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Financial Report

St. Mary Parish Ward Six

Marshal's Cost Fund

Morgan City, Louisiana

December 31, 1995

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Release Date 8-7-96

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December 31, 1995

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

Mr. Merlin Price, Marshal,
St. Mary Parish Ward Six Marshal's
Cost Fund,
Morgan City, Louisiana.

We have audited the accompanying general purpose financial statements of the St. Mary Parish Ward Six Marshal's Cost Fund as of and for the year ended December 31, 1995 as listed in the table of contents. These general purpose financial statements are the responsibility of the St. Mary Parish Ward Six Marshal's Cost Fund's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our 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 we 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Mary Parish Ward Six Marshal's Cost Fund as of December 31, 1995 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information presented in Schedule 1 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Marshal's Cost Fund. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated May 15, 1996 on our consideration of the St. Mary Parish Ward Six Marshal's Cost Fund's internal control structure and a report dated May 15, 1996 on its compliance with laws and regulations.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
May 15, 1996.

**COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS**

St. Mary Parish Ward Six Marshal's Cost Fund

December 31, 1995

	Governmental	Fiduciary	Account Groups		Total (Memorandum Only)
	Fund Type General Fund	Fund Type Agency Fund Garnishment Fund	General Long-term Obligations	General Fixed Assets	
Assets					
Cash	\$ 29,328	\$ 87			\$ 29,415
Due from City Court of Morgan City	2,847				2,847
Due from Garnishment Fund	87				87
General fixed assets				20,028	20,028
Amount to be provided for retirement of long-term obligations			\$ 6,946		6,946
Totals	<u>\$ 32,262</u>	<u>\$ 87</u>	<u>\$ 6,946</u>	<u>\$ 20,028</u>	<u>\$ 59,323</u>
Liabilities					
Accounts payable	\$ 2,862				\$ 2,862
Due to General Fund		\$ 87			87
Note payable			\$ 6,946		6,946
Total liabilities	<u>2,862</u>	<u>87</u>	<u>6,946</u>		<u>9,895</u>
Fund Equity					
Investment in general fixed assets				\$ 20,028	20,028
Fund balance	<u>29,400</u>				<u>29,400</u>
Total fund equity	<u>29,400</u>			<u>20,028</u>	<u>49,428</u>
Totals	<u>\$ 32,262</u>	<u>\$ 87</u>	<u>\$ 6,946</u>	<u>\$ 20,028</u>	<u>\$ 59,323</u>

See notes to financial statements.

**STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND**

St. Mary Parish Ward Six Marshal's Cost Fund

For the year ended December 31, 1995

Revenue

Cost assessed \$ 44,512

Expenditures

General Government:

Salary	9,000
Payroll taxes	689
Insurance	2,124
Automobile	4,019
Professional fees	900
Telephone	1,335
Conventions and conferences	4,971
Dues	340
Office	384
Commissions	550
Miscellaneous	321
Law enforcement equipment donated to Morgan City Police Department	11,180
Law enforcement supplies	3,006
Uniforms	2,606

Total general government 41,425

Debt service:

Principal retirement	6,374
Interest	947

Total debt service 7,321

Total expenditures 48,746

Excess of Expenditures Over Revenues (4,234)

Fund Balance

Beginning of year 33,634

End of year \$ 29,400

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**St. Mary Parish Ward Six Marshal's Cost Fund**

December 31, 1995

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Mary Parish Ward Six Marshal's Cost Fund accounts for the operations of the Marshal's office in Ward Six of St. Mary Parish. The Marshal's salary is funded by the St. Mary Parish Council and by the City of Morgan City. In addition, office space is provided by the City of Morgan City at no cost to the Marshal.

a. Fund Accounting

The government uses funds and account groups to report on its financial position and the results of its 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental Fund Type**General Fund**

The General Fund is the primary operating fund and is used to account for all financial resources of the Marshal's office.

Fiduciary Fund Type**Agency Fund**

Garnishment Fund - This fund was established to account for garnishments received and disbursed by the Marshal.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust 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 of 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 by all governmental fund types, expendable trust funds and agency funds. 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. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Revenues

Costs assessed are recorded in the month that the City Court of Morgan City earns the revenues for the Marshal's office.

Expenditures

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

c. Fixed Assets

General fixed assets are not capitalized in the Fund used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

e. Total Column on Combined Statement

The total column on the combined 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 or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Note 2 - CASH AND CASH EQUIVALENTS

The Marshal may deposit funds with 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 also invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved.

Under the provision of the GASB codification, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

All cash was insured by Federal deposit insurance at December 31, 1995.

Note 3 - CHANGES IN FIXED ASSETS

There were no changes in general fixed assets during the year. At December 31, 1995 general fixed assets consisted of the following:

Furniture, fixtures and equipment	\$ 2,170
Automobile	<u>17,858</u>
Total	<u>\$20,028</u>

Note 4 - LONG-TERM OBLIGATION

In 1994 the Marshal purchased an automobile and signed a promissory note in the amount of \$17,858. This note bears interest of 8.35% which matures February 5, 1997. At December 31, 1995 the note consists of 13 remaining monthly payments of \$562 which are repayable from revenues through the General Fund.

The following is a summary of the changes in long-term obligations of the Marshal's Cost Fund for the year ended December 31, 1995:

Long-term obligations, January 1, 1995	\$13,320
Less note payments	<u>(6,374)</u>
Long-term obligations, December 31, 1995	<u>\$ 6,946</u>

The annual requirements to amortize long-term obligations outstanding at December 31, 1995 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 6,403	\$333	\$6,736
1997	<u>543</u>	<u>4</u>	<u>547</u>
Totals	<u>\$6,946</u>	<u>\$337</u>	<u>\$7,283</u>

SUPPLEMENTARY DATA

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS - GARNISHMENT FUND****St. Mary Parish Ward Six Marshal's Cost Fund**

For the year ended December 31, 1995

Cash Balance, January 1, 1995	\$ 191
Receipts	
Garnishments received	11,028
To be accounted for	11,219
Disbursements	
Garnishments paid	10,478
Commissions	550
Bank service charge	104
Total disbursements	11,132
Cash Balance, December 31, 1995	<u>\$ 87</u>

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL
CONTROL STRUCTURE BASED ON AUDIT OF THE GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Mr. Merlin Price, Marshal,
St. Mary Parish Ward Six
Marshal's Cost Fund,
Morgan City, Louisiana.

We have audited the general purpose financial statements of the St. Mary Parish Ward Six Marshal's Cost Fund as of and for the year ended December 31, 1995, and have issued our report thereon dated May 15, 1996.

We conducted our 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 we 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 St. Mary Parish Ward Six Marshal's Cost Fund 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.

In planning and performing our audit of the general purpose financial statements of the St. Mary Parish Ward Six Marshal's Cost Fund for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted the following matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Condition - All accounting functions of the Fund are performed by one individual.

Recommendation - We recommend the Marshal continue his significant involvement in the financial affairs of the Fund.

Response - The Marshal approves all expenditures.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or 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 personnel in the normal course of performing their assigned functions.

Our consideration of all internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weaknesses.

This report is intended for information of the management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
May 15, 1996.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Mr. Merlin Price, Marshal,
St. Mary Parish Ward Six
Marshal's Cost Fund,
Morgan City, Louisiana.

We have audited the general purpose financial statements of the St. Mary Parish Ward Six Marshal's Cost Fund as of and for the year ended December 31, 1995, and have issued our report thereon dated May 15, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the St. Mary Parish Ward Six Marshal's Cost Fund is the responsibility of the St. Mary Parish Ward Six Marshal's Cost Fund's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Fund's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our test disclosed no instances of non-compliance that are required to be reported herein under Government Auditing Standards.

This report is intended for information of the management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
May 15, 1996.