
**CITY MARSHAL OF BASTROP
Bastrop, Louisiana**

**General Purpose Financial Statements
With Accountant's Compilation Report
As of and for the Year Ended
December 31, 2005**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 5-24-06

CITY MARSHAL OF BASTROP
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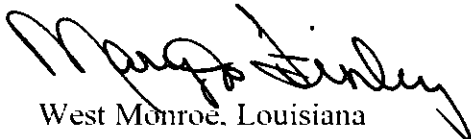
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Public Accountants

Accountant's Compilation Report

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

I have compiled the accompanying general purpose financial statements, as listed in the foregoing table of contents, of the City Marshal of Bastrop, as of December 31, 2005, and for the year then ended, in accordance with standards established by *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 statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.



West Monroe, Louisiana
March 1, 2006

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

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

Combined Balance Sheet, December 31, 2005

	GOVERNMENTAL FUND TYPE - GENERAL FUND	FIDUCIARY FUND TYPE- AGENCY FUNDS	ACCOUNT GROUP - GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ASSETS				
Cash and cash equivalents	\$67,008	\$373		\$67,381
Due from other funds	368			368
Office furnishings and equipment			\$31,020	31,020
TOTAL ASSETS	<u>\$67,376</u>	<u>\$373</u>	<u>\$31,020</u>	<u>\$98,769</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$296			\$296
Due to other funds		\$368		368
Payroll withholdings payable	596			596
Total Liabilities	<u>892</u>	<u>368</u>	<u>NONE</u>	<u>1,260</u>
Fund Equity:				
Investment in general fixed assets			\$31,020	31,020
Fund balance - unreserved undesignated	66,484	5		66,489
Total Fund Equity	<u>66,484</u>	<u>5</u>	<u>31,020</u>	<u>97,509</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$67,376</u>	<u>\$373</u>	<u>\$31,020</u>	<u>\$98,769</u>

See accompanying notes and accountant's compilation report.

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

Statement of Revenues, Expenditures, and
Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2005

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Fees, charges, and commissions for services	\$46,568	\$46,642	\$74
Interest earnings		1,117	1,117
Total revenues	<u>46,568</u>	<u>47,759</u>	<u>1,191</u>
EXPENDITURES			
Public safety:			
Personal Services	29,000	29,901	(901)
Operating services	12,000	12,213	(213)
Materials and supplies	3,000	3,366	(366)
Capital outlay	91	560	(469)
Total expenditures	<u>44,091</u>	<u>46,040</u>	<u>(1,949)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	2,477	1,719	(758)
FUND BALANCE AT BEGINNING OF YEAR	<u>50,192</u>	<u>64,765</u>	<u>14,573</u>
FUND BALANCE AT END OF YEAR	<u><u>\$52,669</u></u>	<u><u>\$66,484</u></u>	<u><u>\$13,815</u></u>

See accompanying notes and accountant's compilation report.

CITY MARSHAL OF BASTROP
Bastrop, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

As the governing authority of the city, for reporting purposes, the City of Bastrop is the financial reporting entity for the city. The financial reporting entity consists of (a) the primary government (city), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria determining which component units should be considered part of the City of Bastrop for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

See accountant's compilation report.

CITY MARSHAL OF BASTROP

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

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

B. FUND ACCOUNTING

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

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

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The general fund is used to account for the operations of the marshal's office. The agency fund is used as a depository for garnishments and related fees. Disbursements from the fund are made to the city marshal, litigants, et cetera, in the manner prescribed

See accountant's compilation report.

CITY MARSHAL OF BASTROP

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

by law. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

C. FIXED ASSETS AND LONG-TERM DEBT

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the City of Bastrop are not recorded in the general fixed assets account group. Approximately 28 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 72 per cent are based on actual historical costs. No depreciation has been provided on general fixed assets. The city marshal has no long-term debt at December 31, 2005.

D. BASIS OF ACCOUNTING

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

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

Revenues

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

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

See accountant's compilation report.

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

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

Expenditures

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

E. BUDGET PRACTICES

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the city marshal and amended during the year, as necessary. The budget is established and controlled by the city marshal at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the city marshal.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and all subsequent amendments.

F. CASH AND CASH EQUIVALENTS

Under state law, the city marshal may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The city marshal may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2005, the city marshal has cash and cash equivalents (book balances) totaling \$67,381.

Demand deposits	\$26,245
Time deposits	<u>41,136</u>
Total	<u>\$67,381</u>

See accountant's compilation report.

CITY MARSHAL OF BASTROP

Bastrop, Louisiana

Notes to the Financial Statements (Continued)

Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Deposit balances (bank balances) at December 31, 2005, total \$81,724, and are fully secured by federal deposit insurance.

G. TOTAL COLUMN ON COMBINED BALANCE SHEET

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

H. RISK MANAGEMENT

The marshal is exposed to various risk of loss related to torts: theft of, damage to, and destruction of assets and errors and omissions. To handle such risk of loss, the City of Bastrop maintains commercial insurance policies covering the marshal's general liability, automobile and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2005.

2. CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others for the year ended December 31, 2005, is as follows:

	<u>Garnishment Fund</u>	<u>Sales and Seizures Fund</u>	<u>Total</u>
Balance at January 1, 2005	NONE	NONE	NONE
Additions	\$263,766	\$10,979	\$274,745
Reductions	<u>(263,766)</u>	<u>(10,974)</u>	<u>(274,740)</u>
Balance at December 31, 2005	<u>NONE</u>	<u>\$5</u>	<u>\$5</u>

See accountant's compilation report.

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

3. CHANGES IN GENERAL FIXED ASSETS

The following presents the changes in firefighting equipment for the year ended December 31, 2005:

Balance at January 1, 2005	\$30,460
Additions	560
Reductions	<u>NONE</u>
Balance at December 31, 2005	<u>\$31,020</u>

4. PENSION SYSTEM

For the year ended December 31, 2005, the marshal participated in the social security system. The marshal contributes 7.65% of his total salary to social security (FICA and Medicare) which is matched by employer contributions.

5. LITIGATION AND CLAIMS

The city marshal is not involved in any litigation at December 31, 2005, nor is he aware of any unasserted claims.

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

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

See accountant's compilation report.