

JEANERETTE CITY MARSHAL

Jeanerette, Louisiana

Financial Report

Year Ended June 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1-2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of net position	5
Statement of activities	6
Fund Financial Statements	
Governmental funds -	
Balance sheet	9-10
Statement of revenues, expenditures, and changes in fund balances	11-12
Statement of fiduciary net position	13
Statement of changes in fiduciary net position	14
Notes to basic financial statements	15-24
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules	
General fund	26
Special revenue fund	27
Notes to budgetary comparison schedule	28-29
SUPPLEMENTARY INFORMATION	
Justice system funding schedules	
Collecting/disbursing entity	31
Receiving entity	32
REQUIREMENTS OF THE <i>LOUISIANA GOVERNMENTAL AUDIT GUIDE</i>	
Independent accountant's report on applying agreed-upon procedures	34-37
Schedule of findings	38-40
Summary schedule of prior findings	41
Corrective action plan for current findings	42
Schedule of findings of state regulatory agencies	43-44
Louisiana attestation questionnaire	Exhibit A

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Honorable Fernest Martin, Marshal
Jeanerette City Marshal
Jeanerette, Louisiana

Report on the Financial Statements

We have reviewed the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Jeanerette City Marshal (hereinafter "Marshal"), a component unit of the City of Jeanerette, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Marshal's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Marshal. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Marshal, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require budgetary comparison information 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. Such information is the responsibility of management. The information was not audited or reviewed, and we do not express an opinion, a conclusion, nor provide any assurance on it.

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

Supplementary Information

The justice system funding schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules are the responsibility of the Marshal's management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. The schedules have been subjected to our review procedures applied in the review of the basic financial statements. We are not aware of any material modifications that should be made to the schedules. We have not audited the schedules and do not express an opinion on them.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
September 27, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 33,630
Due from other governmental units	8,012
Capital assets, net	<u>76,458</u>
Total assets	<u>118,100</u>
LIABILITIES	
Accounts payable	<u>5,700</u>
NET POSITION	
Net investment in capital assets	76,458
Restricted	366
Unrestricted	<u>35,576</u>
Total net position	<u>\$ 112,400</u>

See accompanying notes to financial statements and independent accountant's review report

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Activities
Year Ended June 30, 2021

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ <u>279,126</u>	\$ <u>137,281</u>	\$ <u>166,705</u>	\$ 24,860
				87,540
				\$ 112,400

See accompanying notes to financial statements and independent accountant's review report.

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTION

General Fund

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

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Other Governmental Funds	Total
ASSETS			
Cash	\$ 33,264	\$ 366	\$ 33,630
Due from other governmental units	8,012	-	8,012
Total assets	\$ 41,276	\$ 366	\$ 41,642
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 5,700	\$ -	\$ 5,700
Fund balances:			
Restricted	-	366	366
Unassigned	35,576	-	35,576
Total fund balances	35,576	366	35,942
Total liabilities and fund balances	\$ 41,276	\$ 366	\$ 41,642

(continued)

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Balance Sheet (continued)
Governmental Funds
June 30, 2021

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

Total fund balances for the governmental fund at June 30, 2021	\$ 35,942
Total net position reported for governmental activities in the statement of net position is different because:	
Cost of capital assets, net of accumulated depreciation	<u>76,458</u>
Total net position of governmental activities at June 30, 2021	<u>\$ 112,400</u>

See accompanying notes to financial statements and independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Revenues:			
Fees, charges, and commission for services	\$ 134,886	\$ 2,395	\$ 137,281
Intragovernmental	137,808	-	137,808
Miscellaneous	<u>28,897</u>	<u>-</u>	<u>28,897</u>
Total revenues	<u>301,591</u>	<u>2,395</u>	<u>303,986</u>
Expenditures:			
General government	265,094	3,844	268,938
Capital outlay	<u>19,998</u>	<u>-</u>	<u>19,998</u>
Total expenditures	<u>285,092</u>	<u>3,844</u>	<u>288,936</u>
Net changes in fund balances	16,499	(1,449)	15,050
Fund balances, beginning	<u>19,077</u>	<u>1,815</u>	<u>20,892</u>
Fund balances, ending	<u>\$ 35,576</u>	<u>\$ 366</u>	<u>\$ 35,942</u>

(continued)

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
Governmental Funds
Year Ended June 30, 2021

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

Total net changes in fund balances at June 30, 2021 per statement of revenues, expenditures and changes in fund balances	\$ 15,050
The change in net position reported for governmental activities in the statement of activities is different because:	
Cost of capital outlay	19,998
Depreciation expense	<u>(10,188)</u>
Total changes in net position at June 30, 2021 per statement of activities	<u>\$ 24,860</u>

See accompanying notes to financial statements and independent accountant's review report

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Fiduciary Net Position
June 30, 2021

	<u>Custodial Fund</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$ 182</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 182</u>

See accompanying notes to financial statements and independent accountant's review report

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2021

	<u>Custodial Fund</u>
Additions:	
Garnishment collections	\$ 50,951
Reductions:	
Judgment payments	47,928
Marshal commissions	<u>2,841</u>
Total reductions	<u>50,769</u>
Change in net position	182
Net position, beginning	<u>-</u>
Net position, ending	<u>\$ 182</u>

See accompanying notes to financial statements and independent accountant's review report

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements

INTRODUCTION

As provided by LSA-RS 13:1871 et seq, the Third Ward Court of Iberia Parish (Jeanerette City Court) was established and included the creation of the office of the Marshal. The territorial jurisdiction of the Marshal extends throughout the City of Jeanerette and throughout the whole of Ward Three of Iberia Parish. The Marshal is elected for a six-year term. The Marshal's salary is funded by the City of Jeanerette at no cost to the Marshal's Cost Fund.

(1) Summary of Significant Accounting Policies

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

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

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

Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended, established criteria for determining which component units should be considered part of the City of Jeanerette for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

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

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

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

B. Basis of Presentation

Government-Wide Financial Statements

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are only reported in the statement of fiduciary net position and statement of changes in fiduciary net position at the fund financial statement level.

Fund Financial Statements

The Marshal uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Marshal are classified into 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 ten (10) percent of the corresponding total for all governmental funds. The general fund of the Marshal is considered to be a major fund.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

The funds of the Marshal are described below:

Governmental Funds -

General Fund

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

The Marshal also presents the following fund types:

Special Revenue Fund

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes. Act 166 of the 2019 Louisiana Legislative Session amended RS 13:5807 by requiring certain excess fees be deposited in an Equipment and Training Fund. The expenditure of these deposits is restricted in use 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 report assets held in a trustee or custodial capacity for others and therefore are not available to support the Marshal's programs. The Marshal has adopted GASBS No. 84 for the reporting and classification of its fiduciary activities. Fiduciary reporting focus is on net position and changes in net position and are reported using the accrual basis of accounting.

The Marshal's fiduciary fund (custodial) is presented in the fiduciary fund financial statements. Because by definition these assets are being held for the benefit of a third party (individuals, organizations, other governments, etc.) and cannot be used to address activities or obligations of the Marshal, these funds are not incorporated into the government-wide financial statements.

The custodial fund of the Marshal is the Garnishment Fund. The Garnishment Fund is used to account for assets held by the Marshal as agent for the collection of court-ordered garnishment judgments. The Marshal charges an administrative fee and remits all other funds to the respective creditors.

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.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Measurement Focus

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

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

Basis of Accounting

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

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

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

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

Capital Assets

Capital assets, which include vehicles, furniture, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

recorded as capital assets at their estimated fair market value at the date of donation. The Marshal maintains a threshold level of \$500 or more for capitalizing assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Equipment	5-7 years
Automobiles	3-5 years
Building improvements	20 years

Equity Classifications

Government-wide Financial Statements

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the Marshal considers restricted funds to have been spent first.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance for the Marshal's governmental funds is displayed depicting the relative strength of the spending constraints placed on the purposes for which resources can be used. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

- b. Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments
- c. Committed - amounts that can be used only for specific purposes determined by a formal action of the Marshal. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Marshal.
- d. Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Marshal may assign amounts for specific purposes.
- e. Unassigned - all other spendable amounts.

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

E. Expenditures and Expenses

Expenditures Expenses

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

(2) Cash and Interest-bearing Deposits

Under state law, the Marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2021, the Marshal has a cash balance (book balance) totaling \$33,812 as follows.

	Governmental Activities	Fiduciary Funds	Total
Cash and interest-bearing deposits	\$ 33,630	\$ 182	\$ 33,812

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

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

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 Marshal will not be able to recover collateral securities that are in the possession of an outside party. The Marshal has not formally adopted policies that limit allowable deposits or investments and address the specific type of risk to which the Marshal is exposed. Deposit balances (bank balances) at June 30, 2021, were \$37,355 which were fully secured by federal deposit insurance and not subject to custodial credit risk.

(3) Capital Assets

A summary of changes in capital assets follows:

	<u>7/1/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2021</u>
Governmental activities:				
Building improvements	\$ 5,731	\$ -	\$ -	\$ 5,731
Automobiles	253,074	18,384	(49,326)	222,132
Equipment	110,651	1,614	(20,791)	91,474
Total capital assets	<u>369,456</u>	<u>19,998</u>	<u>(70,117)</u>	<u>319,337</u>
Less: accumulated depreciation				
Building improvements	(1,867)	(287)		(2,154)
Automobiles	(204,275)	(4,085)	49,326	(159,034)
Equipment	(96,666)	(5,816)	20,791	(81,691)
Total accumulated depreciation	<u>(302,808)</u>	<u>(10,188)</u>	<u>70,117</u>	<u>(242,879)</u>
Net capital assets	<u>\$ 66,648</u>	<u>\$ 9,810</u>	<u>\$ -</u>	<u>\$ 76,458</u>

Depreciation expense in the amount of \$10,188 for the year ended June 30, 2021 was charged to the general government function.

(4) Retirement Plan

Substantially, all employees of the Marshal's office are members of the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Marshal's office are members of Plan A Teir 2. All permanent employees working at least 35 hours per week who are paid wholly from city funds and all elected city officials are eligible to participate in the System.

Regular retirement benefits

A member of Plan A Teir 2 is eligible to retire and receive regular benefits if the member has credit for at least.

1. Age 67 with seven (7) years of creditable service
2. Age 62 with ten (10) years of creditable service

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

3. Age 55 with thirty (30) years of creditable service
4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A Tier 2 shall consist of an amount equal to three percent of the member's final compensation multiplied by his years of creditable 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 limited to specified amounts. An additional regular retirement benefit can be received for any City marshal or deputy City marshal. See Plan Booklet for further details.

The System issued an annual, publicly available financial report that includes financial statements and required supplementary information for the System. A publicly available financial report that includes financial statements and required supplemental financial information may be obtained from the System's website, www.mersla.com, or on the Louisiana Legislative Auditor's website, www.la.la.gov.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.50% of their earnable compensation. Contributions to the System also include one-fourth of one percent (except Orleans parish) of the taxes shown to be collectible by the tax rolls of each parish. The System also receives revenue sharing funds each year as appropriated by Legislature. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. As provided by RS 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City of Jeanerette makes contributions to the retirement system on-behalf of the Marshal. Therefore, the disclosure of pension liabilities, deferred outflows of resources and deferred inflows of resources required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, are included within the City's financial report. The City's publicly available financial report may be obtained by writing to the City of Jeanerette, P. O. Box 209, Jeanerette, LA 70544.

(5) Compensation and Other Payments to Marshal

Act 706 of the 2014 Legislative Session amended RS 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Payments to and on behalf of Marshal Fernest Martin for the year ended are as follows.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

Commissions	\$ 2,841
On behalf by City of Jeanerette.	
Salary	35,352
State supplemental	6,000
Retirement	12,199
Insurance - Life	411
Witness fee/off duty fee	100
Travel - car allowance	7,800
Membership reimbursement	150
Total	<u>\$ 64,853</u>

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

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires the Marshal to report on-behalf payments made by the City of Jeanerette and the Iberia Parish Government for salaries and related benefit to the Marshal and the Marshal's employees. The basis for recognizing the revenues and expenditure payments is that actual contributions are made by the City and the Parish and not by the Marshal. For the year ended June 30, 2021, the City and Parish paid salaries and related benefits to the marshal and deputy marshals totaling \$113,808 and \$24,000, respectively, which include payments to the Municipal Employees Retirement System of Louisiana.

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

The cost of some expenditures for the operation of the Marshal's office as required by Louisiana Revised Statute 13.1889, is paid by the City of Jeanerette. Such expenditures are not included in the accompanying financial statements.

(8) Risk Management

The Marshal is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The Marshal's primary government, the City of Jeanerette, has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss.

The City is insured up to policy limits for each of the above risks. There were no significant changes in coverage, retentions, or limits during the year ended June 30, 2021. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years. The Marshal has made no contributions to the premiums on the policy during the year ended June 30, 2021.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Financial Statements (continued)

(9) Subsequent Events

Subsequent to year end, the Louisiana Legislative Auditor's office performed an investigative audit in accordance with LA R.S. 24:513, *et seq.* for allegations against the Marshal for misappropriation of assets and other allegations. The results of this investigation were released by the Louisiana Legislative Auditor's office in a report dated February 23, 2022. The report can be found at www.la.gov.

(10) Accounting Standards Scheduled to be Implemented

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Marshal's financial report:

GASB Statement No. 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statements will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use an asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after December 15, 2019. GASBS No. 95 postponed this statement by 18 months. The Marshal will include the requirements of this standard, as applicable, in its April 30, 2022 financial statements. All of the Marshal's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Marshal are unknown at this time.

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The standard is effective for annual reporting periods beginning after June 15, 2022. The effect of this standard or its applicability to the Marshal are unknown at this time.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including subscription costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions of GASBS No. 96 are effective for fiscal years beginning after June 15, 2022. The effect of implementation on the Marshal's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana
General Fund

Budgetary Comparison Schedule
Year Ended June 30, 2021

	Budget Amounts		Actual	Variance -
	Original	Final	(Non-GAAP Basis)	Positive (Negative)
Revenues:				
Fees, charges, and commission for services	\$123,164	\$123,164	\$134,886	\$ 11,722
City of Jeanerette and Iberia Parish - on behalf	101,160	101,160	137,808	36,648
Miscellaneous	<u>1,031</u>	<u>1,031</u>	<u>28,897</u>	<u>27,866</u>
Total revenues	<u>225,355</u>	<u>225,355</u>	<u>301,591</u>	<u>76,236</u>
Expenditures:				
General government:				
Current -				
Automobile	62,558	62,558	69,760	(7,202)
Contract labor	3,766	3,766	6,938	(3,172)
Office operation and supplies	8,536	8,536	12,429	(3,893)
Miscellaneous	40,042	40,042	1,251	38,791
Professional fees	3,500	3,500	19,825	(16,325)
Retirement benefits	21,300	21,300	28,049	(6,749)
Travel and conferences	12	12	926	(914)
Uniforms	790	790	5,191	(4,401)
Utilities	15,792	15,792	15,850	(58)
Supplies	1,434	1,434	4,852	(3,418)
Repairs and maintenance	4,779	4,779	897	3,882
Capital outlay -	<u>-</u>	<u>-</u>	<u>19,998</u>	<u>(19,998)</u>
Total expenditures	<u>162,509</u>	<u>162,509</u>	<u>185,966</u>	<u>(23,457)</u>
Net change in fund balance	62,846	62,846	115,625	52,779
Fund balance, beginning	<u>19,077</u>	<u>19,077</u>	<u>19,077</u>	<u>-</u>
Fund balance, ending	<u>\$ 81,923</u>	<u>\$ 81,923</u>	<u>\$134,702</u>	<u>\$ 52,779</u>

See independent accountant's review report and notes to budgetary comparison schedules.

JEANERETTE CITY MARSHAL
 Jeanerette, Louisiana
 Special Revenue Fund

Budgetary Comparison Schedule
 Year Ended June 30, 2021

	Budget Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Fees, charges, and commission for services	\$ 2,400	\$ 2,400	\$ 2,395	\$ (5)
Expenditures:				
General government:				
Current -				
Office operation and supplies	300	300	238	62
Travel and conferences	<u>3,600</u>	<u>3,600</u>	<u>3,606</u>	<u>(6)</u>
Total expenditures	<u>3,900</u>	<u>3,900</u>	<u>3,844</u>	<u>56</u>
Net change in fund balance	(1,500)	(1,500)	(1,449)	51
Fund balance, beginning	<u>1,815</u>	<u>1,815</u>	<u>1,815</u>	<u>-</u>
Fund balance, ending	<u>\$ 315</u>	<u>\$ 315</u>	<u>\$ 366</u>	<u>\$ 51</u>

See independent accountant's review report and notes to budgetary comparison schedules.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Budgetary Comparison Schedules

(1) Budgetary Basis

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

(2) Budgetary Practices

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

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

(3) Actual Expenditures in Excess of Budgeted Appropriations

Actual expenditures exceeded budgeted appropriations in the General Fund by \$23,457.

(4) Non-GAAP Reporting Reconciliation

Budgetary amounts adopted by the Marshal for the General Fund do not include salaries and benefits paid by the City of Jeanerette and Iberia Parish Government to the Marshal and the Marshal's employees. These on-behalf payments are reflected as expenditures in the Marshal's financial statements as required by GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Notes to Budgetary Comparison Schedules (continued)

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

	<u>As Reported</u>	<u>Adjustment to Budgetary Basis</u>	<u>Non-GAAP Basis</u>
Expenditures:			
General government:			
Current -			
Automobile	69,760	-	69,760
Contract labor	6,938	-	6,938
Office operation and supplies	12,429	-	12,429
Miscellaneous	1,251	-	1,251
Professional fees	19,825	-	19,825
Retirement benefits	28,049	-	28,049
Salaries and benefits	99,126	(99,126)	-
Travel and conferences	926	-	926
Uniforms	5,191	-	5,191
Utilities	15,850	-	15,850
Supplies	4,852	-	4,852
Repairs and maintenance	897	-	897
Capital outlay -	<u>19,998</u>	<u>-</u>	<u>19,998</u>
Total expenditures	<u>285,092</u>	<u>(99,126)</u>	<u>185,966</u>

SUPPLEMENTARY INFORMATION

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Entity
Year Ended June 30, 2021

	Garnishment Fund	
	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
Beginning Balance of Amounts Collected	\$ -	\$ 183
Add: Collections		
Civil Fees	28,275	22,676
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collection/Disbursing to Others Based on Percentage of Collections	28,092	22,104
Less: Disbursements to Individuals/3rd party Collection or Processing Agencies		
Civil Fee Refunds	-	573
Subtotal Disbursements/Retainage	28,092	22,677
Ending Balance of Amounts Collected but not Disbursed/Retained	\$ 183	\$ 182

See independent accountant's review report.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Justice System Funding Schedule - Receiving Entity
Year Ended June 30, 2021

	General Fund		Special Revenue Fund	
	First Six	Second Six	First Six	Second Six
	Month Period	Month Period	Month Period	Month Period
	Ended	Ended	Ended	Ended
	12/31/2020	6/30/2021	12/31/2020	6/30/2021
Receipts from:				
Ward Three Court of Iberia Parish - Civil Costs	\$ -	\$ -	\$ 1,170	\$ 900
Ward Three Court of Iberia Parish - Criminal Fees	39,150	23,040	-	-
Total	\$ 39,150	\$ 23,040	\$ 1,170	\$ 900

See independent accountant's review report

REQUIREMENTS OF THE *LOUISIANA GOVERNMENTAL AUDIT GUIDE*

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Matthew E. Margaglio, CPA*
Casey L. Ardoin, CPA, CFE*
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Nicholas Fowlkes, CPA
Deidre L. Stock, CPA

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Fernest Martin, Marshal
Jeanerette City Marshal, and
Louisiana Legislative Auditor

We have performed the procedures enumerated below on the compliance of the Jeanerette City Marshal (hereinafter "Marshal") with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A) during the year ended June 30, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The management of the Marshal is responsible for its financial records and compliance with applicable laws and regulations.

An agreed-upon procedures engagement involves the performing of specific procedures that the Marshal has agreed to and acknowledged to be appropriate to meet the intended purpose of the engagement in determining the Marshal's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A) and report on exceptions based on the procedures performed. Additionally, the Louisiana Legislative Auditor (LLA) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (RS.) 39:1551-39:1755 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year that exceeded \$30,000 for material and supplies, nor were there any expenditures for public works made during the year that exceeded \$250,000.

Code of Ethics for Public Officials and Public Employees

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

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

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

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

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

Obtained a listing of all disbursements made during the year, and a listing of outside business interest of the Marshal, employees, and Marshal's and employees' families. No vendors appeared on both lists.

Budgeting

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

Management provided us with a copy of the original budget for the General Fund and Special Revenue Fund. There were no budgetary amendments made

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

Budget adoption procedures were documented by the execution of a proces verbal.

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

Actual revenues did not fail to meet budgeted amounts by five percent or more; however, actual expenditures exceeded budgeted amounts by more than five percent for the General Fund.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- a) report whether the six disbursements agree to the amount and payee in the supporting documentation;

No exceptions were identified as a result of applying this procedure.

- b) report whether the six disbursements are coded to the correct fund and general ledger account, and

No exceptions were identified as a result of applying this procedure.

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

No exceptions were identified as a result of applying this procedure.

Meetings

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

Not applicable – The Marshal is an independently elected official and does not convene meetings for which minutes are maintained.

Debt

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

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

Advances and Bonuses

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

We inspected payroll records for the fiscal period and observed no payments which would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the Marshal provided for a timely report in accordance with RS 24:513.

The Marshal has not provided for a timely report in accordance with RS 24 513.

14. Inquire of management and report whether the Marshal entered into any contracts that utilized state funds as defined in RS 39:72.1 A. (2), and that were subject to the public bid law (RS 38:2211, et seq.), while the Marshal was not in compliance with RS 24:513 (the audit law).

Management represented the Marshal entered into no contracts that utilized state funds as defined in RS 39:72.1A.(2); and that were subject to public bid law (RS 38:2211, et seq.), while the Marshal was not in compliance with RS 24:513 (the audit law)

Prior-Year Comments

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

The prior year report, dated March 25, 2021, did not include any suggestions, exceptions, recommendations, or comments with regard to the foregoing agreed upon procedures.

We were engaged by the Marshal to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable provisions of *Government Auditing Standards*, issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Marshal's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had

we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Marshal and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on the Marshal's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A), as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the results of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information of and use by the management of the Marshal and LLA and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose. In accordance with Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
September 27, 2023

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings
Year Ended June 30, 2021

Findings reported in accordance with *Government Auditing Standards*:

2021-001 – Inadequate Segregation of Duties

Year Initially Occurring. Unknown

CONDITION: Accounting and financial functions are not adequately segregated.

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

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

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

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

2021-002 – Financial Reporting

Year initially occurring. Unknown

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

CRITERIA. The Marshal's internal control over financial reporting includes those policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements and to apply GAAP in the preparation of those financial statements and related disclosures.

CAUSE: The condition results from the relatively small size of the Marshal and the increased costs of hiring personnel to prepare GAAP-based financial statements.

EFFECT: GAAP-based financial statements, as applicable to governmental entities, are not prepared by the Marshal.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings (continued)
Year Ended June 30, 2021

2021-003 – Automobile Allowance

Year Initially Occurring: Year ended June 30, 2021

CONDITION: Payment of an automobile allowance to the Marshal may be considered a salary supplement which may be violative of statutory provisions.

CRITERIA. RS 13:1881(B) provides that a city marshal may use funds available to his office to pay additional compensation to deputy marshals, but not to fix or supplement his own salary. The Marshal's salary is determined and paid by the City of Jeanerette and Iberia Parish Government

CAUSE: Unfamiliarity with statutory provisions.

EFFECT: The Marshal may not be compliant with RS 13:1881(B).

RECOMMENDATION: We recommend the Marshal discontinue the payment of the automobile allowance and consult with legal counsel and or the Louisiana Attorney General regarding the legality of the payments.

2021-004 – Local Government Budget Act

Year Initially Occurring: Year ended June 30, 2020

CONDITION: Budget variances in excess of 5% were incurred in the General Fund expenditures.

CRITERIA. RS 39:1311 et seq., Budgetary Authority and Control, provides for the following: "A. The adopted budget and any duly authorized adopted amendments shall form the framework from which the chief executive or administrative officers and members of the governing authority of the political subdivision shall monitor revenues and control expenditures. The chief executive or administrative officer for a political subdivision subject to public participation shall advise the governing authority or independently elected official in writing when.

(2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more."

CAUSE: The condition results from a failure to comply with the Louisiana Local Government Budget Act.

EFFECT: The Marshal may not be in compliance with certain provisions of RS 39:1301 et seq. the Local Government Budget Act.

RECOMMENDATION: We recommend that the Marshal implement policies and procedures to comply with the Local Government Budget Act.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings (continued)
Year Ended June 30, 2021

2021-005 – Late Audit Submission

Year Initially Occurring: Year ended June 30, 2021

CONDITION: The report for the Marshal's required engagement was not completed and submitted to the Office of the Louisiana Legislative Auditor within six months of year end.

CRITERIA. RS 24:513 et seq provides for the completion of required engagements within six months of the close of the entity's fiscal year.

CAUSE: The condition results from a failure to comply with statutory provisions.

EFFECT: The Marshal is not compliant with RS 24:513.

RECOMMENDATION: We recommend that the Marshal institute policies and procedures to ensure its engagement report is completed and submitted to the Louisiana Legislative Auditor within six months of year end.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Summary Schedule of Prior Findings
Year Ended June 30, 2021

Findings reported in accordance with *Government Auditing Standards*:

2020-001 – Inadequate Segregation of Duties

Year Initially Occurring: Unknown

CONDITION: Accounting and financial functions are not adequately segregated.

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

CURRENT STATUS: See schedule of findings, item 2021-001

2020-002 – Financial Reporting

Year Initially Occurring: Unknown

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

CURRENT STATUS: See schedule of findings, item 2021-002.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Corrective Action Plan for Current Findings
Year Ended June 30, 2021

2021-001 – Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: Not applicable.

2021-002 – Financial Reporting

CONDITION: The Marshal lacks adequate staff and the expertise to properly prepare financial statements in accordance with U.S. GAAP, as applicable to governmental entities.

MANAGEMENT'S RESPONSE: Management continues to evaluate the cost-benefit of outsourcing the preparation of the Marshal's financial statements to its independent auditors rather than incur the costs to employ someone to prepare GAAP-based financial statements and have determined that it would be more cost effective to outsource the preparation of the financial statements. We will review the financial statements, notes, and any supplementary information prior to accepting responsibility for their presentation and content.

2021-003 – Automobile Allowance

CONDITION: Payment of an automobile allowance to the Marshal may be considered a salary supplement which may be violative of statutory provisions.

MANAGEMENT'S RESPONSE: The Marshal will consult with legal counsel and, if necessary, discontinue the payment of vehicle allowances unless approved and paid by the City of Jeanerette and/or the Iberia Parish Government.

2021-004 – Local Government Budget Act

CONDITION: The Marshal incurred budget variances in excess of 5% in the General Fund

MANAGEMENT'S RESPONSE: The Marshal will more closely monitor budget to actual comparisons and adopt the necessary amendments to ensure compliance with state statute.

2021-005 – Late Audit Submission

CONDITION: The Marshal's engagement report was not completed and submitted to the Office of the Louisiana Legislative Auditor within six months of year end.

MANAGEMENT'S RESPONSE: The Marshal will ensure that its engagement report is submitted to the Louisiana Legislative Auditor in accordance with state statute.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings of State Regulatory Agencies
Year Ended June 30, 2021

On February 23, 2023, the Louisiana Legislative Auditor issued an investigative audit report conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions of the Marshal. The report contained five (5) findings which are summarized as follows

(1) Marshal's Office Paid Deputy Marshals Their Regular Wages Salaries While They Were Working Private Off-Duty Security Details

Records and statements obtained from third parties with knowledge of the Jeanerette City Marshal's Office (JCMO) show that Jeanerette City Marshal Ernest Martin instructed employees to work private security details in Texas and Lake Charles, Louisiana in the aftermath of Hurricane Harvey. From August 30, 2017 to September 26, 2017, the full-time employees that worked private security details were paid their regular wages salaries, totaling \$10,925, without taking leave; used JCMO vehicles to travel to and from these details; and used JCMO fuel cards to purchase fuel totaling \$1,790. In addition, it appears that Marshal Martin previously loaned money to the private security company's representative, who offered to repay the loan with proceeds from the security details JCMO employees worked in Texas and Lake Charles, Louisiana. By allowing JCMO employees and resources to be used for private security details and entering into a transaction with the security company's representative, Marshal Martin may have violated state law.

(2) Marshal Received Improper Compensation

From January 2012 through June 2021, JCMO improperly paid Marshal Martin \$119,639 in overtime and auto allowance payments. State law prohibits a city marshal from using his office's funds to fix or supplement his own salary. By using JCMO funds to supplement his salary, Marshal Martin may have violated state law.

(3) Possible Dual Office Holding and Dual Employment

From August 7, 2017 to February 24, 2020, Marshal Martin simultaneously held positions as the elected Jeanerette City Marshal, the appointed police chief for the City of Jeanerette (City), and a full-time employee of the Iberia Parish School Board. State law prohibits an elected official from holding a full-time appointed position in a political subdivision. State law further prohibits a person holding a full-time appointed position in a political subdivision from holding other full-time employment in a political subdivision. Because Marshal Martin appears to have worked full-time as the appointed police chief for the City, he may have violated state dual employment laws by simultaneously holding an elected office and full-time employment in a political subdivision.

(4) Improper Christmas Bonuses

From December 2013 through November 2018, JCMO improperly paid Christmas bonuses totaling \$19,450 to employees, including \$4,400 to Marshal Martin. The payment of Christmas bonuses may have violated the Louisiana Constitution, which prohibits the donation of public funds, and state law.

JEANERETTE CITY MARSHAL
Jeanerette, Louisiana

Schedule of Findings of State Regulatory Agencies (continued)
Year Ended June 30, 2021

(5) Marshal Participated in Two Publicly-Funded Retirement Systems in Possible Violation of State Law

Since January 2009, Marshal Martin has participated in two publicly-funded retirement systems: the Teacher's Retirement System of Louisiana (TRSL) and the Municipal Employees' Retirement System of Louisiana (MERS). The state laws that established MERS prohibit its members from participating in another publicly-funded retirement system. By participating in TRSL and MERS, Marshal Martin may have violated state law.

LOUISIANA ATTESTATION QUESTIONNAIRE
Exhibit A

Jeanerette City Marshal
Louisiana Attestation Questionnaire
Year Ended June 30, 2021

Kolder, Slaven & Company, LLC, CPAs
Post Office Box 3438
Morgan City, Louisiana 70381

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below as of June 30, 2021 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 Through 42:28.

Yes No N/A

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No N/A

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes No N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes No N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No [] N/A []

The previous responses have been made to the best of our belief and knowledge.



Fernest Martin
Jeanerette City Marshal

6/20/23
Date