

**MARSHAL – CITY COURT
OF LAFAYETTE, LOUISIANA**

FINANCIAL REPORT

YEAR ENDED OCTOBER 31, 2015

TABLE OF CONTENTS

| | Page |
|--|-------|
| Independent Auditors' Report | 1-3 |
| BASIC FINANCIAL STATEMENTS | |
| GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS) | |
| Statement of net position | 6 |
| Statement of activities | 7 |
| FUND FINANCIAL STATEMENTS (FFS) | |
| Balance sheet - governmental funds | 9 |
| Reconciliation of the governmental fund balance sheet to the statement of net position | 10 |
| Statement of revenues, expenditures, and changes in fund balances - governmental funds | 11 |
| Reconciliation of the statement of revenues, expenditures, and changes in fund balances of the governmental funds to the statement of activities | 12 |
| Notes to basic financial statements | 13-21 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| General Fund: Budgetary comparison schedule | 23 |
| OTHER SUPPLEMENTARY INFORMATION | |
| Comparative statement of net position | 25 |
| Comparative balance sheet - General Fund | 26 |
| General Fund: Budgetary comparison schedule - compared to actual for prior year | 27 |
| Budgetary comparison schedule - expenditures - compared to actual for prior year | 28 |
| Nonmajor Governmental Funds | |
| Balance sheet | 29 |
| Statement of revenues, expenditures and changes in fund balances | 30 |
| INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS | |
| Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 32-33 |
| Summary schedule of current and prior year audit findings and management's corrective action plan | 34 |

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INDEPENDENT AUDITORS' REPORT

To the Marshal
City Court of Lafayette, Louisiana
Lafayette, 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 Marshal, City Court of Lafayette, Louisiana (Marshal), as of and for the year then ended October 31, 2015, and the related notes to the financial statements, which collectively comprise the 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 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 Marshal, City Court of Lafayette, Louisiana as of October 31, 2015, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

The Marshal, City Court of Lafayette, Louisiana has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriated operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Marshal, City Court of Lafayette's basic financial statements. The other supplementary information on pages 25 through 30 is presented for purposes of additional analysis and is not a required part of the financial statements.

The comparative statements and schedule on pages 25-26 and 29-30 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements are fairly stated in all material respects in relation to the financial statements as a whole. The prior year comparative information on these statements has been derived from the 2014 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the financial statements as a whole.

The comparison schedules on pages 27 and 28 have not been subjected to the auditing procedures applied in the audit of the 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2016 on our consideration of the Marshal – City Court of Lafayette’s internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is 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 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 the Marshal’s internal control over financial reporting and compliance.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 26, 2016

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Net Position

October 31, 2015

| | <u>Governmental Activities</u> |
|------------------------------------|------------------------------------|
| ASSETS | |
| Current assets: | |
| Cash and interest-bearing deposits | \$ 297,439 |
| Accounts receivable | 56,795 |
| Prepaid insurance | <u>16,151</u> |
| Total current assets | 370,385 |
| Noncurrent assets: | |
| Capital assets, net | <u>84,514</u> |
| TOTAL ASSETS | <u>454,899</u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | <u>60,121</u> |
| NET POSITION | |
| Net investment in capital assets | 84,514 |
| Restricted | 21,744 |
| Unrestricted | <u>288,520</u> |
| TOTAL NET POSITION | <u>\$ 394,778</u> |

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Activities
For the Year Ended October 31, 2015

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue And Changes in Net Position Governmental Activities |
|--------------------------|---------------------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| General government | <u>\$ 1,862,978</u> | <u>\$ 576,407</u> | <u>\$ 1,402,589</u> | <u>\$ -</u> | \$ 116,018 |
| | General revenues: | | | | |
| | Interest | | | | <u>18</u> |
| | Change in net position | | | | 116,036 |
| | Net position - November 1, 2014 | | | | <u>278,742</u> |
| | Net position - October 31, 2015 | | | | <u>\$ 394,778</u> |

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Governmental Funds

October 31, 2015

| | General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|-------------------------------------|-------------------|-----------------------------------|--------------------------------|
| ASSETS | | | |
| Cash and interest-bearing deposits | \$ 275,695 | \$ 21,744 | \$ 297,439 |
| Receivables - | | | |
| Accounts | 56,795 | - | 56,795 |
| Prepaid insurance | 16,151 | - | 16,151 |
| Total assets | <u>\$ 348,641</u> | <u>\$ 21,744</u> | <u>\$ 370,385</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | <u>\$ 60,121</u> | <u>\$ -</u> | <u>\$ 60,121</u> |
| Fund balances: | | | |
| Nonspendable (prepaid insurance) | 16,151 | - | 16,151 |
| Restricted | - | 21,744 | 21,744 |
| Unassigned | <u>272,369</u> | <u>-</u> | <u>272,369</u> |
| Total fund balances | <u>288,520</u> | <u>21,744</u> | <u>310,264</u> |
| Total liabilities and fund balances | <u>\$ 348,641</u> | <u>\$ 21,744</u> | <u>\$ 370,385</u> |

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
October 31, 2015

| | | |
|--|---------------|-------------------|
| Total fund balance for governmental funds at October 31, 2015 | | \$ 310,264 |
| Total net position reported for governmental activities in the statement of net position is different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of: | | |
| Equipment, net of \$371,944 of accumulated depreciation | \$ 61,367 | |
| Furniture and fixtures, net of \$75,080 net of accumulated depreciation | <u>23,147</u> | <u>84,514</u> |
| Net position at October 31, 2015 | | <u>\$ 394,778</u> |

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds

For the Year Ended October 31, 2015

| | General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|-------------------|-----------------------------------|--------------------------------|
| Revenues: | <u> </u> | <u> </u> | <u> </u> |
| Fees charges and commissions for services - | | | |
| Bond forfeitures | \$ 10,564 | \$ - | \$ 10,564 |
| Fees and commissions | 565,134 | 709 | 565,843 |
| Intergovernmental - | | | |
| Federal grants | 5,222 | - | 5,222 |
| On-behalf payments | 1,397,367 | - | 1,397,367 |
| Interest income | <u>-</u> | <u>18</u> | <u>18</u> |
| Total revenues | <u>1,978,287</u> | <u>727</u> | <u>1,979,014</u> |
| | | | |
| Expenditures: | | | |
| Current - | | | |
| General government | 1,817,708 | 2,450 | 1,820,158 |
| Capital outlay | <u>14,083</u> | <u>-</u> | <u>14,083</u> |
| Total expenditures | <u>1,831,791</u> | <u>2,450</u> | <u>1,834,241</u> |
| | | | |
| Net change in fund balances | 146,496 | (1,723) | 144,773 |
| | | | |
| Fund balances, beginning | <u>142,024</u> | <u>23,467</u> | <u>165,491</u> |
| | | | |
| Fund balances, ending | <u>\$ 288,520</u> | <u>\$ 21,744</u> | <u>\$ 310,264</u> |

The accompanying notes are an integral part of the basic financial statements.

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended October 31, 2015

| | | | |
|---|----|-----------------|-------------------|
| Total net changes in fund balances for the year ended October 31, 2015 per Statement of Revenues, Expenditures and Changes in Fund Balances | | | \$ 144,773 |
| The change in net position reported for governmental activities in the statement of activities is different because: | | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | | | |
| Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances | \$ | 14,083 | |
| Depreciation expense for the year ended October 31, 2015 | | <u>(42,820)</u> | <u>(28,737)</u> |
| Total changes in net position for the year ended October 31, 2015 per Statement of Activities | | | <u>\$ 116,036</u> |

The accompanying notes are an integral part of the basic financial statements.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements

INTRODUCTION

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Marshal – City Court of Lafayette, Louisiana (Marshal) is an elected official who serves six-year terms. The Marshal is charged with the responsibility of conducting policing and security functions for the City Court of Lafayette, Louisiana. Operations of the Marshal's office are funded by Lafayette City-Parish Consolidated Government (LCG), the State of Louisiana, and court costs charged by the City Court of Lafayette, Louisiana attributable to the performance of the Marshal's duties.

These financial statements only include funds, activities, et cetera, that are controlled by the Marshal as an independently elected official.

B. 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the Marshal as a whole. These statements include all the financial activities of the Marshal. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

The statement of activities presents a comparison between direct expenses and program revenues for the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include bond forfeitures, drug seizures, equitable sharing receipts, and fees and commissions. Revenues that are not classified as program revenues are presented as general revenues.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

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

Governmental Funds -

General Fund

The General Fund is the general operating fund of the Marshal. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is financed through court costs and commissions as well as bond forfeitures earned by the Marshal. Resources of the fund are used to supplement the cost of operating the Marshal's office.

Special Revenue Funds

Drug Enforcement Fund -

The Drug Enforcement Fund is used to account for the Marshal's revenues which are legally restricted for use in drug enforcement and education. This fund is financed through a sixty percent (60%) allocation of monies seized in drug-related arrests.

Equitable Sharing Fund -

The Equitable Sharing Fund is used to account for the Marshal's revenues which are legally restricted for law enforcement expenditures. This fund is financed through a Federal Equitable Sharing Agreement with the United States Departments of Justice and the Treasury sharing forty percent (40%) of available amounts with participating local law enforcement agencies.

Fiduciary (Agency) Funds -

Garnishment Fund

The Garnishment Fund is used to account for assets held by the Marshal as agent. This fund is used for the collection of court-ordered garnishment judgments. The Marshal charges an administrative fee and remits all other funds to the respective creditors. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Marshal disburses all funds received during the month on the last day of each month and, therefore, at October 31, 2015 there is no balance in this fund.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Restitution Fund

The Restitution Fund is used to account for assets held by the Marshal as agent. This fund is used for the collection of court-ordered restitutions. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Marshal disburses all funds received during the month on the last day of each month and, therefore, at October 31, 2015 there is no balance in this fund.

Since by definition, fiduciary assets are held for the benefit of a third party and cannot be used to address activities or obligations for the Marshal, they are not incorporated into the government-wide statements. Since there is no book balance in the fiduciary funds at October 31, 2015, the Marshal does not present a fiduciary funds statement of assets and liabilities.

C. Measurement Focus/Basis of Accounting

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

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The agency funds are prepared on the cash basis of accounting which approximates modified accrual basis of accounting.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after the year end. Expenditures are recognized when the related liability is incurred.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

Cash and interest-bearing deposits are stated at cost, which approximates market.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not received. Amounts due to the Marshal for courts costs, commissions, and bond forfeitures earned from providing services to the City Court of Lafayette, Louisiana are included in accounts receivable, which amounted to \$56,795 at October 31, 2015.

Prepaid expenditures

Payments made for insurance that will benefit periods beyond the end of the fiscal year are recorded as prepaid expenditures.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Marshal as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|------------------------|--------------|
| Office Equipment | 5 |
| Computer Equipment | 5 |
| Radio Equipment | 10 |
| Furniture and Fixtures | 10 |

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of October 31, 2015.

Equity Classifications

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

- a. Net investment in capital assets - Consists of capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers or the Marshal's debt.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of "net investment in capital assets" or "restricted".

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

- a. Nonspendable – Includes amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact. All amounts reported as nonspendable at October 31, 2015, by the Marshal are nonspendable in form. The Marshal has not reported any amounts that are legally or contractually required to be maintained intact.
- b. Restricted – Includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provisions or enabling legislation.
- c. Committed – Includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to directives of the Marshal who has the highest level of decision making authority. Commitments may be modified or rescinded only through actions of the Marshal.
- d. Assigned – Includes amounts that the Marshal intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Marshal or his designee may assign amounts to this classification.
- e. Unassigned – Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

Use of restricted resources

When an expenditure is incurred that can be paid using either restricted or unrestricted resources (fund balances), the Marshal considers to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the Marshal considers to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

E. Revenues, Expenditures, and Expenses

Operating Revenues

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Marshal is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Expenditures/Expenses

Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Marshal.

F. Budgets and Budgetary Accounting

The Marshal is required to adopt an annual budget for the General Fund. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles (“GAAP”) of the United States of America.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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.

(2) Cash and Interest-Bearing Deposits

Under state law, the Marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At October 31, 2015, the Marshal had cash and interest-bearing deposits (book balances) totaling \$297,439 attributable to governmental activities.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Marshal’s deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. As of October 31, 2015, bank balances in the amount of \$438,617 were as follows:

| | |
|---------------------------|-------------------|
| Bank balances | <u>\$ 438,617</u> |
| Federal deposit insurance | 250,000 |
| Pledged securities | <u>188,617</u> |
| Total | <u>\$ 438,617</u> |

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset activity for the year ended October 31, 2015 was as follows:

| | <u>Balance</u> 11/1/2014 | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> 10/31/2015 |
|--|-----------------------------|--------------------|------------------|------------------------------|
| Governmental activities: | | | | |
| Capital assets being depreciated | | | | |
| Equipment | \$ 429,311 | \$ 4,000 | \$ - | \$ 433,311 |
| Furniture and fixtures | <u>88,144</u> | <u>10,083</u> | <u>-</u> | <u>98,227</u> |
| Total capital assets being depreciated | <u>517,455</u> | <u>14,083</u> | <u>-</u> | <u>531,538</u> |
| Less: accumulated depreciation | | | | |
| Equipment | 332,382 | 39,562 | - | 371,944 |
| Furniture and fixtures | <u>71,822</u> | <u>3,258</u> | <u>-</u> | <u>75,080</u> |
| Total accumulated depreciation | <u>404,204</u> | <u>42,820</u> | <u>-</u> | <u>447,024</u> |
| Governmental activities, capital assets, net | <u>\$ 113,251</u> | <u>\$ (28,737)</u> | <u>\$ -</u> | <u>\$ 84,514</u> |

Depreciation expense in the amount of \$42,820 was charged to general government.

(4) Restricted Fund Balance

At October 31, 2015, fund balance of the Drug Enforcement Fund in the amount of \$14,327 was restricted for drug enforcement and education expenditures. At October 31, 2015, fund balance of the Equitable Sharing Fund in the amount of \$7,417 was restricted for law enforcement expenditures.

(5) Risk Management

The Marshal is exposed to risks of loss in the areas of professional liability, auto liability, general liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. LCG obtains and maintains insurance coverage for the Marshal and the Marshal is responsible for paying one-half of the cost. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(6) Litigation and Claims

As of October 31, 2015, the Marshal was not involved in any lawsuits claiming damages.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Expenditures of the Marshal's Office Paid by LCG

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

Payroll and benefits for the full-time employees of the Marshal's office are paid by LCG and are not reimbursed by the Marshal's office. There are no liabilities related to payroll, benefits and postemployment benefits attributable to the Marshal's office. Additionally, one-half of the Marshal's insurance expense is paid by LCG.

(8) On-behalf Payments for Fringe Benefits and Salaries

GASB Statement No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance, requires the Marshal to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana and by the parish governments to certain employees of the Marshal's office.

Supplemental salary payments are made by the state and parish governments directly to the Marshal's employees. The Marshal's office is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the state and parish governments. On-behalf payments recorded as revenue and expenditures in the 2015 financial statements are as follows:

General Fund:

| | |
|---|---------------------|
| State of Louisiana | \$ 100,715 |
| Lafayette City-Parish Consolidated Government | <u>1,296,652</u> |
| Total on-behalf payments | <u>\$ 1,397,367</u> |

(9) Employee Retirement Systems

Substantially all employees of the Marshal's office participate in one of two retirement systems as follows:

Municipal Employees' Retirement System (MERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on their website at <http://www.mersla.com/>

Parochial Employees' Retirement System (PERS) is a cost-sharing defined benefit plan which provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries. The employees participate in Plan A. The separately issued plan report may be accessed on the website at <http://www.persla.com/>

The Marshal's share of the costs of each of these plans is paid by LCG, and therefore, the pension liabilities, deferred outflows of resources and deferred inflows of resources related to these plans are included in LCG's financial statements.

MARSHAL – CITY COURT OF LAFAYETTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Changes in Agency Fund Balances

A summary of changes in agency fund balances at October 31, 2015 is as follows:

| | Garnishment Fund | Restitution Fund | Total |
|----------------------------|---------------------|---------------------|-------------|
| Balances, October 31, 2014 | \$ 1,208 | \$ - | \$ 1,208 |
| Additions | 952,096 | 34,665 | 986,761 |
| Reductions | (953,304) | (34,665) | (987,969) |
| Balances, October 31, 2015 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

(11) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments to Brian Pope, City Marshal, for the year ended October 31, 2015 follows:

| Purpose | Earl J. Picard November 1, 2014 - December 31, 2014 | Brian L. Pope January 1, 2015 - October 31, 2015 |
|---|---|--|
| On-behalf payments: | | |
| Lafayette Consolidated Government - | | |
| Salary | \$ 13,782 | \$ 61,003 |
| Benefits - insurance | 1,941 | 9,706 |
| Benefits - retirement | 2,474 | 5,021 |
| State of Louisiana - | | |
| Supplemental pay | 1,000 | 5,000 |
| Civil fees (paid by Lafayette City Court) | 6,328 | 59,882 |
| Garnishments | 9,413 | 22,510 |
| Per diem | - | 446 |
| Reimbursements - phone charges | - | 227 |
| Travel | - | 415 |
| Registration fees | - | 210 |
| Conference travel | - | 2,007 |
| Total | <u>\$ 34,938</u> | <u>\$ 166,427</u> |

(12) Subsequent Event

On November 13, 2015, The Independent, a local Lafayette, LA newspaper, filed a lawsuit against Brian Pope, City Marshal, for a public records dispute. The matter was adjudicated in the District Court and an appeal regarding the ruling is currently pending at the Court of Appeals.

**REQUIRED SUPPLEMENTARY
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule
Year Ended October 31, 2015

| | Budget | | Actual | Variance with |
|---|-------------------|-------------------|-------------------|------------------------|
| | Original | Amended | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Fees charges and commissions for services - | | | | |
| Bond forfeitures | \$ 10,000 | \$ 11,864 | \$ 10,564 | \$ (1,300) |
| Fees and commissions | 480,000 | 575,000 | 565,134 | (9,866) |
| Intergovernmental - | | | | |
| Federal grants | 10,000 | 10,052 | 5,222 | (4,830) |
| On-behalf payments | <u>1,450,000</u> | <u>1,397,367</u> | <u>1,397,367</u> | <u>-</u> |
| Total revenues | <u>1,950,000</u> | <u>1,994,283</u> | <u>1,978,287</u> | <u>(15,996)</u> |
| Expenditures: | | | | |
| Current - | | | | |
| General government | 1,892,500 | 1,794,523 | 1,817,708 | (23,185) |
| Capital outlay | <u>35,000</u> | <u>14,953</u> | <u>14,083</u> | <u>870</u> |
| Total expenditures | <u>1,927,500</u> | <u>1,809,476</u> | <u>1,831,791</u> | <u>(22,315)</u> |
| Net change in fund balance | 22,500 | 184,807 | 146,496 | (38,311) |
| Fund balance, beginning | <u>142,024</u> | <u>142,024</u> | <u>142,024</u> | <u>-</u> |
| Fund balance, ending | <u>\$ 164,524</u> | <u>\$ 326,831</u> | <u>\$ 288,520</u> | <u>\$ (38,311)</u> |

**OTHER SUPPLEMENTARY
INFORMATION**

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Statement of Net Position
For the Years Ended October 31, 2015 and 2014

| | <u>Governmental Activities</u> | |
|------------------------------------|--------------------------------|-------------------|
| | <u>2015</u> | <u>2014</u> |
| ASSETS | | |
| Current assets: | | |
| Cash and interest-bearing deposits | \$ 297,439 | \$ 131,322 |
| Accounts receivable | 56,795 | 56,248 |
| Prepaid insurance | <u>16,151</u> | <u>17,036</u> |
| Total current assets | 370,385 | 204,606 |
| Noncurrent assets: | | |
| Capital assets, net | <u>84,514</u> | <u>113,251</u> |
| Total assets | <u>454,899</u> | <u>317,857</u> |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable | <u>60,121</u> | <u>39,115</u> |
| NET POSITION | | |
| Net investment in capital assets | 84,514 | 113,251 |
| Restricted | 21,744 | 23,467 |
| Unrestricted | <u>283,298</u> | <u>142,024</u> |
| Total net position | <u>\$ 389,556</u> | <u>\$ 278,742</u> |

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Comparative Balance Sheet - General Fund
October 31, 2015 and 2014

| | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Cash and interest-bearing deposits | \$ 275,695 | \$ 107,855 |
| Receivables - | | |
| Accounts | 56,795 | 56,248 |
| Prepaid insurance | <u>16,151</u> | <u>17,036</u> |
| Total assets | <u>\$ 348,641</u> | <u>\$ 181,139</u> |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities: | | |
| Accounts payable | <u>\$ 60,121</u> | <u>\$ 39,115</u> |
| Fund balance: | | |
| Nonspendable (prepaid insurance) | 16,151 | 17,036 |
| Unassigned | <u>272,369</u> | <u>124,988</u> |
| Total fund balance | <u>288,520</u> | <u>142,024</u> |
| Total liabilities and fund balance | <u>\$ 348,641</u> | <u>\$ 181,139</u> |

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - General Fund

For the Year Ended October 31, 2015

With Comparative Actual Balances for the Year Ended October 31, 2014

| | 2015 | | | Variance with Final Budget Positive (Negative) | 2014 |
|--|-------------------|-------------------|-------------------|---|-------------------|
| | Budget | | Actual | | |
| | Original | Amended | | | |
| Revenues: | | | | | |
| Fees charges and commissions for services - | | | | | |
| Bond forfeitures | \$ 10,000 | \$ 11,864 | \$ 10,564 | \$ (1,300) | \$ 15,350 |
| Fees and commissions | 480,000 | 575,000 | 565,134 | (9,866) | 350,937 |
| Intergovernmental - | | | | | |
| Federal grants | 10,000 | 10,052 | 5,222 | (4,830) | - |
| On-behalf payments | 1,450,000 | 1,397,367 | 1,397,367 | - | 1,450,000 |
| Interest income | - | - | - | - | 249 |
| Total revenues | <u>1,950,000</u> | <u>1,994,283</u> | <u>1,978,287</u> | <u>(15,996)</u> | <u>1,816,536</u> |
| Expenditures: | | | | | |
| Current - | | | | | |
| General government | 1,892,500 | 1,794,523 | 1,817,708 | (23,185) | 1,883,525 |
| Capital outlay | 35,000 | 14,953 | 14,083 | 870 | 9,653 |
| Total expenditures | <u>1,927,500</u> | <u>1,809,476</u> | <u>1,831,791</u> | <u>(22,315)</u> | <u>1,893,178</u> |
| Excess (deficiency) of revenues over expenditures | 22,500 | 184,807 | 146,496 | (38,311) | (76,642) |
| Other financing sources: | | | | | |
| Transfers from Equitable Sharing Fund | - | - | - | - | 54,199 |
| Net change in fund balance | 22,500 | 184,807 | 146,496 | (38,311) | (22,443) |
| Fund balance, beginning | <u>142,024</u> | <u>142,024</u> | <u>142,024</u> | - | <u>164,467</u> |
| Fund balance, ending | <u>\$ 164,524</u> | <u>\$ 326,831</u> | <u>\$ 288,520</u> | <u>\$ (38,311)</u> | <u>\$ 142,024</u> |

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Budgetary Comparison Schedule - Expenditures - General Fund

For the Year Ended October 31, 2015

With Comparative Actual Balances for the Year Ended October 31, 2014

| | 2015 | | | Variance with Final Budget | 2014 Actual |
|---|---------------------|---------------------|---------------------|-------------------------------|---------------------|
| | Budget | | Actual | | |
| | Original | Amended | | Positive (Negative) | |
| Current: | | | | | |
| General government - | | | | | |
| Salaries and overtime | \$ 65,000 | \$ 69,953 | \$ 74,707 | \$ (4,754) | \$ 67,671 |
| On-behalf salaries and benefits | 1,450,000 | 1,397,367 | 1,397,367 | - | 1,450,000 |
| Accounting | 8,750 | 16,500 | 17,285 | (785) | 8,750 |
| Advertising | 1,000 | 2,436 | 2,480 | (44) | 702 |
| Ammunition | 10,000 | 9,981 | 9,151 | 830 | 8,642 |
| Automobile expenses | 4,000 | 5,185 | 6,837 | (1,652) | 3,360 |
| Badges | 1,000 | 5,410 | 5,048 | 362 | 779 |
| Beepers | 250 | 151 | 126 | 25 | 205 |
| Belts and holsters | 3,000 | 2,335 | 1,946 | 389 | 3,079 |
| Bullet proof vests | 5,000 | - | 2,259 | (2,259) | 3,987 |
| CALEA | 3,500 | 3,470 | 3,470 | - | 3,470 |
| Clothing allowance | 12,000 | 12,000 | 12,000 | - | 12,000 |
| Computer expense | 6,000 | 3,932 | 10,267 | (6,335) | 5,045 |
| Dues and subscriptions | 1,000 | 1,775 | 1,775 | - | 578 |
| Equipment | 10,000 | 16,822 | 21,105 | (4,283) | 7,526 |
| Equipment maintenance | 5,000 | 70 | 304 | (234) | 4,831 |
| Evidence preservation | 1,000 | 340 | 408 | (68) | 949 |
| Insurance | 75,000 | 50,741 | 47,305 | 3,436 | 72,324 |
| K9 expenses | 4,500 | 4,500 | 4,474 | 26 | 3,666 |
| Legal - incurred/paid prior to 12/31/14 | 25,000 | 33,650 | 33,650 | - | 26,981 |
| - incurred/paid after 1/1/15 | - | 2,800 | 2,786 | 14 | - |
| Medical | 10,000 | 10,000 | 10,417 | (417) | 8,992 |
| Office expense | 25,000 | 32,000 | 34,803 | (2,803) | 29,110 |
| Photographs and equipment | 5,000 | 105 | 416 | (311) | 1,750 |
| Postage | 12,000 | 10,385 | 11,756 | (1,371) | 12,543 |
| Printing and binding | 3,000 | 5,894 | 4,957 | 937 | 2,591 |
| Prisoner transportation | 5,000 | 7,645 | 7,326 | 319 | 3,610 |
| Reference books and publications | 3,000 | 4,185 | 4,154 | 31 | 2,793 |
| Tasers | 5,000 | 2,876 | 5,398 | (2,522) | 9,124 |
| Telephone | 75,000 | 61,000 | 60,905 | 95 | 72,593 |
| Training seminars | 9,000 | 4,825 | 4,177 | 648 | 9,140 |
| Transportation | 30,000 | 7,512 | 7,308 | 204 | 30,798 |
| Travel and meetings | 6,000 | 205 | 434 | (229) | 5,686 |
| Uniforms | 3,500 | 7,944 | 10,183 | (2,239) | 3,031 |
| Weapons | 10,000 | 529 | 724 | (195) | 7,219 |
| Total general government | 1,892,500 | 1,794,523 | 1,817,708 | (23,185) | 1,883,525 |
| Capital outlay | 35,000 | 14,953 | 14,083 | 870 | 9,653 |
| Total expenditures | <u>\$ 1,927,500</u> | <u>\$ 1,809,476</u> | <u>\$ 1,831,791</u> | <u>\$ (22,315)</u> | <u>\$ 1,893,178</u> |

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Balance Sheet - Nonmajor Governmental Funds
 October 31, 2015

| | Drug Enforcement Fund | Equitable Sharing Fund | Total Nonmajor Governmental Funds |
|------------------------------------|-----------------------------|------------------------------|--|
| | <u> </u> | <u> </u> | <u> </u> |
| ASSETS | | | |
| Cash and interest-bearing deposits | <u>\$ 14,327</u> | <u>\$ 7,417</u> | <u>\$ 21,744</u> |
| FUND BALANCES | | | |
| Fund balances: | | | |
| Restricted | <u>\$ 14,327</u> | <u>\$ 7,417</u> | <u>\$ 21,744</u> |

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Nonmajor Governmental Funds
 For the Year Ended October 31, 2015
 With Comparative Actual Balances for the Year Ended October 31, 2014

| | 2015 | | | 2014 |
|---|-----------------------|------------------------|-----------------------------------|------------------|
| | Drug Enforcement Fund | Equitable Sharing Fund | Total Nonmajor Governmental Funds | |
| Revenues: | | | | |
| Fees charges and commissions for services - | | | | |
| Fees and commissions | \$ 709 | \$ - | \$ 709 | \$ 5,961 |
| Interest income | 18 | - | 18 | 82 |
| Total revenues | <u>727</u> | <u>-</u> | <u>727</u> | <u>6,043</u> |
| Expenditures: | | | | |
| Current - | | | | |
| General government | <u>2,450</u> | <u>-</u> | <u>2,450</u> | <u>8</u> |
| Excess (deficiency) of revenues over expenditures | (1,723) | - | (1,723) | 6,035 |
| Other financing uses: | | | | |
| Transfers to General Fund | <u>-</u> | <u>-</u> | <u>-</u> | <u>(54,199)</u> |
| Net change in fund balances | (1,723) | - | (1,723) | (48,164) |
| Fund balances, beginning | <u>16,050</u> | <u>7,417</u> | <u>23,467</u> | <u>71,631</u> |
| Fund balances, ending | <u>\$ 14,327</u> | <u>\$ 7,417</u> | <u>\$ 21,744</u> | <u>\$ 23,467</u> |

**INTERNAL CONTROL, COMPLIANCE,
AND OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Marshal
City Court of Lafayette, Louisiana
Lafayette, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Marshal – City Court of Lafayette, Louisiana (Marshal) as of and for the year ended October 31, 2015, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements and have issued our report thereon dated April 26, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Marshal's internal control. Accordingly, we do not express an opinion on the effectiveness of the Marshal's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 a 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.

We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2015-001 and 2015-002 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Marshal's financial statements are free of 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*.

Marshal's Response to Findings

The Marshal's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The Marshal's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

April 26, 2016
Lafayette, Louisiana

MARSHAL - CITY COURT OF LAFAYETTE, LOUISIANA

Summary Schedule of Current and Prior Year
Audit Findings and Management's Corrective Action Plan
For the Year Ended October 31, 2015

| <u>Ref. No.</u> | <u>Fiscal Year Finding Initially Occurred</u> | <u>Finding</u> | <u>Corrective Action Taken</u> | <u>Corrective Action Planned</u> | <u>Name of Contact Person</u> | <u>Anticipated Completion Date</u> |
|-----------------------------------|---|--|--------------------------------|--|-------------------------------|------------------------------------|
| <u>CURRENT YEAR (10/31/15) --</u> | | | | | | |
| <u>Internal Control:</u> | | | | | | |
| 2015-001 | 2007 | The Marshal's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes. | N/A | The Marshal has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the Marshal's office to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation. | Brian Pope, City Marshal | N/A |
| 2015-002 | 2014 | Due to the small number of employees, the Marshal did not have adequate segregation of functions within the accounting system. | N/A | No response is considered necessary. | Brian Pope, City Marshal | N/A |
| <u>Management Letter:</u> | | | | | | |
| 2015-003 | 2015 | The Marshal receives a six percent administrative fee for garnishment collections. Based upon review of the Louisiana Revised Statutes and existing Attorney General Opinions relative to this matter, it is unclear whether this is acceptable practice. It is recommended that the Marshal obtain further guidance from the Attorney General in this matter. | No | The Marshal will request guidance from the Attorney General. | Brian Pope, City Marshal | 10/31/2016 |
| <u>PRIOR YEAR (10/31/14) --</u> | | | | | | |
| <u>Internal Control:</u> | | | | | | |
| 2014-001 | 2007 | The Marshal's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes. | N/A | The Marshal has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that it is in the best interests of the Marshal's office to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation. | Brian Pope, City Marshal | N/A |
| 2014-002 | 2014 | Due to the small number of employees, the Marshal did not have adequate segregation of functions within the accounting system. | N/A | No response is considered necessary. | Brian Pope, City Marshal | N/A |

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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MANAGEMENT LETTER

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Retired:
Conrad O. Chapman, CPA* 2006

**Brian Pope, City Marshal
Lafayette, Louisiana**

During our audit of the basic financial statements of the Marshal – City Court of Lafayette Louisiana for the year ended October 31, 2015, we noted the following area in which the operations of the Marshal could be improved.

1. The Marshal receives a six percent administrative fee for garnishment collections. Based upon review of the Louisiana Revised Statutes and existing Attorney General Opinions relative to this matter, it is unclear whether this is acceptable practice. It is recommended that the Marshal obtain further guidance from the Attorney General in this matter.

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance please feel free to contact us.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
April 26, 2016