

RUSTON CITY MARSHAL'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES -- GOVERNMENTAL FUND TYPE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 1996
WITH COMPARATIVE AMOUNTS
FOR THE YEAR ENDED SEPTEMBER 30, 1995

	<u>1996</u>	<u>1995</u>
REVENUES		
Bonding Fees	\$ 7,064	\$ 0
Commissions on Court Costs	60,919	60,179
Driving Course Fees	6,011	7,871
Home Incarceration Fees	7,606	900
Interest Income	3,367	3,869
On-Behalf Revenue	71,135	67,753
Other Fees	428	210
TOTAL REVENUES	<u>156,561</u>	<u>139,902</u>
EXPENDITURES		
Capital Outlay -- Equipment	27,069	7,208
Accounting Fees	2,860	2,605
Dues and Subscriptions	570	565
Equipment Repair and Maintenance	731	731
Insurance	250	200
Law Enforcement Supplies	2,100	1,426
Miscellaneous	170	102
Motorcycle Training	595	04
Office Supplies	5,423	4,810
On-Behalf Expenses	71,395	67,753
Payroll Taxes	189	328
Rent	380	390
Schools, Seminars and Travel	1,832	1,807
Telephone and Utilities	6,066	5,367
Truck Expense	668	1,306
Uniforms	1,432	890
Vehicle Expense -- Deputies	3,139	4,065
Vehicle Expense -- Marshal	2,511	5,021
Wages	29,292	29,590
TOTAL EXPENDITURES	<u>156,153</u>	<u>131,338</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(592)	(2,062)
OTHER FINANCING SOURCES		
Sale of Fixed Assets	7,679	645
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	7,087	(1,167)
FUND BALANCE -- BEGINNING	<u>24,210</u>	<u>25,367</u>
FUND BALANCE -- ENDING	<u>\$ 31,297</u>	<u>\$ 24,210</u>

The accompanying notes are an integral part of these financial statements.

RUSTON CITY MARSHAL'S OFFICE

FINANCIAL REPORT
SEPTEMBER 30, 1998

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**RUSTON CITY
MARSHAL'S OFFICE**

FINANCIAL REPORT
SEPTEMBER 30, 1998

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

2000 10 1988
Release Date: _____

DON M. McGENEE

(a Professional Accounting Corporation)
P.O. Box 1344
806 North Thorton
Ruston, Louisiana 71273-1344

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

Honorable F. Michael Wilson
Ruston City Marshal
P.O. Box 1592
Ruston, Louisiana 71273-1592

I have audited the general purpose financial statements of the Ruston City Marshal's Office, a component unit of the City of Ruston, as of and for the year ended September 30, 1996, and have issued my report thereon dated March 4, 1997.

I have 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.

The management of the Ruston City Marshal's Office 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 my audit of the general purpose financial statements of the Ruston City Marshal's Office for the year ended September 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

RUSTON CITY MARSHAL'S OFFICE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 1995

NOTE 7 - FIDUCIARY FUND (Continued)

The Ruston City Marshal's Office collects fines and court costs received from violators of misdemeanor charges and forfeited cash bail bonds. City fines are disbursed to the City of Ruston and state fines are disbursed to the Lincoln Parish Police Jury. Court costs are disbursed to various agencies including the Marshal's General Fund for criminal court cost as provided by law. The fine and court cost fund is used to account for the collection and disbursement of these amounts. A summary of changes in assets and liabilities are as follows for the year ended September 30, 1995:

Fines and Court Costs Fund	Balance 10/1/95	Additions	Deletions	Balance 9/30/95
ASSETS				
Cash	\$ 510	\$ 420,532	\$ 421,001	\$ 141
TOTAL ASSETS	\$ 510	\$ 420,532	\$ 421,001	\$ 141
LIABILITIES				
Undisbursed Fines and Court Costs	\$ 510	\$ 420,144	\$ 420,513	\$ 141
TOTAL LIABILITIES	\$ 510	\$ 420,144	\$ 420,513	\$ 141

The Ruston City Marshal's Office collects court ordered wage garnishments, receives proceeds from Marshal's sales (of court ordered seized property) and of sequestrations (of court ordered seized property). Receipts, after paying the costs associated with the garnishment, sale, or sequestration, are disbursed to the plaintiff or the plaintiff's attorney as provided by law. The civil fund is used to account for the collection and disbursement of these amounts. A summary of changes in assets and liabilities are as follows for the year ended September 30, 1995:

Civil Fund	Balance 10/1/95	Additions	Deletions	Balance 9/30/95
ASSETS				
Cash	\$ 3,103	\$ 285,778	\$ 285,544	\$ 3,337
TOTAL ASSETS	\$ 3,103	\$ 285,778	\$ 285,544	\$ 3,337
LIABILITIES				
Undisbursed Garnishments	\$ 3,103	\$ 285,087	\$ 285,853	\$ 3,337
TOTAL LIABILITIES	\$ 3,103	\$ 285,087	\$ 285,853	\$ 3,337

NOTE 8 - RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS

As of October 1, 1995, the Ruston City Marshal's Office implemented GASB Statement 24 requiring on-behalf payments to be recognized as revenue and expenditures. During the year ended September 30, 1995, the Marshal's Office determined the on-behalf payments for the year ended September 30, 1995. The 1995 financial statements were restated to include on-behalf payments and presented in the accompanying financial statements. The restatement of the 1995 financial statements had no effect on fund balance.

DON W. McGEHEE
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**INDEPENDENT AUDITORS REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable F. Michael Hilton
Ruston City Marshal
P.O. Box 1582
Ruston, Louisiana 71273-0582

I have audited the general purpose financial statements of the Ruston City Marshal's Office, a component unit of the City of Ruston, as of and for the year ended September 30, 1996, and have issued my report thereon dated March 4, 1997.

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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Ruston City Marshal's Office is the responsibility of the management of the Ruston City Marshal's Office. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, I performed tests of the Office's compliance with certain provisions of laws, regulation, contracts, and grants. However, the objective of my audit of the general purpose 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 management of the Ruston City Marshal's Office and the Legislative Auditor of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Don W. McGehee
Certified Public Accountant

March 4, 1997

RUSTON CITY MARSHAL'S OFFICE

COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUP
SEPTEMBER 30, 1995

	Governmental	Fiduciary	Account	Totals	
	Fund Type	Fund Type	Group	(Memorandum Only)	
	General	Agency	General Fixed Assets	1995	1996
ASSETS					
Cash and Cash Equivalents	\$ 45,134	\$ 4,478	\$ 0	\$ 49,612	\$ 44,499
Equipment	0	0	84,689	84,689	88,991
TOTAL ASSETS	\$ 45,134	\$ 4,478	\$ 84,689	\$ 134,311	\$ 113,490
LIABILITIES AND FUND EQUITY					
LIABILITIES:					
Accounts Payable	\$ 1	0	0	1	2,029
Bonds Held for Future Disposition	0	1,000	0	1,000	750
Undisbursed Fines and Court Costs	0	141	0	141	510
Undisbursed Garnishments	0	3,337	0	3,337	3,108
TOTAL LIABILITIES	1	4,478	0	4,479	6,397
FUND EQUITY:					
Investment in General Fixed Assets	0	0	84,689	84,689	88,991
Fund Balance -- Unreserved and Undesignated	45,133	0	0	45,133	99,077
TOTAL FUND EQUITY	45,133	0	84,689	129,822	107,068
TOTAL LIABILITIES AND FUND EQUITY	\$ 45,134	\$ 4,478	\$ 84,689	\$ 134,311	\$ 113,490

The accompanying notes are an integral part of these financial statements.

DOM M. McGEHEE
A Professional Accounting Corporation
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608 North Treston
Ruston, Louisiana 71272-1544

INDEPENDENT AUDITOR'S REPORT

Honorable F. Michael Hilton
Ruston City Marshal's Office
P. O. Box 1542
Ruston, Louisiana 71272

I have audited the accompanying general purpose financial statements of the Ruston City Marshal's Office, a component unit of the City of Ruston, as of and for the year ended September 30, 1996, as listed in the table of contents. These financial statements are the responsibility of the Ruston City Marshal's Office management. My responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 above present fairly, in all material respects, the financial position of the Ruston City Marshal's Office as of September 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated March 4, 1997, on our consideration of the Ruston City Marshal's Office internal control structure and a report dated March 4, 1997, on its compliance with laws and regulations.



Dom M. McGehee
Certified Public Accountant

March 4, 1997

OTHER SUPPLEMENTARY REPORTS

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

Any adequate structure of internal control includes provisions that separate the duties of handling and recording cash transactions. Due to the Ruston City Marshal's Office having only a limited number of employees, the separation of duties is not feasible. Therefore the internal control structure is inadequate.

A material weakness is a reportable 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 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 employees in the normal course of performing their assigned functions.

My consideration of the 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, I noted the following matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of the Ruston City Marshal's Office for the year ended September 30, 1995.

Any adequate structure of internal control includes provisions that separate the duties of handling and recording cash transactions. Due to the Ruston City Marshal's Office having only a limited number of employees, the separation of duties is not feasible. Therefore the internal control structure is inadequate.

This report is intended for the information of the management of the Ruston City Marshal's Office and the Legislative Auditor of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Don M. McGhee
Certified Public Accountant

March 4, 1997

RUSTON CITY MARSHAL'S OFFICE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 1996

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. VACATION AND SICK LEAVE

Vacation and sick leave are noncumulative. There are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure at year end.

G. TOTAL COLUMNS ON THE COMBINED STATEMENT

The total columns on the combined statement is captioned Memorandum Only (overview) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

H. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the financial position and operations. Certain amounts for 1995 have been reclassified to conform to the 1996 presentation.

I. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, interest bearing demand deposits and time deposits. At September 30, 1996, the carrying amount of deposits was \$40,411 and there was a petty cash fund of \$200. The bank balance for the deposits was \$91,734. The bank balance was covered by federal depository insurance.

NOTE 4 – CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets during 1996 is as follows:

	Balance 10/1/95	Additions	Deletions	Balance 9/30/96
Equipment	\$55,091	\$27,050	\$11,045	\$71,096
Total General Fixed Assets	\$55,091	\$27,050	\$11,045	\$71,096

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS -- OVERVIEW)

RUSTON CITY MARSHAL'S OFFICE
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 1999

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ruston City Marshal's Office was created by special legislative Act RS 13: 1552 (20). Its territorial jurisdiction extends throughout Lincoln Parish, Louisiana.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local government. The accounting and reporting policies of the Ruston City Marshal's Office conform to these generally accepted accounting principles and the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants. The following is a summary of the more significant policies:

A. REPORTING ENTITY

For financial reporting purposes, in conformity with GASB Statement No. 14, the Ruston City Marshal's Office is a component unit of the City of Ruston. For the purposes of this financial report, this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

B. FUND ACCOUNTING

The accounts of the Ruston City Marshal's Office are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Ruston City Marshal's Office revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements presented in this report, into two generic fund types and two broad fund categories as follows:

Governmental Funds--

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

Fiduciary Funds--

Agency Fund. The Agency Fund is used to account for assets held by the Ruston City Marshal's Office as an agent for individuals and private organizations. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. At any given point in time, total Agency Fund assets are equally offset by related liabilities including amounts due to the parties for whom the assets are being held by the Ruston City Marshal's Office. Agency Funds have no fund equity. Agency Funds do not have GAAP operations or GAAP operating statements.

RUSTON CITY MARSHAL'S OFFICE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES--- BUDGET (GAAP-BASED) AND ACTUAL---GOVERNMENTAL FUND TYPE GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 1926

	Budget	Actual	Variance--- Favorable (Unfavorable)
REVENUES			
Bonding Fees	\$ 7,310	\$ 7,064	\$ (246)
Commissions on Court Costs	60,000	60,919	919
Driving Course Fees	4,800	5,011	211
Home Incarceration Fees	7,000	7,636	636
Interest Income	3,210	3,357	147
On-Behalf Payments	70,848	71,155	307
Other Fees	400	409	29
TOTAL REVENUES	<u>153,568</u>	<u>155,581</u>	<u>1,913</u>
EXPENDITURES			
Capital Outlay---Equipment	32,489	27,063	5,426
Accounting Fees	3,450	2,960	590
Dues and Subscriptions	620	570	50
Equipment Repair and Maintenance	860	721	139
Insurance	300	290	10
Law Enforcement Supplies	2,160	2,108	52
Miscellaneous	320	175	145
Motorcycle Training	570	588	18
Office Supplies	4,320	5,423	(1,103)
On-Behalf Expenses	70,848	71,155	(307)
Payroll Taxes	140	193	(53)
Rent	440	360	80
Schools, Seminars and Travel	1,980	1,632	348
Telephone and Utilities	5,320	6,066	(746)
Truck Expense	790	655	135
Uniforms	2,090	1,432	658
Vehicle Expense---Deputies	3,750	3,139	611
Vehicle Expense---Marshal	3,020	3,511	(491)
Wages	35,160	33,232	1,928
TOTAL EXPENDITURES	<u>182,428</u>	<u>155,183</u>	<u>27,245</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(18,860)</u>	<u>(522)</u>	<u>18,338</u>
OTHER FINANCING SOURCES			
Sale of Fixed Assets	15,609	7,979	(7,630)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>(3,251)</u>	<u>7,457</u>	<u>10,708</u>
FUND BALANCE---BEGINNING	<u>51,734</u>	<u>34,275</u>	<u>(17,459)</u>
FUND BALANCE---ENDING	<u>\$ 51,822</u>	<u>\$ 41,266</u>	<u>\$ (10,256)</u>

The accompanying notes are an integral part of these financial statements.

RUSTON CITY MARSHAL'S OFFICE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 1996

NOTE 5 – RETIREMENT COMMITMENTS

Ruston City Marshal's Office employees are paid through the City of Ruston and are therefore covered under the City's retirement program. The City of Ruston participates in the Municipal Employees' Retirement System of Louisiana. The Marshal's Office pays its employees supplemental wages. No retirement benefits are provided by the Marshal's Office.

NOTE 6 – ON-BEHALF PAYMENTS

Employees of the Ruston City Marshal's Office received salaries and fringe benefits from the City of Ruston and the State of Louisiana. The following is a summary of these on-behalf payments:

	1995	1996
Salaries	\$ 51,187	\$ 48,632
Fringe Benefits	10,288	10,151
Total On-Behalf Payments	\$ 71,355	\$ 67,753

Fringe benefits paid by the City of Ruston include pension plan contributions to the Municipal Employees' Retirement System of Louisiana.

NOTE 7 – FIDUCIARY FUND

The Ruston City Marshal's Office collects cash bail bonds posted by citizens arrested for criminal offenses or their bondsmen. These cash bail bonds are held until final disposition of the respective case involved or until such time as ordered forfeited by the court. When a final disposition of a case is made, the cash bail bond is returned to the citizen or bondsman that posted the bond. In the case of a bond that has been ordered forfeited by the court, the cash bail is disbursed to the Marshal's Fine and Court Cost Fund for further disbursement as provided by law. The cash bond fund is used to account for the collection and ultimate disposition of these cash bail bonds. A summary of changes in assets and liabilities are as follows for the year ended September 30, 1996:

<u>Cash Bond Fund</u>	Balance 10/1/95	Additions	Deletions	Balance 9/30/96
ASSETS				
Cash	\$ 750	\$ 6,708	\$ 6,458	\$ 1,000
TOTAL ASSETS	\$ 750	\$ 6,708	\$ 6,458	\$ 1,000
LIABILITIES				
Bonds Held for Future Disposition	\$ 750	\$ 6,650	\$ 6,400	\$ 1,000
TOTAL LIABILITIES	\$ 750	\$ 6,650	\$ 6,400	\$ 1,000

RUSTON CITY MARSHAL'S OFFICE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 1998

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fixed Assets Account Group--

The General Fixed Assets 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. No depreciation is recorded on general fixed assets. General fixed assets are recorded as expenditures in the governmental fund type when purchased.

C. BASIS OF ACCOUNTING

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

The General Fund uses the modified accrual basis of accounting. 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 sixty day availability period is used for revenue recognition for all revenues. Interest revenues are susceptible to accrual. Commissions and fees are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized when the related fund liability is incurred.

D. BUDGETARY PRACTICES

The Ruston City Marshal's Office prepared an operating budget on its general fund for the year ended September 30, 1998, as required by generally accepted accounting principles as applicable to governmental units. The operating budget is monitored by management and amended throughout the year as necessary. The amended budget for the General Fund is presented in the Statement of Revenue, Expenditures, and Changes in Fund Balance--Budget and Actual. No budgets are necessary on Agency Funds of the Ruston City Marshal's Office as these funds are of a custodial nature.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, interest bearing demand deposits, and time deposits with original maturities of three months or less from the date of acquisition. 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. Deposits are carried at cost which approximates market value.