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CITY MARSHAL OF SULLY
COMPONENT UNIT FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2000

Under provisions of statute, this report is a public document. Copies of the report have been submitted to the entity and other essential public officials. The report is available for public inspection at the Clerk-Rouge office of the Legislative Auditor and, where appropriate, at the offices of the parish clerk of court.

Release Date: 7-28-01

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INDEPENDENT ACCOUNTANTS' REPORT

Ryan Williams - Mandeville
City Marshal of Shiloh
Shiloh, Louisiana

We have compiled the accompanying financial statements of the governmental activities of the City Marshal of Shiloh, a component unit of the City of Shiloh, Louisiana as of December 31, 2003, and for the year then ended as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statement information that is the representation of the management of the City Marshal of Shiloh. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

As described in Note A, the City Marshal of Shiloh implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as of December 31, 2003.

The management's discussion and analysis and budgetary comparison information, on pages 2 and 3, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, we have issued a report dated February 5, 2004 on the results of our agreed-upon procedures for compliance with laws and regulations.


February 5, 2004

SHELBY CITY COURT MARSHAL

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is a required element of the new reporting model adopted by the Governmental Accounting Standards Board in their Statement No. 34. Its purpose is to provide an overview of the financial activities of the Marshal's office based on currently known facts and decisions of conditionals. Please read it in conjunction with the Marshal's financial statements, which begin on page 4.

The basic financial statements include government-wide and government fund statements. The government-wide Statement of Net Assets and Statement of Activities present information for all the activities of the Marshal's office, from an economic resources measurement, focus using the accrual basis of accounting. Primarily for use of the difference between these statements and Governmental funds statements is that assets are capitalized and depreciated over their estimated useful life versus expensed in the Governmental funds statements. The Balance Sheet - Governmental Funds details the assets and liabilities of the governmental funds while the Reconciliation of the Government Fund Balance Sheet to the Statement of Net Assets reflects the differences from the amounts reported in the Statement of Net Assets. The Statement of Revenues, Expenditures and Changes in Fund Balance reflects the current year receipt and disbursement of funds and the Reconciliation statement reports the differences in the changes in fund balance to the change in net assets of the Government activities. The differences between the adopted budget and the actual activities are reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.

The Marshal is an independent elected official. However, since the Marshal's office dependent on the City of Shelby to provide office space, a courtroom and related utility costs, as well as reimbursements of a portion of its salaries, the Marshal is determined to be a component unit of the City of Shelby. The accompanying financial statements only present information to the funds maintained by the Marshal.

STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES

Our analysis of the funds maintained by the Marshal as a whole begins on page 5. The Statement of Net Assets and Statement of Activities report information about the funds maintained by the Marshal as a whole and about its activities in a way which helps answer one of the most important questions asked about the Marshal's business, "Is the Marshal, as a whole, better off or worse off as a result of the year's activities?" These statements include all assets and liabilities using the accrual basis of accounting used by most private sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when the cash was received or paid.

These two statements report the Marshal's net assets and the changes in them. These net assets, the difference between the assets and the liabilities, is one way to measure the Marshal's financial position of financial health and over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating.

We record the funds maintained by the Marshal as governmental activities in the Statement of Net Assets and Statement of Activities.

All of the expenses paid from the funds maintained are reported here as governmental activities and consist primarily of salaries, fees paid and benefits, office expenses, contract services, memberships and educational reimbursements. Court cost and fees and contributions from the City of Shelby finance most of the activities of the Marshal.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. The Marshal's total net assets change from a year ago (increased from \$28,777 to \$47,181). The fiscal year ended December 31, 2003 is the first year that GASB Statement 34 was applied. Because of

**SLIDELL CITY COURT MARSHAL
MANAGEMENT'S DISCUSSION AND ANALYSIS**

this, the Marshal was not required to restate prior periods to provide comparative data, but in future years when prior information is available, a comparative analysis will be presented.

The Marshal's office at December 31, 2003 had \$21,047 in cash on hand and net capital assets of \$28,750 with total assets being \$49,797. This office is debt free other than a note payable on a vehicle that will be paid off during the year ended December 31, 2004.

Total revenue for the Marshal's office for 2003 was \$171,816. This was considerably less than revenues received in 2002. Much of the decline was due to an unexpected decrease in the City Court fees. Another factor was funds paid by the City of Slidell decreased from 2002.

Expenditures, including depreciation expense of \$11,543, were less for 2003 due to the decrease in revenue. A well-deserved 5% pay increase was given to all Marshal office employees. This had little impact on overall expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Because of an oversight, the Marshal failed to amend its original budget for the year ended December 31, 2003. Unfavorable variances in charges for services were caused by the reduction in court fees and contributions from the City of Slidell decreased. Expenditures were in line with budgeted amounts.

CAPITAL ASSETS

There was no major addition to capital assets for the year ended December 31, 2003.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Marshal considered many factors when setting the operating budget for the year ended December 31, 2004. As very minimal changes are expected in the next year, anticipated revenues will be approximately \$175,000, while anticipated expenditures will be approximately \$175,000. Therefore, the total governmental fund balance is expected to remain constant from prior year.

CONTACTING THE MARSHAL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and help you with a general overview for the funds maintained by the City Marshal of Slidell and to show the accountability for the money it receives. If you have any questions or need additional information, contact the Marshal's office at PO Box 2358, Slidell, Louisiana 70459.


Ryan Williams
Marshal, City of Slidell

**CITY MARSHAL OF SLIDELL
STATEMENT OF NET ASSETS
DECEMBER 31, 2009**

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 21,047
Due from other governmental agencies	7,600
Capital assets, net	<u>31,732</u>
TOTAL ASSETS	60,379
LIABILITIES	
Payroll taxes payable	721
Monitored liabilities	
Due within one year	4,587
Due in more than one year	380
Compensated absences payable	<u>7,879</u>
TOTAL LIABILITIES	13,276
NET ASSETS	
Invested in capital assets, net of related debt	26,750
Unrestricted	<u>29,351</u>
TOTAL NET ASSETS	\$ 47,901

(See independent accountant's report and accompanying notes.)

**CITY MARSHAL OF SLEDELL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2000**

EXPENSES	
Salaries	\$ 128,100
Payroll taxes	3,008
Health insurance	4,008
Deferred compensation plan	8,428
Telephone	8,142
Automobile	17,308
Professional fees	8,825
Insurance	8,288
Dues and subscriptions	335
Contract labor	3,158
Materials and supplies	8,000
Miscellaneous	1,083
Depreciation	11,541
Interest	450
	<hr/>
Total Expenses	201,845
PROGRAM REVENUE	
City Court of Sibley fees	84,952
City of Sibley fees	58,539
Sheriff's Office fees	24,800
Paraprol fees	5,120
Miscellaneous revenues	2,895
	<hr/>
Total Revenue	176,306
	<hr/>
Net Program Revenue	(25,539)
GENERAL REVENUE	
Interest income	238
	<hr/>
Change in Net Assets	(25,301)
Net assets - beginning of year, as previously reported	28,777
Adjustments to net assets:	
Capital assets and accumulated depreciation as of December 31, 2000	62,273
Certificate of deposit as of December 31, 2000	18,294
Long-term debt as of December 31, 2000	(8,650)
Compensated absences as of December 31, 2000	(1,882)
	<hr/>
Net assets - beginning of year, as restated	77,000
	<hr/>
Net assets - end of year	\$ 51,701
	<hr/>

See independent accountant's report and accompanying notes.

CITY MARSHAL OF SUELL
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	GENERAL FUND
ASSETS	
Cash and cash equivalents	\$ 21,647
Due from other governmental entities	<u>7,608</u>
TOTAL ASSETS	<u>\$ 29,255</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Payroll taxes payable	<u>\$ 721</u>
Fund Balance	
Unreserved, reported in: General Fund	<u>27,828</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 28,549</u>

See Independent accountants' report and accompanying notes.

**CITY MARSHAL, OF ELIDELL
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2003**

Net changes in fund balances - Total governmental fund	\$ (17,945)
Amounts reported for governmental activities in the statement of net assets are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, the costs of these assets is allocated over the estimated useful lives as depreciation expense. This is the amount of depreciation over the capital expenditures.	(11,841)
Governmental funds report principal portion of debt as expenditures. In the statement of activities, the principal portion of debt payment reduces the debt.	4,806
Governmental funds report compensated absences as expenditures when the amount is paid. In the statement of activities, the net accretion/decretion is reported as an expense.	<u>6,098</u>
Changes in net assets of governmental activities	<u>\$ (28,882)</u>

See independent accountants' report and accompanying notes.

**CITY MARSHAL OF SUDELL
 RECONCILIATION OF THE GOVERNMENTAL FUND
 BALANCE SHEET TO THE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003**

Fund balances - Total governmental fund		\$ 27,658
Accounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Governmental capital assets	\$ 55,595	
Less accumulated depreciation	<u>27,937</u>	27,658
Debt used in governmental activities are not financial uses and therefore are not reported in the funds		
Debt related to the capital assets		(4,600)
Compensated absences used in governmental activities are not financial uses and therefore are not reported in the funds		
Compensated absences		<u>(7,330)</u>
Net assets of governmental activities		<u>\$ 47,314</u>

See independent accountant's report and accompanying notes.

**CITY MARSHAL OF SUELL
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2003**

	GENERAL FUNDS
REVENUES	
City Court of Suell fees	\$ 64,000
City of Suell fees	68,338
Monthly Office fees	28,800
Fingerprint fees	5,100
Miscellaneous revenues	2,234
	<hr/>
Total Revenues	172,850
EXPENDITURES	
Salaries	190,312
Payroll taxes	3,899
Health insurance	4,800
Deferred compensation plan	6,400
Telephone	5,142
Automobile	17,785
Professional fees	6,828
Insurance	6,895
Dues and subscriptions	325
Contract labor	3,200
Materials and supplies	6,585
Miscellaneous	1,383
Interest	489
Debt service requirement	4,888
	<hr/>
Total Expenditures	189,200
Excess (deficiency) of revenues over expenditures	(17,445)
Fund balance - beginning of year, as previously reported	28,777
Adjustment to fund balance: Certificate of deposit as of December 31, 2002	<hr/> 61,284 <hr/>
Fund balance - beginning of year, as restated	45,811
Fund balance - end of year	<hr/> \$ 27,836 <hr/>

See independent accountant's report and accompanying notes.

CITY MARSHAL OF SHELBY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>(Budgeted Amounts)</u>		<u>Actual</u>	<u>Variance</u> <u>Excess</u> <u>(Deficiency)</u>
	<u>Budget</u>	<u>Variance</u>		
REVENUES				
City Court of Shelby fees	\$ 50,000	\$ 50,000	\$ 54,000	\$ (7,000)
City of Shelby fees	70,000	70,000	66,000	(4,000)
Shelby Office fees	20,000	24,000	24,000	-
Employment fees	4,000	4,000	3,700	300
Maintenance fees/fees	-	-	2,300	2,300
Total revenues	144,000	148,000	149,000	(2,000)
EXPENDITURES				
Salaries	120,000	120,000	120,710	710
Fringe costs	2,000	2,000	2,000	000
Health insurance	4,500	4,500	4,000	400
Deferred compensation plan	8,200	8,200	8,400	200
Telephone	4,000	4,000	5,100	1,100
Automobile	10,000	10,000	10	9,990
Professional fees	4,000	4,000	3,000	1,000
Insurance	24,000	24,000	25,700	1,700
Gas and subscriptions	500	500	500	000
Communication	4,000	4,000	3,000	1,000
Materials and supplies	5,000	5,000	5,000	000
Miscellaneous	-	-	1,000	1,000
Interest	400	400	400	000
Debt service requirement	-	-	4,000	4,000
Capital expenditures	5,000	5,000	-	5,000
Total expenditures	184,100	184,100	189,200	5,100
EXCESS (DEFICIENCY) OF REVENUES OVER (EXCEEDS) BUDGET				
	5,900	5,900	(7,200)	(26,100)
Fund balance—beginning of year, as previously reported	28,777	28,777	28,777	-
Adjustments to fund balances: Certificate of deposit as of December 31, 2000	-	-	18,204	(18,204)
Fund balance—beginning of year, as restated	<u>28,777</u>	<u>28,777</u>	<u>46,981</u>	<u>(18,204)</u>
Fund balance—end of year	\$ 34,677	\$ 34,677	\$ 39,781	\$ 4,104

See independent accountants' report and accompanying notes.

CITY MARSHAL OF SLIDELL
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City Marshal of Slidell 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. The more significant of the governmental entity's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Marshal's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Marshal's activities.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements). The Marshal has elected early implementation of the provisions of GASB No. 34 as required by the City of Slidell for the year ending December 31, 2003.

Reporting Entity

As provided by Chapter 3 of Title 33 of the Louisiana Revised Statutes of 1985, the voters of St. Tammany Parish elect the City Marshal of Slidell for a term of six years.

For reporting purposes the City of Slidell, Louisiana, serves as the financial reporting entity for both the municipality (City of Slidell) and for the City Court of Slidell. The financial reporting entity consists of (1) the primary government's full funds under the auspices of the Mayor and Council of the City of Slidell, (2) organizations for which the primary government is financially accountable, and (3) 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.

CITY MARSHAL OF SIDDELL
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Accounting Standards Board No. 14 established criteria for determining which component units should be considered part of the St. Vrain County Parish 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:

- a) Appointing a voting majority of an organization's governing body, and the ability of the Parish Council to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burden on the organization.
- b) Organizations for which the parish (or) does not appoint a voting majority but is financially dependent on the parish (or).
- c) 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.

The management of the City of Sidell has included the City Marshal of Sidell as a component of the City of Sidell. Since the Marshal is an elected official and retains defined sources of funds for his own operating and/or capital budget discretion, the funds of the City Marshal of Sidell will be discretely presented in the City of Sidell government-wide financial statements for the year ended December 31, 2013.

Basis of Presentation

Basic Financial Statements – Government-Wide Statements

The Marshal's basic financial statements include both government-wide (reporting the Marshal as a whole) and fund financial statements (reporting the Marshal's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. There were no activities of the Marshal categorized as a business type activity.

In the government-wide Statement of Net Assets, the governmental activity column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis.

The government-wide Statement of Activities reports both the gross and net cost of the Marshal's function. The Statement of Activities subsumes gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

The net costs (by function) are normally covered by general revenue (interest and investment earnings, etc.).

The Marshal does not utilize indirect costs.

The government-wide focus is more on the sustainability of the Marshal as an entity and the change in the Marshal's net assets resulting from the current year's activities.

CITY MARSHAL OF SICKLE
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic Financial Statements - Fund Financial Statements

The financial transactions of the Marshal are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements. The funds and account groups used by the Marshal are as follows:

Governmental Fund Type

Governmental funds are those through which general governmental functions of the Marshal are financed. The acquisition, use, and balances of the Marshal's expendable financial resources and the related liabilities are accounted for through governmental funds. The general fund is the principal fund of the Marshal. General operating expenditures are paid from this fund.

Account Group

An account group is used to establish accounting control and accountability for the Marshal's general fixed assets and general long-term obligations. This account group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the Marshal. Capital outlays in the general fund and special revenue fund are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, for control purposes in the general fixed assets account group.

General Long-Term Debt Account Group

This account group is established to account for the Marshal's long-term obligations reported in the financials from general governmental resources.

fiducian Fund Type

The Civil and Garnishment Fund, agency funds, accounts for the receipt and disbursement of monies from civil judgments and garnishment orders on behalf of the City Court of Sickle.

CITY MARSHAL OF SLIDELL
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

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

Accrual

The governmental activities in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Marshal consist principally of interest income and fines and fees for services relating to court filings. Interest income is recorded when earned. Fines and fees for services are recorded when received in cash because they are generally not measurable until actually received.

Modified Accrual

The accounting and 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. The operating statement of the fund presents increases (i.e., revenues and other sources) and decreases (i.e., expenditures and other uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types 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. 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.

These revenues of the Marshal susceptible to accrual are fees due from the City of Slidell and other governmental units, and fees charged for wage garnishments. Substantially all other revenues are recorded when received. Depreciation and compensated absences are not recognized in the Governmental Fund Financial Statements.

Use of Estimates in the Preparation of Financial Statements

The preparation of the Marshal's financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities as of December 31, 2003. Adjustments to the reported amounts of assets and liabilities may be necessary in the future in the event that future estimates or actual results are different from the estimates used in the 2003 financial statements.

CITY MARSHAL OF SLIDELL
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Budget and Budgetary Accounting

The proposed budget for the General Fund of the Marshal was adopted on December 30, 2002, for the year ended December 31, 2003. The original budget adopted December 28, 2001, was not amended during the year ended December 31, 2003. Formal budgetary accounting is employed as a management control device during the year for the general fund. The budget is adopted for the general fund on a basis consistent with generally accepted accounting principles (GAAP). All appropriations, which are not expended, lapse at year-end.

Cash and Cash Equivalents

Cash includes amounts in demand deposits and certificates of deposits, if any.

Louisiana revised statute authorizes the Marshal to invest in (1) United States bonds, treasury notes or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, an investment as stipulated in LSA-RS 39:1271, or any other federally insured investments, or (2) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies.

Capital Assets

Capital assets are reported in the government-wide financial statements at historical cost. Additions, improvements, or other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Computer equipment	5 years
Office furniture and equipment	3 to 10 years
Vehicles	5 years

Allowance for Doubtful Receivables

The financial statements for the Marshal contain no allowance for doubtful receivables. Uncollectible receivables (including amounts due from other governmental units) are recognized as uncollectible receivables at the time the information becomes available which would indicate the uncollectibility of the particular receivable.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Also, net assets are increased/decreased by the change in compensated absences. At December 31, 2003, the Marshal had approximately \$2,000 of outstanding debt and \$3,000 of compensated absences.

CITY MARSHAL OF SHELLE
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Change in Accounting Principles and Restatement of Prior Year Equity

For the year ended December 31, 2003, the Marshal implemented the following GASB Standards:

- *Statement No. 34 – Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*
- *Statement No. 37 – Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*
- *Statement No. 38 – Certain Financial Statement Note Disclosures*
- *Interpretation No. 5 – Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*

The transition from governmental fund balance total equity to net assets for December 31, 2003 reported a net increase of \$30,294. Also, an increase in net assets of \$16,294 relates to a certificate of deposit not recorded by the Marshal.

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2003, the Marshal has cash and cash equivalents (bank balances) totaling \$21,847. The Marshal’s cash was not in excess of the FDIC insurance during 2003 and there were no funds invested during the year.

NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS

Included in accounts receivable are amounts due from other governmental units at December 31, 2003, which consisted of the following:

City-Court of Shelle	\$ 1,000
Shelle-Marshal’s Office	—1,500
	<u>\$ 1,500</u>

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

NOTE D -- CHANGES IN CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended December 31, 2003:

	Balance 12/31/02	Additions (Deductions)	Balance 12/31/03
Governmental Activities			
Automobiles	\$ 21,700	\$ -	\$ 21,700
Furniture and equipment	1,600	-	1,600
Totals	23,300	-	23,300
Accumulated depreciation			
Automobiles	14,432	11,540	25,972
Furniture and equipment	1,890	-	1,890
Totals	16,322	11,540	27,862
Capital Assets, net	\$ 7,978	\$ 11,844	\$ 4,438

Depreciation expense for the year ended December 31, 2003 was \$11,541.

NOTE E -- DEFERRED COMPENSATION PLAN

The Marshal's office offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan available to all employees permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Annual contributions to the plan may not exceed the lesser of 15% of participating employee's gross salary of \$7,500. Salaries of employees participating in this plan for the period and year ended December 31, 2003 totaled \$100,002. The plan requires that the minimum contribution is equal to the current employee's withholding rate for social security. The employee's contribution was \$6,430 and the employer's contribution was \$21,740 for the year ended December 31, 2003. Employee contributions are made as a non-taxable payroll deduction.

All amounts of the compensation deferred under the plan, all property and rights purchased with these amounts, and all income attributable to these amounts, property or rights are (a) not paid or made available to the employee or beneficiary until the property and rights of the Marshal (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Marshal's general creditors. Participants' rights under the plan are equal in form of general creditors of the Marshal in an amount equal to the fair market value of the deferred amount for each participant.

CITY MARSHAL OF MISSISSIPPI

NOTES TO FINANCIAL STATEMENTS

NOTE E -- DEFERRED-COMPENSATION PLAN, (continued)

It is the opinion of the Marshal's legal counsel that the Marshal has no liability for loans under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Marshal believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. Accordingly, the plan assets and related liabilities have not been included herein.

Investments are managed by the plan's administrator (Deferred-Compensation Plan). The choices of the investment option(s) are made by the plan participants.

NOTE F -- COMPENSATED AGENCIES

The Marshal's full-time and part-time employees receive one week of annual paid leave upon completion of one year of employment. This accumulation may not exceed 120 hours. Annual leave vests with the employee, and therefore, has been accrued. The amount of accumulated paid leave at December 31, 2003 was \$7,573.

NOTE G -- LONG TERM DEBT

Long term debt consists of an installment note secured by a vehicle. This debt is at 6% interest and matures in 2005. Current maturity at December 31, 2003 is \$4,827 and long-term portion of debt is \$593.

SUPPLEMENTARY INFORMATION

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Monroeville, LA 70471

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR COMPLIANCE WITH LAWS AND REGULATIONS

Wynn Williams-Marshall
City Marshal of Shiloh
Shiloh, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and summarized below, which were agreed to by the City Marshal of Shiloh and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Marshal's compliance with certain laws and regulations during the year ended December 31, 2000, included in the accompanying Louisiana Attention-Questionnaire. This agreed-upon-procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purposes.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$50,000 and determine whether such purchases were made in accordance with LSA-49:38-2211-1221 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$50,000 or public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-49:42-1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

The Marshal provided us with the required list (including the stated information).

3. Obtain from management a listing of all employees paid during the period under examination.

The Marshal provided us with the required list (including the stated information).

4. Determine whether any of those employees included in the listing obtained from

management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

Budgeting

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

The Marshal provided us with a copy of the original budget for the general fund.

2. Trace the budget adoption and amendments to the minute book.

The City Marshal's office is composed of only one elected official. There is no oversight board or committee; thus, there were no public meetings or minutes of meetings. The Marshal properly prepared the budget for the general fund.

3. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 2%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. We noted certain revenues were not within 2% of budgeted amounts. Also, certain expenditures exceeded 2% of budgeted amounts.

Accounting and Reporting

4. Randomly select 6 disbursements made during the period under examination and:

- a) trace payments to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that the payment was for the proper amount and made to the correct payee.

- b) determine if payments were properly coded to the correct fund and general ledger account, and

All of the payments were properly coded to the correct fund and general ledger account.

- c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the City Marshal.

Meetings

5. Examine evidence (indicating that agenda for meetings recorded in the minute book) were posted or advertised as required by ILSA-45-42:1 through 42:13 (the open meetings law).

The City Marshal's office is composed of only one elected official. There is no oversight board or committee; thus, there were no public meetings or minutes.

Date:

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits, which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Benefits:

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances, which would indicate payments to employees, which would constitute bonuses, advances, or gifts.

We were not engaged in, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City Marshal of Shreve and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and take responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



February 3, 2008