

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

**6. EXPENDITURES OF THE CITY MARSHAL
PAID BY THE CITY OF BASTROP**

The accompanying financial statements do not include certain expenditures of the city marshal paid out of the funds of the City of Bastrop.



Independent Auditor's Report

HONORABLE ROY D. LEE
CITY MARSHAL OF BASTROP
Bastrop, Louisiana

I have audited the general purpose financial statements of the City Marshal of Bastrop as of December 31, 1996, and for each of the years in the two year period then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the City Marshal of Bastrop's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City Marshal of Bastrop as of December 31, 1996, and the results of its operations for each of the years in the two year period then ended, in conformity with generally accepted accounting principles.

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HONORABLE ROY D. LEE
CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Independent Auditor's Report on
Internal Control Structure,
December 31, 1996

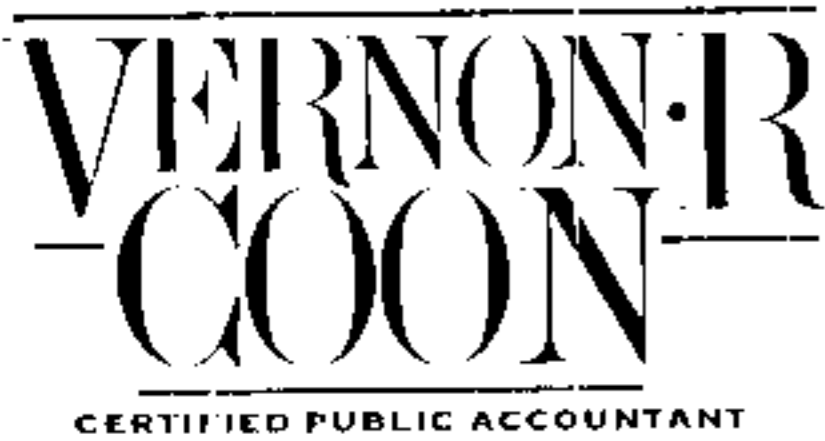
In planning and performing my audit of the general purpose financial statements of the City Marshal of Bastrop as of December 31, 1996, and for each of the years in the two year period then ended, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

This report is intended for the information of the City Marshal of Bastrop. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana
April 22, 1997



**Independent Auditor's Report
on Internal Control Structure**

HONORABLE ROY D. LEE
CITY MARSHAL OF BASTROP
Bastrop, Louisiana

I have audited the general purpose financial statements of the City Marshal of Bastrop, a component unit of the City of Bastrop, as of December 31, 1996, and for each of the years in the two year period then ended, and have issued my report thereon dated April 22, 1997.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City Marshal of Bastrop is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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**Independent Auditor's Reports Required
by *Government Auditing Standards***

The following independent auditor's reports on compliance with laws and regulations and internal control structure are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

CITY MARSHAL OF BASTROP
 Bastrop, Louisiana
 Notes to the Financial Statements (Continued)

Balance at January 1, 1995	\$1,652
Additions:	
1995	218,495
1996	239,361
Reductions:	
1995	(220,147)
1996	<u>(239,361)</u>
Balance at December 31, 1996	<u><u>NONE</u></u>

3. CHANGES IN GENERAL FIXED ASSETS

The following schedule presents changes in office furnishings and equipment for the two years ended December 31, 1996:

Balance at January 1, 1995	\$15,068
Additions:	
1995	865
1996	1,776
Reductions:	
1995	NONE
1996	<u>(160)</u>
Balance at December 31, 1996	<u><u>\$17,550</u></u>

4. PENSION SYSTEM

For the year ended December 31, 1996, the marshal participated in the social security system. The marshal contributes 7.65% of his total salary to social security (FICA and Medicare) which is matched by employer contributions. Employer contributions for the years ended December 31, 1995 and 1996 were \$1,357 and \$1,376, respectively. The marshal's total salary paid for the years ended December 31, 1995 and 1996 was \$17,740 and \$17,990, respectively.

5. LITIGATION AND CLAIMS

At December 31, 1996, the city marshal is not involved in any litigation, nor is he aware of any unasserted claims.

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

Expenditures

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

E. CASH

Under state law, the city 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 city marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1996, the city marshal has cash (book balances) totaling \$16,131 in demand deposits.

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. Deposit balances (bank balances) at December 31, 1996, total \$23,488 and are fully secured by federal deposit insurance.

**F. TOTAL COLUMN ON THE
BALANCE SHEET**

The total column on the balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**2. CHANGES IN AGENCY FUND
DEPOSITS DUE OTHERS**

A summary of changes in agency fund deposits due others for the two years ended December 31, 1996, is as follows:

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

**C. GENERAL FIXED ASSETS
AND LONG-TERM DEBT**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the City of Bastrop are not recorded in the general fixed assets account group. Approximately 39 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 61 per cent are based on actual historical costs. No depreciation has been provided on general fixed assets. The city marshal has no long-term debt at December 31, 1996.

D. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The city marshal uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Marshal's fees and other court costs are recorded in the year in which they are earned.

Substantially all other revenues are recognized when received by the marshal.

Based on the above criteria, marshal's fees and other court costs are treated as susceptible to accrual.

CITY MARSHAL OF BASTROP
Bastrop, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Two Years Ended
December 31, 1996

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CITY MARSHAL OF BASTROP
Bastrop, Louisiana

Notes to the Financial Statements
As of and for the Two Years Ended
December 31, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided for by Chapter 7 of Title 13 of the Louisiana Revised Statutes, the City Marshal of Bastrop is the executive officer of the city court. The marshal shall execute the orders and mandates of the court and in the execution thereof, and in making arrests and preserving the peace, has the same powers and authority of a sheriff. The city marshal is elected for a six year term.

A. REPORTING ENTITY

As the governing authority of the city, for reporting purposes, the City of Bastrop is the financial reporting entity for the city. The financial reporting entity consists of (a) the primary government (city), (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 (GASB) Statement No. 14 established *criteria determining which component units should be considered part of the City of Bastrop for financial reporting purposes*. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended December 31, 1995

REVENUES	
Fees, charges, and commissions for services	<u>\$76,071</u>
EXPENDITURES	
Public safety:	
Current:	
Personal services	29,483
Operating services	41,889
Materials and supplies	5,816
Travel and other charges	18
Capital outlay	<u>865</u>
Total expenditures	<u>78,072</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,001)
FUND BALANCE AT BEGINNING OF YEAR	<u>16,047</u>
FUND BALANCE AT END OF YEAR	<u><u>\$14,046</u></u>

The accompanying notes are an integral part of this statement.

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended December 31, 1996

REVENUES	
Fees, charges, and commissions for services	<u>\$61,468</u>
EXPENDITURES	
Public safety:	
Current:	
Personal services	29,175
Operating services	23,353
Materials and supplies	2,992
Travel and other charges	147
Capital outlay	<u>1,776</u>
Total expenditures	<u>57,443</u>
EXCESS OF REVENUES OVER EXPENDITURES	4,025
FUND BALANCE AT BEGINNING OF YEAR	<u>14,046</u>
FUND BALANCE AT END OF YEAR	<u><u>\$18,071</u></u>

The accompanying notes are an integral part of this statement.

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS


Balance Sheet, December 31, 1996

	GOVERNMENTAL FUND TYPE - GENERAL FUND	ACCOUNT GROUP - GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ASSETS			
Cash	\$16,131		\$16,131
Receivables - city court costs	2,445		2,445
Office furnishings and equipment		\$17,550	17,550
TOTAL ASSETS	<u>\$18,576</u>	<u>\$17,550</u>	<u>\$36,126</u>
LIABILITIES AND FUND EQUITY			
Liabilities - payroll withholdings payable	\$504		\$504
Fund Equity:			
Investment in general fixed assets		\$17,550	17,550
Fund balance - unreserved - undesignated	18,071		18,071
Total Fund Equity	<u>18,071</u>	<u>17,550</u>	<u>35,621</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$18,576</u>	<u>\$17,550</u>	<u>\$36,126</u>

The accompanying notes are an integral part of this statement.

HONORABLE ROY D. LEE
CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Independent Auditor's Report,
December 31, 1996

In accordance with *Government Auditing Standards*, I have also issued a report dated April 22, 1997 on my consideration of the City Marshall of Bastrop's internal control structure and a report dated April 22, 1997 on the marshall's compliance with laws and regulations.



West Monroe, Louisiana
April 22, 1997

CITY MARSHAL OF BASTROP
Bastrop, Louisiana
Notes to the Financial Statements (Continued)

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.

Because the city maintains and operates the city hall in which the city marshal's office is located, and provides other financial support to the city marshal, the city marshal was determined to be a component unit of the City of Bastrop, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the marshal and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

The city marshal uses funds and account groups to report on financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The marshal's current operations require the use of governmental (General Fund) and fiduciary fund types (Agency Fund). The general fund is used to account for the operations of the marshal's office. The agency fund is used as a depository for garnishments and related fees. Disbursements from the fund are made to the city marshal, litigants, et cetera, in the manner prescribed by law. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.



**Independent Auditor's Report on
Compliance With Laws and Regulations**

HONORABLE ROY D. LEE
CITY MARSHAL OF BASTROP
Bastrop, Louisiana

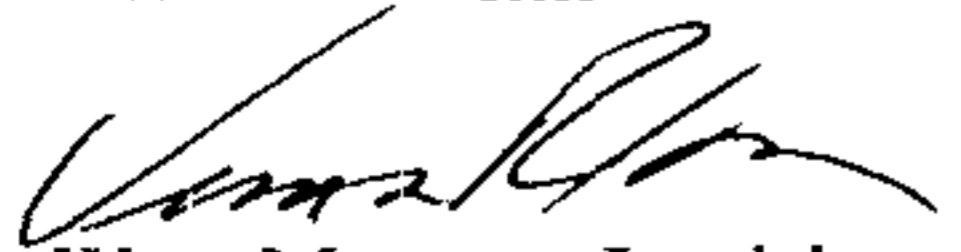
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I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the City Marshal of Bastrop is the responsibility of the city marshal's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the City Marshal of Bastrop's compliance with certain provisions of laws and regulations. However, the objective of my audit was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the City Marshal of Bastrop. This is not intended to limit the distribution of this report, which is a matter of public record.


West Monroe, Louisiana
April 22, 1997

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**CITY MARSHAL OF BASTROP
Bastrop, Louisiana**

**General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Two Years Ended
December 31, 1996**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date APR 30 1997

**VERNON R
COON**
CERTIFIED PUBLIC ACCOUNTANT