

9589

RECEIVED  
LEGISLATIVE AUDITOR  
96 OCT 18 AM 9:01

## MONROE CITY MARSHAL

Component Unit Financial Statements  
For the Year Ended April 30, 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 DEC 18 1996

MONROE CITY MARSHAL

APRIL 30, 1996

TABLE OF CONTENTS

---

	<u>Page</u>
Independent Auditor's Report -----	1

COMPONENT UNIT FINANCIAL  
STATEMENTS - OVERVIEW

Balance Sheet - All Fund Types and Account Groups -----	3
Statements of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Type -----	4
Notes to Financial Statements -----	5-12

FINANCIAL STATEMENTS OF INDIVIDUAL FUND  
AND ACCOUNT GROUPS

FIDUCIARY FUND

Agency Fund Type - Garnishment/Sales Fund - Statement of Changes in Assets and Liabilities -----	15
---	----

GENERAL FIXED ASSETS ACCOUNT GROUP

Statement of Changes in General Fixed Assets -----	17
--	----

GENERAL LONG-TERM DEBT ACCOUNT GROUP

Statement of General Long-Term Debt -----	19
---	----

COMPLIANCE REPORTING

Independent Auditor's Report on Internal Control Structure Based on an Audit of Component Unit Financial Statements Performed in Accordance With Government Auditing Standards -----	21-22
Independent Auditor's Report on Compliance Based on an Audit of Component Unit Financial State- ments Performed in Accordance With Government Auditing Standards -----	23

---

**LITTLE & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2485      1111 NORTH 19TH STREET  
MONROE, LOUISIANA 71207

INDEPENDENT AUDITOR'S REPORT

TELEPHONE (318) 323-1717  
TELECOPIER (318) 322-5121

Mr. Richard E. Reitzell  
Monroe City Marshal  
Monroe, Louisiana

I have audited the accompanying component unit financial statements of the Monroe City Marshal as of and for the year ended April 30, 1996, as listed in the table of contents. These component unit financial statements are the responsibility of the Monroe City Marshal. My responsibility is to express an opinion on these component unit financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in *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 component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Monroe City Marshal as of April 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The individual fund and account group financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Monroe City Marshal. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.

In accordance with *Governmental Auditing Standards*, I have also issued a report dated June 17, 1996, on my consideration of the Monroe City Marshal's internal control structure and a report dated June 17, 1996, on its compliance with laws and regulations.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report of the Monroe City Marshal for that year in which I expressed an unqualified opinion.

*Little & Company*

Monroe, Louisiana  
June 17, 1996

COMPONENT UNIT FINANCIAL  
STATEMENTS - OVERVIEW

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
APRIL 30, 1996

	<u>Governmental</u> <u>Fund Type</u>	<u>Fiduciary</u> <u>Fund Type</u>
	<u>General</u>	<u>Trust and</u> <u>Agency</u> <u>Garnishment/</u> <u>Sales Fund</u>
 <u>ASSETS AND OTHER DEBITS</u>  		
Cash	\$ 36,163	\$ 2,116
Accounts Receivable - Monroe City Court	18,034	-
Prepaid Insurance	1,139	-
Deposit	2,500	-
Property and Equipment:		
Furniture and Equipment	-	-
Vehicles	-	-
Land and Buildings	-	-
Amount to be Provided for Retirement of General Long-Term Debt	-	-
 <u>TOTAL ASSETS AND OTHER DEBITS</u>	 <u>\$ 57,836</u>	 <u>\$ 2,116</u>
 <u>LIABILITIES, FUND EQUITY, AND OTHER CREDITS</u>  		
<u>Liabilities</u>		
Accounts Payable	\$ 1,238	\$ 2,116
Notes Payable	-	-
Total Liabilities	1,238	2,116
 <u>Fund Equity and Other Credits</u>		
Investment in General		
Fixed Assets	-	-
Fund Balance	56,598	-
Total Fund Equity and Other Credits	56,598	-
 <u>TOTAL LIABILITIES, FUND EQUITY,</u> <u>AND OTHER CREDITS</u>	 <u>\$ 57,836</u>	 <u>\$ 2,116</u>

<u>Account Groups</u>		<u>Totals</u> <u>(Memorandum Only)</u>	
<u>General</u> <u>Fixed</u> <u>Assets</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u>	<u>April 30,</u> <u>1996</u>	<u>April 30,</u> <u>1995</u>
\$ -	\$ -	\$ 38,279	\$ 24,315
-	-	18,034	9,990
-	-	1,139	-
-	-	2,500	-
136,828	-	136,828	136,693
7,742	-	7,742	14,021
135,625	-	135,625	135,625
<u>-</u>	<u>66,098</u>	<u>66,098</u>	<u>84,606</u>
<u>\$ 280,195</u>	<u>\$ 66,098</u>	<u>\$ 406,245</u>	<u>\$ 405,250</u>
\$ -	\$ -	\$ 3,354	\$ 4,153
-	66,098	66,098	84,606
-	66,098	69,452	88,759
280,195	-	280,195	286,339
-	-	56,598	30,152
<u>280,195</u>	<u>-</u>	<u>336,793</u>	<u>316,491</u>
<u>\$ 280,195</u>	<u>\$ 66,098</u>	<u>\$ 406,245</u>	<u>\$ 405,250</u>

The accompanying notes are an integral part of this statement.

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
STATEMENTS OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE  
FOR THE YEARS ENDED APRIL 30, 1996 AND 1995

	<u>General Fund</u>	
	<u>1996</u>	<u>1995</u>
<u>Revenues</u>		
Court Cost	\$ 214,288	\$ 194,044
Storage, Mileage, and Summons Fees	20,423	19,485
Other	<u>3,207</u>	<u>3,703</u>
Total Revenues	237,918	217,232
<u>Expenditures</u>		
Automobile and Operating Allowances	104,158	109,435
Capital Expenditures	5,192	36,253
Insurance Expense	1,231	666
Maintenance and Supplies	5,695	3,517
Office Supplies and Printing	18,958	17,310
Police Dog Equipment and Supplies	1,175	910
Postage	4,417	2,312
Radio Service	3,341	3,299
Travel and Seminars	11,980	11,132
Warrant Car Expenses	5,866	6,863
Miscellaneous (Note 7)	22,352	21,448
Debt Service:		
Principal Retirement	18,508	12,535
Interest Charges	<u>8,599</u>	<u>8,292</u>
Total Expenditures	<u>211,472</u>	<u>233,972</u>
<u>Excess (Deficiency) of Revenues</u> <u>Over Expenditures</u>	26,446	( 16,740)
<u>Other Financing Sources</u>		
Proceeds From Lease Obligation	<u>-</u>	<u>23,620</u>
<u>Excess of Revenues and Other Financing</u> <u>Sources Over Expenditures</u>	26,446	6,880
<u>Fund Balance - Beginning</u>	<u>30,152</u>	<u>23,272</u>
<u>FUND BALANCE - ENDING</u>	<u>\$ 56,598</u>	<u>\$ 30,152</u>

The accompanying notes are an integral part of these statements.



MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Introduction

The Monroe City Marshal's Office was created by the State Legislature by Act 32 of 1960 - LA R.S. 13:1879.

The Marshal is the executive officer of the Monroe City Court (the Court) and is responsible for carrying out the orders of the Court as handed down by its judges. Those orders include the service of process of both civil and criminal suits. The Marshal, whose jurisdiction includes Wards 3 and 10 of Ouachita Parish, is elected for a period of six years. The current term expires December 31, 1996. The Marshal is independently responsible for the General Fund and the trust and agency funds.

Note 1 - Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying component unit financial statements of the Monroe City Marshal (the Marshal) have been prepared in conformity with generally accepted accounting principles (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.

B. Reporting Entity

As the governing authority of the City, for reporting purposes, the City of Monroe, Louisiana (the City), is the financial reporting entity. 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 Statement No. 14 established criteria for determining which component units should be considered part of the City of Monroe, Louisiana, 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. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and



MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 1 - Summary of Significant Accounting Policies (Continued)

- 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.
  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 is financially accountable (see Note 6), the Marshal was determined to be a component unit of the City of Monroe, Louisiana, 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.

All funds, which include the General Fund and all trust and agency funds, are under the direct control of Monroe City Marshal as described in Note 2.

These financial statements do not include any expenses paid by the City of Monroe, Louisiana, on behalf of the Marshal as described in Note 6.

C. Fund Accounting

The accounts of the Marshal are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which includes its assets, liabilities, fund equity, revenues and expenses or expenditures. The following funds and groups of accounts are used by the Marshal:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Marshal. It is used to account for all financial resources except those required to be accounted for in another fund.

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 1 - Summary of Significant Accounting Policies (Continued)

FIDUCIARY FUNDS

Trust and Agency Funds - These funds are used to account for assets held by the Marshal in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. This includes agency funds which are custodial in nature and do not involve measurement of results of operations.

GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUPS

General Fixed Assets - This account group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

General Long-Term Debt - This account is used to account for long-term liabilities to be financed from government funds.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Fiduciary Funds includes agency funds whereby assets and liabilities are accounted for on the modified accrual basis of accounting.

E. Use of Estimates

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

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Cash

Cash includes amounts in demand deposits, interest-bearing demand deposits, and cash on hand. The Marshal has no cash equivalents at April 30, 1996. Under state law, the Marshal may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

G. Fixed Assets

The Marshal's office building and part of its furnishings and equipment are provided by the City of Monroe and, accordingly, are recorded in the City's general fixed asset account group. All other furniture and equipment, vehicles, and land and buildings purchased with the Marshal funds are recorded as an expenditure on the statements of revenues, expenditures, and changes in fund balance and as an asset on the Marshal's combined balance sheet in the general fixed asset account group.

H. Total Columns on Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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.

I. Budgets and Budgetary Accounting

The Marshal is an extension of the Court. Since all Court funds are considered to be judicial funds, then the Marshal's funds are also considered to be judicial funds. As a judicial fund, the Marshal is not required to prepare an annual budget since monies from the Marshal's funds can be expended only upon the order of the Marshal. Also, judicial funds are not included within the definition of "political subdivision" covered by Louisiana Government Budget Act. Thus, no obligation exists to prepare a budget for the Marshal's funds.

J. Reclassifications of Prior Year

Minor reclassifications to the 1995 financial statements have been made to make them comparable with the current year presentation.

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 2 - General Operations

GENERAL FUND

The General Fund receives \$15 of each court cost levy for criminal offenses, except juvenile cases. This fund serves as the operating fund for the Marshal. It is available for the Marshal's office capital and operating expenses not otherwise provided by the City of Monroe.

As shown on the Statement of Revenues, Expenditures, and Changes in Fund Balance, court cost is a very large portion of the Marshal's total revenues. This major source of revenue, which is beyond the Marshal's control, is subject to fluctuation based upon the number of criminal cases and traffic citations handled by the Monroe City Court.

TRUST AND AGENCY FUNDS

The Garnishment/Sales Fund receives garnishment payments and proceeds from the Marshal's sales. Garnishments are withheld by employers and remitted to the Marshal who deducts his commission and disburses the balance to plaintiffs or their attorneys. Upon court authorization, the Marshal seizes property, sells the property at public auction, pays the expenses associated with seizing and selling the property, withholds his commission and remits the balance to the plaintiff. Accounts payable in the fund represent collections to be remitted to plaintiffs.

Note 3 - Cash

At April 30, 1996, the carrying amount of the Marshal's cash deposits was \$37,879 and the bank balance was \$62,805, all of which was covered by federal deposit insurance. The difference between the carrying amount of the Marshal's deposits and the bank balance is represented by deposits and checks which had not cleared the bank at April 30, 1996.

Note 4 - General Fixed Assets

A summary of changes in general fixed assets follows:

<u>General Fixed Assets</u>	Balance April 30, 1995	<u>Additions</u>	<u>Deductions</u>	Balance April 30, 1996
Furniture and Equipment	\$ 136,693	\$ 5,192	\$ 5,057	\$ 136,828
Vehicles	14,021	-	6,279	7,742
Land and Buildings	<u>135,625</u>	<u>-</u>	<u>-</u>	<u>135,625</u>
	<u>\$ 286,339</u>	<u>\$ 5,192</u>	<u>\$ 11,336</u>	<u>\$ 280,195</u>



MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 5 - Long-Term Debt

The following is a summary of long-term debt transactions of the Marshal for the year ended April 30, 1996:

<u>Long-Term Debt</u>	<u>Balance April 30, 1995</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance April 30, 1996</u>
Mortgage Note Payable to Hibernia National Bank for \$ 97,035, due September 2, 2000, at 11.25 %, in monthly installments of \$1,364. Secured by real estate.	\$ 65,864	\$ -	\$ 10,140	\$ 55,724
Lease-Purchase Agreement with Associates Commercial Corporation for \$23,620 due August 3, 1997, at 6.17% in monthly installments of \$720. Secured by computer equipment.	<u>18,741</u>	<u>-</u>	<u>8,367</u>	<u>10,374</u>
<u>TOTAL</u>	<u>\$ 84,605</u>	<u>\$ -</u>	<u>\$ 18,507</u>	<u>\$ 66,098</u>

The debt service requirement to amortize long-term debt at April 30, 1996, is as follows:

<u>Year Ended April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1997	\$ 17,141	\$ 6,371	\$ 23,512
1998	14,545	4,699	19,244
1999	13,106	3,257	16,363
2000	14,679	1,684	16,363
2001	<u>6,627</u>	<u>190</u>	<u>6,817</u>
	<u>\$ 66,098</u>	<u>\$ 16,201</u>	<u>\$ 82,299</u>

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 6 - Related Party Transaction

The City of Monroe (the City) paid salaries and certain other operating expenses totaling approximately \$556,606 on behalf of the Marshal during fiscal 1996. The Ouachita Parish Police Jury paid salaries totaling approximately \$30,313 on behalf of the Marshal during fiscal 1996. Such expenses were not included in the statement of revenues, expenditures, and changes in fund balance.

The Ouachita Parish Police Jury cut its funding for deputy marshal salaries during fiscal 1994 and 1996. The Marshal began supplementing the deputy salaries to compensate them for the cuts by the Police Jury and \$15,521 was expended for this purpose during fiscal 1996.

Note 7 - Miscellaneous Expenditures

For the year ended April 30, 1996, the miscellaneous expenditures consisted of:

Professional Fees	\$ 4,634
Deputy Salary Supplement Paid to City of Monroe	15,521
Other	<u>2,197</u>
<u>TOTAL</u>	<u>\$ 22,352</u>

Note 8 - Lease Commitments

At April 30, 1996, the Monroe City Marshal was obligated under a noncancellable operating lease agreement covering copier equipment. The term of the lease is four years with an option to renew the lease on a month-to-month basis.

The following is a schedule by year of the future minimum lease payments as of April 30, 1996, on the operating lease:

Year Ending <u>April 30,</u>	Minimum Lease <u>Payments</u>
1997	\$ 1,586
1998	1,586
1999	<u>264</u>
<u>TOTAL</u>	<u>\$ 3,436</u>

The Monroe City Marshal made lease payments of approximately \$1,526 during fiscal 1996.



MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED APRIL 30, 1996

Note 9 - Contingency

As of April 30, 1996, the Marshal's office had received a request from its chief deputy's attorney for a reimbursement of attorney fees and costs of \$26,571 submitted pursuant to Louisiana R. S. 42:1442. At April 30, 1996, it has not been determined if the City of Monroe or the Marshal's office will ultimately be responsible for this request.

FINANCIAL STATEMENTS OF INDIVIDUAL  
FUND AND ACCOUNT GROUPS

FIDUCIARY FUND

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
GARNISHMENT/SALES AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED APRIL 30, 1996

	<u>Balance</u> <u>April 30,</u> <u>1995</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>April 30,</u> <u>1996</u>
<u>ASSETS</u>				
Cash	\$ 2,074	\$ 739,180	\$ 739,138	\$ 2,116
<u>TOTAL ASSETS</u>	<u>\$ 2,074</u>	<u>\$ 739,180</u>	<u>\$ 739,138</u>	<u>\$ 2,116</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 2,074	\$ 739,180	\$ 739,138	\$ 2,116
<u>TOTAL LIABILITIES</u>	<u>\$ 2,074</u>	<u>\$ 739,180</u>	<u>\$ 739,138</u>	<u>\$ 2,116</u>

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF THE CITY OF MONROE, LOUISIANA)  
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
FOR THE YEAR ENDED APRIL 30, 1996

	General Fixed Assets April 30, <u>1995</u>	<u>Additions</u>	<u>Deductions</u>	General Fixed Assets April 30, <u>1996</u>
<u>General Fixed Assets</u>				
Furniture and Equipment	\$ 136,693	\$ 5,192	\$ 5,057	\$ 136,828
Vehicles	14,021	-	6,279	7,742
Land and Buildings	<u>135,625</u>	<u>-</u>	<u>-</u>	<u>135,625</u>
	<u>\$ 286,339</u>	<u>\$ 5,192</u>	<u>\$ 11,336</u>	<u>\$ 280,195</u>
 <u>Investment in General</u> <u>Fixed Assets</u>				
Acquired From General Fund of the Marshal	<u>\$ 286,339</u>	<u>\$ 5,192</u>	<u>\$ 11,336</u>	<u>\$ 280,195</u>

The accompanying notes are an integral part of this statement.



GENERAL LONG-TERM DEBT ACCOUNT GROUP

MONROE CITY MARSHAL  
(A COMPONENT UNIT OF CITY OF MONROE, LOUISIANA)  
STATEMENT OF GENERAL LONG-TERM DEBT  
APRIL 30, 1996

	Amount to be Provided for Payment of Long-Term Debt	General Long-Term Debt Payable			Amount to be Provided From
		Due Within One Year	Due After One Year	Total General Long-Term Debt	
Mortgage Note Payable	\$ 55,724	\$ 8,948	\$ 46,776	\$ 55,724	General Fund
Lease-Purchase Agreement	<u>10,374</u>	<u>8,193</u>	<u>2,181</u>	<u>10,374</u>	General Fund
<u>TOTALS - APRIL 30,</u> <u>1996</u>	<u>\$ 66,098</u>	<u>\$ 17,141</u>	<u>\$ 48,957</u>	<u>\$ 66,098</u>	
<u>TOTALS - APRIL 30,</u> <u>1995</u>	<u>\$ 84,605</u>	<u>\$ 17,011</u>	<u>\$ 67,594</u>	<u>\$ 84,605</u>	

The accompanying notes are an integral part of this statement.

COMPLIANCE REPORTING

**LITTLE & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2485                      1111 NORTH 19TH STREET  
MONROE, LOUISIANA 71207

TELEPHONE (318) 323-1717  
TELECOPIER (318) 322-5121

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF COMPONENT UNIT  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Mr. Richard E. Reitzell  
Monroe City Marshal  
Monroe, Louisiana

I have audited the component unit financial statements of the Monroe City Marshal and the individual fund and account group financial statements of the Monroe City Marshal as of and for the year ended April 30, 1996, and have issued my report thereon dated June 17, 1996.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the *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 component unit financial statements are free of material misstatement.

The Monroe City Marshal is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by him 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 the Monroe City Marshal's authorization and recorded properly to permit the preparation of the component unit 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 my audit of the component unit financial statements of the Monroe City Marshal for the year ended April 30, 1996, 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 component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

Mr. Richard E. Reitzell  
Monroe City Marshal  
Page 2

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 component unit 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 internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Monroe City Marshal and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Monroe City Marshal is a matter of public record.

*Little & Company*

Monroe, Louisiana  
June 17, 1996

**LITTLE & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2485                      1111 NORTH 19TH STREET  
MONROE, LOUISIANA 71207

TELEPHONE (318) 323-1717  
TELECOPIER (318) 322-5121

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

Mr. Richard E. Reitzell  
Monroe City Marshal  
Monroe, Louisiana

I have audited the component unit financial statements of the Monroe City Marshal as of and for the year ended April 30, 1996, and have issued my report thereon dated June 17, 1996.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in *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 component unit financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Monroe City Marshal is the responsibility of the Monroe City Marshal. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Monroe City Marshal's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the component unit financial statements 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 Monroe City Marshal and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Monroe City Marshal is a matter of public record.

Monroe, Louisiana  
June 17, 1996

*Little & Company*