31).

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Cash Basis) - General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Favorable (Unfavorable)
	Original	Amended		
Revenues:				
City Court - traffic fines	\$ 80,000	\$ 8,500	\$ 112,335	\$ 103,835
Commissions and fees	100,050	239,550	190,740	(48,810)
Interest income	1,500	1,800	2,371	571
Total revenues	181,550	249,850	305,446	55,596
Expenditures:				
Current - Public Safety				
Dues and publications	7,000	10,000	7,867	2,133
Law enforcement supplies	16,000	82,000	93,609	(11,609)
Office expense	23,750	19,700	23,401	(3,701)
Training	5,500	3,000	7,527	(4,527)
Travel, lodging, and meals	23,700	19,400	15,026	4,374
Public education		5,500	4,950	550
Insurance	23,000	23,000	19,459	3,541
Professional fees	12,000	9,000	8,228	772
Other operating	611,558	624,793	7,209	617,584
Salaries and related expenses	27,800	15,000	27,260	(12,260)
Appropriation to City for personnel related	67,000	68,000	45,183	22,817
Capital outlay			8,601	(8,601)
Total expenditures	817,308	879,393	268,320	611,073
Excess (deficiency) of revenues over (under) expenditures	(635,758)	(629,543)	37,126	666,669
Other Financing Sources (Uses)				
Transfers in	45,000	20,000	35,000	15,000
Total other financing sources (uses)	45,000	20,000	35,000	15,000
Net changes in fund balances	(590,758)	(609,543)	72,126	681,669
Fund balances at beginning of year	590,758	609,543	608,902	(641)
Fund balances at end of year	\$	\$	\$ 681,028	\$ 681,028

See accompanying note to the required supplementary information.

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual (Cash Basis) - Probation Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual (Budgetary Basis)	Variance- Favorable (Unfavorable)
	Original	Amended		
Revenues:				
Commissions and fees	\$ 50,000	\$ 35,000	\$ 38,093	\$ 3,093
Interest income	30	50	42	(8)
Total revenues	<u>50,030</u>	<u>35,050</u>	<u>38,135</u>	<u>3,085</u>
Expenditures:				
Current - Public Safety				
Other operating	51,963	61,983	8,366	53,617
Total expenditures	<u>51,963</u>	<u>61,983</u>	<u>8,366</u>	<u>53,617</u>
Excess of revenues over expenditures	(1,933)	(26,933)	29,769	56,702
Other Financing Sources (Uses):				
Transfer to other funds	(45,000)	(20,000)	(35,000)	(15,000)
Net Change in Fund Balance	(46,933)	(46,933)	(5,231)	41,702
Fund balance at beginning of year	<u>46,933</u>	<u>46,933</u>	<u>37,766</u>	<u>(9,167)</u>
Fund balance at end of year	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$ 32,535</u></u>	<u><u>\$ 32,535</u></u>

See accompanying note to the required supplementary information.

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Cash Basis) - Equipment and Training Fund
For the Year Ended December 31, 2019

	Original and Final	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Commissions and fees	\$ 28,560	\$ 39,947	\$ 11,387
Interest income		9	9
Total revenues	<u>28,560</u>	<u>39,956</u>	<u>11,396</u>
Expenditures:			
Current - Public Safety			
Equipment	<u>28,560</u>	<u>28,485</u>	<u>75</u>
Total expenditures	<u>28,560</u>	<u>28,485</u>	<u>75</u>
Excess of revenues over expenditures		11,471	11,471
Fund balance at beginning of year	<u> </u>	<u> </u>	<u> </u>
Fund balance at end of year	<u>\$</u>	<u>\$ 11,471</u>	<u>\$ 11,471</u>

See accompanying note to the required supplementary information.

Bossier City Marshal
A Component of the City of Bossier City
Note to Required Supplementary Information
December 31, 2019

The Budgetary Comparison Schedule- Budget to Actual (Cash Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis (cash basis) differ significantly from those used to present financial statements in conformity with GAAP (modified accrual basis), a reconciliation of resulting basis differences in the revenues in excess of (less than) expenditures between budgetary and GAAP presentations for the year ended December 31, 2019, is presented below:

	General Fund	Probation Fund	Equipment Fund
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 72,126	\$ (5,231)	\$ 11,471
Adjustments:			
Revenue accruals - net	(23,783)	(7,925)	3,312
Expenditure accruals - net	(7,591)	8,325	
	\$ 40,752	\$ (4,831)	\$ 14,783

Bossier City Marshal
A Component Unit of the City of Bossier City, Louisiana
Other Supplementary Information
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2019

Agency Head: Jim Whitman, Bossier City Marshal

SECTION I

Paid by the Bossier City Marshal:

PURPOSE		AMOUNT
Salary	\$	22,200
Benefits-retirement		3,108
Per diem		426
Travel		911

SECTION II

Paid by the City of Bossier City:

PURPOSE		AMOUNT
Salary	\$	83,800
Benefits - insurance		9,832
Benefits - retirement		12,572

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance With *Government Auditing Standards*

Independent Auditors' Report

Bossier City Marshal
Bossier City, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bossier City Marshal as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Bossier City Marshal's basic financial statements, and have issued our report thereon dated May 4, 2020.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bossier City Marshal's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
May 4, 2020

Bossier City Marshal
Bossier City, Louisiana
Schedule of Audit Findings
December 31, 2019

Summary Schedule of Prior Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 2018.

Current Year Audit Findings

There are no findings or management letter comments for the current year audit for the year ended December 31, 2019.

COOK & MOREHART

Certified Public Accountants

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TRAVIS H. MOREHART, CPA
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MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountants' Report on Applying Agreed-Upon Procedures

Bossier City Marshal
Bossier City, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Bossier City Marshal, and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures Year 3 (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Bossier City Marshal's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving
 - d) ***Receipts***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collection for each type of revenue or agency fund additions.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statutes 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) Continuing disclosures/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The Marshal provided written policies and procedures addressing all of the above.

Board (or Finance Committee, if applicable)

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Bank Reconciliations

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Collections

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Management provided the requested information, along with management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The Marshal's policies and procedures included all of the requirements listed, except as noted below.

Exception: The employee responsible for processing payments also adds vendors to the disbursement system.

Management's Response: The Marshal approves all vendors.

Exception: The employee responsible for mailing checks after the checks are signed is also responsible for processing payments.

Management's Response: Bossier City Marshal will explore other options for segregating duties over mailing of checks after authorized signatures are obtained.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

For the transactions selected for testing, the disbursement matched the related original invoice and included evidence of segregation of duties.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Travel and Expense Reimbursement

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Contracts

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Payroll and Personnel

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Ethics (excluding nonprofits)

16. Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

Debt Service (excluding nonprofits)

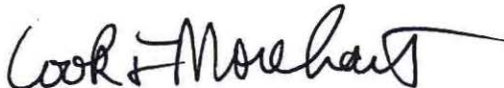
Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to the Bossier City Marshal not having any debt.

Other

Testing not required for this area for the fiscal period January 1, 2019 through December 31, 2019, due to no exceptions being noted in prior year.

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 those C/C areas identified in the SAUPs. 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.



Cook & Morehart
Certified Public Accountants
May 4, 2020