

**ALEXANDRIA CITY MARSHAL  
ALEXANDRIA, LOUISIANA**

**September 30, 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 5-10-06

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## Independent Auditors' Report

To the Honorable James R. Byrd  
Alexandria City Marshal  
Alexandria, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Marshal as of and for the year ended September 30, 2005, which collectively comprise the Alexandria City Marshal's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of Alexandria City Marshal's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Marshal, at September 30, 2005, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.



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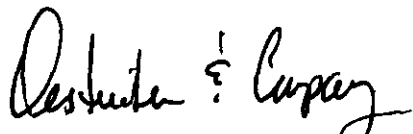


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The Management's Discussion and Analysis on pages 4 through 8 and the Budgetary Comparison Schedule on page 32 are not a required part of the basic financial statements but is *supplementary information required by the Governmental Accounting Standards Board*. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2006, on our consideration of the Alexandria City Marshal's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



OESTRIECHER & COMPANY  
Certified Public Accountants

March 22, 2006

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## **Alexandria City Marshal**

### **Management's Discussion and Analysis**

The Alexandria City Marshal's (ACM) discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues (b) provide the reader with an overview of ACM's financial activity, (c) identify changes in the ACM's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

#### **Financial Highlights**

The ACM has net assets of \$303,905 and \$340,183 for Governmental activities as of September 30, 2004 and 2005.

The ACM received \$202,540 and \$213,127 in fees for the fiscal year end, and incurred expenses of \$155,490 and \$176,820, for the years ended September 30, 2004 and 2005 for governmental activities.

The ACM has assets of \$313,924 and \$355,344 with capital assets of \$56,062 and \$57,223 as of September 30, 2004 and 2005. Liabilities are \$10,019 and \$15,161 with \$7,485 and \$0 as long-term for the respective periods.

#### **Overview of the Financial Statements**

Management's Discussion and Analysis introduces the ACM's basic financial statements. The basic financial statements include: (1) government wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

#### ***Government-wide Financial Statements***

The ACM's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about ACM's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

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The first government-wide financial statement is the *Statement of Net Assets*. This statement presents all of ACM's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may indicate whether the financial condition of ACM is improving or deteriorating.

The second government-wide financial statement is the *Statement of Activities* which reports how the ACM's net assets changes during the current fiscal year. All current revenues and expenses are included regardless of when cash is received or paid.

Both of the government-wide financial statements report activities that are primarily supported by fees received from the Alexandria City Court. The ACM does not participate in any business-type activities.

The ACM does not have any component units, but it is considered to be a component unit of the City of Alexandria.

### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The ACM uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the ACM's most significant funds rather than the ACM as a whole.

The ACM has two kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund financial statements providing a distinct view of the ACM's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year.

*Fiduciary funds* are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund ACM programs.

### ***Notes to the Financial Statements***

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

### Financial Analysis of the Alexandria City Marshal as a Whole

The ACM implemented the new financial reporting model used in this report beginning with the fiscal year ending September 30, 2002. This change was the result of ACM being a financial component of the City of Alexandria. The City of Alexandria was required to change to the new financial reporting model contained in GASB 34 in their fiscal year ended April 30, 2003.

The ACM's net assets as of September 30, 2004 & 2005 are \$303,905 and \$340,183. The following is a summary of the ACM's net assets, all of which are governmental activities:

#### Governmental Activities

	<u>2004</u>	<u>2005</u>
Cash	\$ 243,649	\$ 283,906
Court costs receivable	14,213	14,215
Capital assets	<u>56,062</u>	<u>57,223</u>
Total assets	<u>313,924</u>	<u>355,344</u>
Liabilities	<u>10,019</u>	<u>15,161</u>
Net assets:		
Invested in capital assets	56,062	57,223
Unrestricted	<u>247,843</u>	<u>282,960</u>
Total net assets	<u>\$ 303,905</u>	<u>\$ 340,183</u>

The ACM's net assets are sufficient for funding the operations of the ACM. All liabilities are short term accounts payable, payroll taxes withheld, and amounts due to other governmental agencies.

The ACM received \$195,390 and \$205,977 in fees from the Alexandria City Court and user fees of \$7,150 and \$6,200 for defendants placed on probation that were charged with DWI in the fiscal years ended September 30, 2004 and 2005. Total expenses for fiscal years ended September 30, 2004 and 2005 were \$155,490 and \$176,820, for an increase in net assets of \$47,050 and \$36,307. The revenue for the ACM is dependent upon fees from the Alexandria City Court, and those fees are set by the Alexandria City Judge. Some fees are established or limited by state statute.



## Financial Analysis of the Alexandria City Marshal's Funds

As discussed earlier, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable funds focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements.

Governmental funds reported ending fund balances of \$259,681 and \$287,342 in the years ended September 2004 and 2005. This entire balance is unreserved and is available for future expenditures.

Court costs payable to the Alexandria City Marshal have increased from \$15 to \$30. Although the number of cases processed through the court has decreased, overall revenue has increased due to this fact. The financial position has improved from last year as a result of the increase in revenue which has created more liquid assets which has enhanced ACM's ability to meet its current financial obligations.

### *Major governmental funds*

The General Fund is the primary operating fund of the ACM, and has an unrestricted and undesignated fund balance of \$244,106 and \$266,182 in the years ended September 30, 2004 and 2005.

## Capital Assets

The ACM's investment in capital assets, net of depreciation is \$56,062 and \$57,223 for governmental type funds in September 2004 and 2005. Assets consist mostly of vehicles and office and computer equipment. A summary of capital assets are as follows:

### Governmental Activities

Depreciable assets:	<u>2004</u>	<u>2005</u>
Vehicles	\$ 119,118	\$ 138,918
Computers and equipment	158,026	159,042
Accumulated depreciation	<u>(221,082)</u>	<u>(240,737)</u>
Assets, net of depreciation	<u>\$ 56,062</u>	<u>\$ 57,223</u>

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### **Economic Factors**

The operations of the Alexandria City Marshal are not affected by economic conditions. The ACM derives its revenues solely from fees levied by the Alexandria City Court. The City of Alexandria has maintained a stable population and there are no indications that the activity level of the court will decrease.

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Alexandria City Marshal  
Statement of Net Assets  
September 30, 2005**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash	\$ 283,906	\$ -	\$ 283,906
Court cost receivable	14,215	-	14,215
Capital assets, net of accumulated depreciation	57,223	-	57,223
<b>Total assets</b>	<b>\$ 355,344</b>	<b>\$ -</b>	<b>\$ 355,344</b>
<b>Liabilities</b>			
Accounts payable	\$ 14,985	\$ -	\$ 14,985
Payroll taxes payable	176	-	176
<b>Total liabilities</b>	<b>15,161</b>	<b>-</b>	<b>15,161</b>
<b>Net Assets</b>			
Unrestricted	340,183	-	340,183
<b>Total net assets</b>	<b>\$ 340,183</b>	<b>\$ -</b>	<b>\$ 340,183</b>

The notes to the financial statements are an integral part of this statement.

Alexandria City Marshal  
Statement of Activities  
For The Year Ended September 30, 2005

	Program Revenues			Net Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL FUNCTIONS</b>							
Primary Government							
Governmental activities							
General fund	\$ 175,255	\$ 205,977	\$ -	\$ -	\$ 30,722	\$ -	\$ 30,722
DWI Fund	1,565	7,150	-	-	5,585	-	5,585
Total governmental activities	176,820	213,127	-	-	36,307	-	36,307
Total primary government	\$ 176,820	\$ 213,127	\$ -	\$ -	\$ 36,307	\$ -	\$ 36,307
Change in net assets for the year							
Net assets-Beginning of year					\$ 36,307	\$ -	\$ 36,307
Net assets-Ending of year					303,876	-	303,876
					\$ 340,183	\$ -	\$ 340,183

The notes to the financial statements are an integral part of this statement.

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**FUND FINANCIAL STATEMENTS**

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**GOVERNMENTAL FUNDS**

**Balance Sheet**  
**Governmental Funds**  
**Alexandria City Marshal**  
**September 30, 2005**

	<u>General</u>	<u>DWI Fund</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>			
Cash	\$ 257,546	\$ 26,360	\$ 283,906
Court costs receivable	13,715	500	14,215
Due from other funds	10,082		10,082
<b>Total assets</b>	<b><u>\$ 281,343</u></b>	<b><u>\$ 26,860</u></b>	<b><u>\$ 308,203</u></b>
<b><u>Liabilities and Fund Balance</u></b>			
Accounts payable	\$ 14,985	\$ -	\$ 14,985
Payroll taxes payable	176		176
Due to other funds		5,700	5,700
<b>Total liabilities</b>	<b><u>15,161</u></b>	<b><u>5,700</u></b>	<b><u>20,861</u></b>
<b><u>Fund Balance</u></b>			
Fund balance - unreserved and undesignated	<u>266,182</u>	<u>21,160</u>	<u>287,342</u>
<b>Total fund balance</b>	<b><u>266,182</u></b>	<b><u>21,160</u></b>	<b><u>287,342</u></b>
 <b>Total liabilities and fund balance</b>	 <b><u>\$ 281,343</u></b>	 <b><u>\$ 26,860</u></b>	 <b><u>\$ 308,203</u></b>

The notes to the financial statements are an integral part of this statement.



**Reconciliation of the Balance Sheet  
of Governmental Funds to the  
Statement of Net Assets  
September 30, 2005**

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Total fund balance-total governmental funds	\$ 287,342
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:	
Capital assets of \$297,961 net of accumulated depreciation of \$240,738, are not financial resources and, therefore, are not reported in the funds.	\$ 57,223
Internal service funds are used by management to charge the costs of certain activities to individual funds. Assets and liabilities of the internal services funds of \$4,382 are included in governmental activities in the statement of net assets.	<u>(4,382)</u>
Total adjustments	<u>\$ 52,841</u>
Net assets of governmental activities	<u>\$ 340,183</u>

The notes to the financial statements are an integral part of this statement

**Statement of Revenues, Expenditures, and Changes  
in Fund Balances-Governmental Funds  
Alexandria City Marshal  
for the year ended September 30, 2005**

	<u>General Fund</u>	<u>DWI Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Court costs	\$ 181,569	\$ 6,200	\$ 187,769
Other revenue	20,027	950	20,977
Interest	4,381		4,381
<b>Total revenues</b>	<u>205,977</u>	<u>7,150</u>	<u>213,127</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General Fund	163,085		163,085
DWI Fund		1,565	1,565
Capital Expenditures	20,816		20,816
Debt service:			
Principal			-
Interest and fiscal charges			-
<b>Total expenditures</b>	<u>183,901</u>	<u>1,565</u>	<u>185,466</u>
<b>Excess of revenues over expenditures</b>	<u>22,076</u>	<u>5,585</u>	<u>27,661</u>
<b>Fund balances, beginning</b>	<u>244,106</u>	<u>15,575</u>	<u>259,681</u>
<b>Fund balances, ending</b>	<u>\$ 266,182</u>	<u>\$ 21,160</u>	<u>\$ 287,342</u>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of  
Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the year ended September 30, 2005**

Net changes in fund balances-total governmental funds		\$ 27,661
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	\$ 20,816	
Less current year depreciation	<u>(19,655)</u>	1,161
Repayment of loan principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net assets.		
Principal payments	<u>7,485</u>	<u>7,485</u>
Change in net assets of governmental activities		<u>\$ 36,307</u>

The notes to the financial statements are an integral part of this statement

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**FIDUCIARY FUND**

**Statement of Fiduciary Net Assets**  
**Alexandria City Marshal**  
**September 30, 2005**

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	<u>Agency Fund</u>
<b><u>Assets</u></b>	
Cash	\$ 46,764
<b>Total assets</b>	<u>\$ 46,764</u>
<b><u>Liabilities</u></b>	
Bonds held for future disposition	\$ 42,382
Due to other funds	4,382
<b>Total liabilities</b>	<u>\$ 46,764</u>

The notes to the financial statements are an integral part of this statement.

**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Alexandria City Marshal as a whole excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities from business-type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

*Fund Financial Statements*

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The accounting and reporting practices of the Alexandria City Marshal conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide and to the industry audit guide, Audits of State and Local Governmental Units. The following is a summary of certain significant accounting policies and practices:

**Reporting Entity** - In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not only criterion, for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third

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**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The Alexandria City Marshal is a potential component unit of the City of Alexandria, Louisiana. However, the Alexandria City Marshal is a separate reportable entity from the City of Alexandria because it is essentially an autonomous unit. The Marshal, an elected official, has the ability to exercise accountability for fiscal matters. The Alexandria City Marshal is financially independent from the City of Alexandria, Louisiana.

**Fund Accounting** - The accounts of the Alexandria City Marshal are organized on the basis of funds. 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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are categorized as follows:

**Governmental Fund Categories**

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

**DWI Fund** - The DWI Fund is used to account for the proceeds of DWI fines that are set aside to monitor DWI probation activities.

**Fiduciary Fund Category**

The Fiduciary Fund is used to account for assets held by the Alexandria City Marshal as an agent for other governments, other organizations, and other funds. Agency Funds are custodial in nature (assets = liabilities) and do not involve measurement of results of operations.

**Basis of Accounting** -The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Fiduciary fund financial statements report using the same focus and basis of accounting.

**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

Governmental fund financial statements are accounted for using 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. Expenditures are recorded when the related fund liability is incurred. Fiduciary fund revenues and expenses or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. The Alexandria City Marshal has one fiduciary fund, an agency fund, which is purely custodial and thus does not involve measurement of results of operations.

The revenue received by the Alexandria City Marshal is generated through court costs allocated to the entity. Court costs are distributed based on schedules developed by the Louisiana Legislature. The office of the Alexandria City Marshal is responsible for collecting bonds and fines for cases in Alexandria City Court, then distributing these amounts when there is a disposition in the case. The amount of distribution that the entity will receive is recognized as of the last day of the month of disposition of the case.

**Interfund receivables and payables** - The Agency Fund occasionally incurs costs such as check printing charges, cash shortages, and checks dishonored. The General Fund reimburses the Agency Fund for these costs. Interest revenues earned on the agency fund are used to offset these charges.

**Budgets and Budgetary Accounting** - The Alexandria City Marshal adopts a budget on a basis consistent with GAAP for the General Fund. The Alexandria City Marshal is required to present the adopted and final amended budgeted revenues and expenditures for the General Fund and Special Revenue Fund. The City Marshal establishes the fiscal year as the twelve-month period beginning October 1. The procedures detailed below are followed in establishing the budgetary data reflected in the financial statements.

A CPA prepares the proposed budget based on an estimate of the revenues expected to be received in the next fiscal year and submits the proposal to the Marshal who reviews and approves it. The budget is then submitted to the City of Alexandria and made available for public inspection.

The Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget(GAAP Basis) and Actual presents a comparison of budgetary data to actual results of operations for which annual budgets have been adopted. These funds utilize the same basis of accounting for both budgetary purposes and actual results.



**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

**Cash** - Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the city marshal may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these amounts

**Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus.

All government fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

All capital assets are stated at historical cost. Historical costs include not only the purchase price and construction costs, but also ancillary charges to place the asset in its intended location and condition for use. Capital assets are depreciated using the straight-line method over their estimated useful lives.

**2. CASH**

The Alexandria City Marshal maintains cash balances at financial institutions located in central Louisiana. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$100,000. Deposits in excess of FDIC limits are secured by collateral held in the pledging bank's trust departments. As of September 30, 2005, the Alexandria City Marshal had excess deposits of \$249,894 which were adequately secured.

**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

**3. CAPITAL ASSETS:**

Capital asset activity for the year ended September 30, 2005 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Equipment	\$ 158,026	\$ 1,016	\$ -0-	\$ 159,042
Vehicles	<u>119,118</u>	<u>19,800</u>	<u>-0-</u>	<u>138,918</u>
Totals – Cost	277,144	20,816	-0-	297,960
Accumulated Depreciation	<u>(221,082)</u>	<u>(19,655)</u>	<u>-0-</u>	<u>(240,737)</u>
Capital assets, net	<u>\$ 56,062</u>			<u>\$ 57,223</u>

**4. COMPENSATED ABSENCES:**

The Alexandria City Marshal's obligation for employees' rights to receive compensation for future absences (such as vacation) was not material as of September 30, 2005, and thus, is not recognized in the accompanying financial statements.

**5. INTERFUND RECEIVABLES AND PAYABLES:**

A summary of the interfund receivables and payables by fund as of September 30, 2005, is presented below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 10,082	\$ -0-
Special Revenue Fund	-0-	5,700
Agency Fund	<u>-0-</u>	<u>4,382</u>
Totals	<u>\$ 10,082</u>	<u>\$ 10,082</u>

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**ALEXANDRIA CITY MARSHAL**  
**Notes to the Financial Statements**  
**September 30, 2005**

**6. CHANGES IN LONG-TERM DEBT**

Alexandria City Marshal retired a note payable during the year. The note was payable to local bank in an original amount \$20,000 with annual interest rate of 4.75%. The note was due in monthly installments of \$599, and secured by a chattel mortgage on an automobile. Alexandria City Marshal paid \$7,485 in principal payments during the year.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**Alexandria City Marshal**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget(GAAP Basis) and Actual**  
**for the year ended September 30, 2005**

GENERAL FUND				
	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Court costs	\$ 188,500	\$ 188,500	\$ 181,569	\$ (6,931)
Other revenue	-	-	20,027	20,027
Interest	-	-	4,381	4,381
<b>Total revenues</b>	<b>188,500</b>	<b>188,500</b>	<b>205,977</b>	<b>17,477</b>
<b>Expenditures:</b>				
Salaries and wages	12,000	12,000	16,808	(4,808)
Supplemental pay	25,200	25,200	28,000	(2,800)
Payroll taxes	1,000	1,000	1,119	(119)
Car allowance	8,000	8,000	7,378	622
Continuing education	2,500	2,500	-	2,500
Uniform allowance	7,000	7,000	9,213	(2,213)
Dues and subscriptions	500	500	635	(135)
Office equipment	3,000	3,000	1,016	1,984
Office maintenance	1,200	1,200	-	1,200
Miscellaneous	3,000	3,000	3,212	(212)
Office supplies	4,000	4,000	10,645	(6,645)
Postage	2,000	2,000	2,149	(149)
Radio and Communication expense	800	800	-	800
Travel	5,000	5,000	11,387	(6,387)
Equipment maintenance	600	600	412	188
Legal and professional	9,000	9,000	4,405	4,595
Computer software	200	200	185	15
Insurance	31,000	31,000	30,142	858
Insurance bond	16,000	16,000	-	16,000
Vehicle purchase	20,000	20,000	19,800	200
Bond expense	2,000	2,000	4,467	(2,467)
Audit expense	8,500	8,500	8,517	(17)
Convention expense	12,000	12,000	7,720	4,280
Principle and interest payments	-	-	7,551	(7,551)
Police supplies	2,000	2,000	2,248	(248)
Telephone	12,000	12,000	6,892	5,108
<b>Total expenditures</b>	<b>188,500</b>	<b>188,500</b>	<b>183,901</b>	<b>4,599</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>22,076</b>	<b>22,076</b>
<b>Fund balances, beginning</b>	<b>244,106</b>	<b>244,106</b>	<b>244,106</b>	<b>-</b>
<b>Fund balances, ending</b>	<b>\$ 244,106</b>	<b>\$ 244,106</b>	<b>\$ 266,182</b>	<b>\$ (22,076)</b>

The notes to the financial statements are an integral part of this statement



# OESTRIECHER & COMPANY

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

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**Report on Compliance and on  
Internal Control over Financial Reporting Based on an Audit  
of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

The Honorable James R. Byrd  
Alexandria City Marshal

We have audited the basic financial statements of Alexandria City Marshal, Alexandria, Louisiana, as of and for the year ended September 30, 2005, and have issued our report thereon dated March 22, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Alexandria City Marshal's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, non-compliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and questioned costs as item 2005-01.



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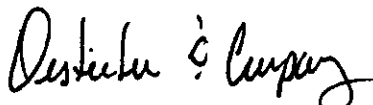
Emile P. Oestriecher, III, CPA  
Registered Representative

Securities offered through H.D. Vest Investment Securities, Inc. Member: NASD/SIPC  
633 North State Highway 161, Fourth Floor, Irving, Texas 75038 • (972) 870-6000

Internal Control over Financial Reporting

In planning and performing our audit, we considered Alexandria City Marshal's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the management of Alexandria City Marshal and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed as a public document.



OESTRICHER & COMPANY  
Certified Public Accountants

March 22, 2006

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**Alexandria City Marshal  
Schedule of Findings and Questioned Costs  
For the year ended September 30, 2005**

***Section I - Summary of Auditor's Reports***

We have audited the basic financial statements of the Alexandria City Marshal as of and for the year ended September 30, 2005, and have issued our report thereon dated March 22, 2006. We conducted our audit in accordance with generally accepted auditing standards in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of September 30, 2005 resulted in an unqualified opinion

Our audit disclosed an instance of non-compliance that is considered to be a reportable condition. These are summarized in section II as findings 2005-01.

***Section II - Financial Statement Findings***

***Report on Internal Control and Compliance Material to the Financial Statements***

**Finding 2005-01**

***Statement of Condition:*** The Alexandria City Marshal did not adopt a budget for a major special revenue fund for the year ended September 30, 2005 as required by LSA-R.S. 39:1303.

***Cause of Condition:*** The Alexandria City Marshal was unaware that it was required to adopt a budget for the special revenue fund.

***Recommendation:*** The Alexandria City Marshal should adopt a budget for the special revenue in future years.

***Section III - Federal Award Findings and Questioned Costs***

There were no federal awards.



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**Alexandria City Marshal  
Summary Schedule of Prior Audit Findings  
For the year ended September 30, 2005**

***Section I – Internal Control and Compliance Material to the Financial Statements***

**Finding No. 2004-01-**The Alexandria City Marshal did not adopt a budget for the year ended September 30, 2005 for a major special revenue fund as required by LSA-R.S. 39:1303.

**Corrective action taken-** Condition is not resolved. The Alexandria City Marshal will adopt a budget for this fund for the September 30, 2006 year end.

**Finding No. 2004-02** - During fieldwork the auditor discovered several invoices missing while completing cash disbursements testing

**Corrective action taken** – Condition is resolved. The auditor did not find any missing invoices in the current year audit.

***Section II – Internal Control and Compliance Material to Federal Awards***

Not applicable.

***Section III – Federal Awards Findings and Questioned Costs***

There were no federal awards.

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**Alexandria City Marshal  
P.O. Box 30  
Alexandria, LA 71301**

**March 22, 2006**

**MANAGEMENT'S CORRECTIVE ACTION PLAN**

Alexandria City Marshal respectfully submits the following corrective action plan for the year ended September 30, 2005.

Name and address of contact person: James R. Byrd, Alexandria City Marshal, P.O. Box 30, Alexandria, Louisiana 71301.

Name and address of independent public accounting firm: Oestrieher and Company, CPAs, 4641 Windermere Place, Alexandria, Louisiana 71303-3548

Audit period: October 1, 2004 through September 30, 2005.

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule. The Summary of Audit Results does not include findings and is not addressed.

**FINDINGS-FINANCIAL STATEMENT AUDIT**

**FINDING 2005-01:**

*Recommendation:* The City Marshal should adopt a budget for the special revenue fund in accordance with LA R.S. 39:1303.

*Action Taken:* The City Marshal will adopt a special revenue budget for the year ending September 30, 2006 by May 31, 2006.