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**CITY MARSHAL OF SLIDELL
COMPONENT UNIT FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
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 5-17-06

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Skarda & Silva, L.L.P.

Certified Public Accountants

4331 Iberville Street

Mandeville, LA 70471

Steven A. Skarda, C.P.A.

Brent A. Silva, C.P.A.

(985) 626-8299, Main

(985) 626-9767, Fax

INDEPENDENT ACCOUNTANTS' REPORT

Wyatt Williams - Marshal
City Marshal of Slidell
Slidell, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, of the City Marshal of Slidell, as of and for the year ended December 31, 2005, which collectively comprise the Marshal's basic financial statements 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. All information included in these financial statements is the representation of the management of the City Marshal of Slidell.

A review consists principally of inquiries of the City Marshal of Slidell's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The management's discussion and analysis and budgetary comparison information on pages 2 through 3 and 17, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled 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 15, 2006, on the results of our agreed-upon procedures for compliance with laws and regulations.


February 15, 2006

SLIDELL 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 conditions. 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 our office 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 is dependent on the City of Slidell 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 Slidell. The accompanying financial statements only present information in 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 3. 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 finances, "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 conferences. Court cost and fees and contributions from the City of Slidell 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 \$47,190 to \$71,094

SLIDELL CITY COURT MARSHAL

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Marshal's office at December 31, 2005 and 2004 had \$44,278 and \$26,193 in cash on hand and net capital assets of \$10,663 and \$21,004 with total assets being \$78,123 and \$57,014, respectively. This office is debt free and owes current liabilities of \$7,029.

Total revenue for the Marshal's office for 2005 and 2004 was \$218,697 and \$201,186 respectively. Much of the increase was due to increase in court costs and attachment fees. Another factor was funds paid by the City of Slidell increased from \$64,170 to 68,158 because of increased gasoline costs.

Expenditures, excluding depreciation expense of \$183,015 for 2005 (\$11,615 for 2004), decreased from \$189,649 to \$185,547 due to decrease in office supplies, reduction of auto insurance premiums upon disposal of transportation equipment in 2004, and decrease in telecommunication expenditures. These decreases were offset by a 5% salary increase.

GENERAL FUND BUDGETARY HIGHLIGHTS

Favorable variances in charges for services of \$11,459 were caused by increase in court costs, attachment fees and eviction services. Favorable variances for expenditures of \$16,366 occurred because of decrease in telecommunication expenditures, decrease in supply costs, overestimate of insurance premiums.

CAPITAL ASSETS

Major asset additions for the year ended December 31, 2005 were to replace computer equipment lost in Hurricane Katrina. The Marshall's plan for 2006 includes plans to purchase a transportation vehicle.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Marshal considered many factors when setting the operating budget for the year ended December 31, 2006. The Marshal is optimistic about anticipated revenues and projects \$217,000 in revenues, while anticipated expenditures will be approximately \$214,900. The Marshal plans to maintain current operating expenditures and increase security expenditures.

CONTACTING THE MARSHAL'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers 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 2356, Slidell, Louisiana 70459.

Honorable Wyatt Williams
Marshal, City of Slidell

**CITY MARSHAL OF SLIDELL
STATEMENT OF NET ASSETS
DECEMBER 31, 2005**

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 44,278
Due from other governmental agencies	23,182
Capital assets, net	10,663
TOTAL ASSETS	78,123
LIABILITIES	
Accounts payable	3,913
Payroll taxes payable	908
Compensated absences payable	2,208
TOTAL LIABILITIES	7,029
NET ASSETS	
Invested in capital assets, net of related debt	10,663
Unrestricted	60,431
TOTAL NET ASSETS	\$ 71,094

See independent accountants' report and accompanying notes.

**CITY MARSHAL OF SLIDELL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005**

		PROGRAM REVENUES		
EXPENSES		CHARGES FOR SERVICES	CAPITAL GRANTS	TOTAL
EXPENSES				
General government	\$ 194,862	218,697	-	\$ 23,835
Total expenses				23,835
General Revenues				
Other				533
Interest				229
Loss on natural disaster				(695)
Total general revenue				67
Change in net assets				23,902
Net assets -- beginning of year				47,190
Net assets -- end of year				\$ 71,094

See independent accountants' report and accompanying notes.

**CITY MARSHAL OF SLIDELL
BALANCE SHEET - GOVERNMENTAL FUND
DECEMBER 31, 2005**

	<u>GENERAL FUND</u>
ASSETS	
Cash and cash equivalents	\$ 44,278
Due from other governmental entities	<u>23,182</u>
TOTAL ASSETS	<u>\$ 67,460</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Payroll taxes payable	\$ 908
Accounts payable	<u>3,913</u>
	4,821
Fund Balance	
Unreserved	
General Fund	<u>62,639</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 67,460</u>

See independent accountants' report and accompanying notes

**CITY MARSHAL OF SLIDELL
RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2005**

Fund balances - Total governmental fund		\$ 62,639
Amounts 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	\$ 59,906	
Less accumulated depreciation	<u>49,243</u>	10,663
Compensated absences used in governmental activities are not financial uses and therefore are not reported in the funds		
Compensated absences		<u>(2,208)</u>
Net assets of governmental activities		<u>\$ 71,094</u>

See independent accountants' report and accompanying notes.

**CITY MARSHAL OF SLIDELL
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	GENERAL FUND
REVENUES	
City Court of Slidell fees	\$ 119,434
City of Slidell fees	68,158
Sheriff's Office fees	24,000
Fingerprint fees	7,105
Interest income	229
Miscellaneous revenues	533
Total Revenues	219,459
EXPENDITURES	
Salaries	124,333
Payroll taxes	3,154
Health insurance	4,282
Deferred compensation plan	7,525
Telephone	5,931
Automobile	6,849
Professional fees	6,780
Insurance	19,210
Dues and subscriptions	340
Contract labor	3,330
Materials and supplies	6,950
Miscellaneous	3
Interest	3
Capital outlay	2,201
Debt service requirement	393
Total Expenditures	191,284
Excess/(deficiency) of revenues over expenditures	28,175
Fund balance -- beginning of year	34,464
Fund balance -- end of year	\$ 62,639

See independent accountants' report and accompanying notes.

**CITY MARSHAL OF SLIDELL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005**

Net changes in fund balances - Total governmental fund	\$ 28,175
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 those assets is allocated over the estimated useful lives as depreciation expense.	
Depreciation expense over capital expenditure	(9,646)
Loss of equipment due to natural disaster	(695)
Governmental funds report principal portion of debt as expenditures. In the statement of activities, the principal portion of debt payment reduces the debt.	
	393
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.	
	5,675
	<hr/>
Changes in net assets of governmental activities	<u><u>\$ 23,902</u></u>

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.

Reporting Entity

As provided by Chapter 3 of Title 33 of the Louisiana Revised Statutes of 1950, 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 (all 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.

Governmental Accounting Standards Board No. 14 established criteria for determining which component units should be considered part of the St. Tammany 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 police jury does not appoint a voting majority but is fiscally dependent on the police jury.
- 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 Slidell has included the City Marshal of Slidell as a component of the City of Slidell. Since the Marshal is an elected official and certain defined sources of funds for his own operating and/or capital budget discretion, the funds of the City Marshal of Slidell will be discretely presented in the City of Slidell government-wide financial statements for the year ended December 31, 2005.

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

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

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 which recognized all long-term assets and receivables as well as long-term debt and obligations. The Marshal's net assets are reported in three parts-invested in capital assets, net of related debt, restricted net assets and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of the Marshal's function. The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. These revenues are derived from fees charged for services. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflects capital-specific grants.

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

The Marshal does not allocate 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.

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 Types

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.

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

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

Basis of Accounting

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.

Accrual

The governmental activities in the government-wide financial statements are 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.

Those 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, 2005. Adjustments to the reported amounts of assets and liabilities may be necessary in the future to the extent that future estimates or actual results are different from the estimates used in the 2005 financial statements.

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

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

Budget and Budgetary Accounting

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 statutes authorize 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	5 to 10 years
Vehicles	5 years

Allowance for Uncollectible 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. Net assets are reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2005, the Marshal has cash and cash equivalents (book balances) totaling \$44,278. The Marshal's cash was not in excess of the FDIC insurance during 2005 and there were no funds invested during the year.

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS

Included in accounts receivable are amounts due from other governmental units at December 31, 2005, which consisted of the following:

City Court of Slidell	\$ 13,082
City of Slidell	5,769
Sheriff's Office	4,000
Other	331
	\$ 23,182

NOTE D – CHANGES IN CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended December 31, 2005:

	Balance 12/31/2004	Additions	(Deletions)	Balance 12/31/2005
<i>Governmental Activities</i>				
Automobiles	\$57,705	-	\$ -	\$57,705
Furniture and equipment	2,777	2,201	(2,777)	2,201
Totals	60,482	2,201		59,906
<i>Accumulated depreciation</i>				
Automobiles	37,514	11,541		49,055
Furniture and equipment	1,964	306	(2,082)	188
Totals	39,478	11,847	(4,859)	49,243
Capital Assets, net	\$21,004			\$ 10,663

Depreciation expense for the year ended December 31, 2005 was \$11,847.

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 100% of participant compensation or \$14,000. Additionally, participants age 50 years or older may elect to defer and additional \$4,000. During the three calendar years ending prior to normal retirement age, as defined by the Plan, participants may be eligible to contribute "catch-up" amounts not to exceed amounts permitted by the Internal Revenue Code. Salaries of employees participating in this plan for the period and year ended December 31, 2005 totaled \$117,602. The plan requires that the minimum contribution is equal to the

CITY MARSHAL OF SLIDELL

NOTES TO FINANCIAL STATEMENTS

NOTE E – DEFERRED COMPENSATION PLAN – (Continued)

current employee's withholding rate for social security. The employer's contribution was \$7,525 and the employee's contribution was \$11,158 for the year ended December 31, 2005. 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 those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or beneficiary) solely 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 to those of general creditors of the Marshal in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Marshal's legal counsel that the Marshal has no liability for losses 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 (Louisiana Deferred Compensation Commission). The choices of the investment option(s) are made by the plan participants.

NOTE F – COMPENSATED ABSENCES

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, 2005 was \$2,208.

NOTE G – LOSSES FROM NATURAL DISASTERS

On August 29, 2005, the Marshal suffered losses due to the effects of Hurricane Katrina. The loss on computer equipment as of December 31, 2005 is \$695. The Marshal is provided office space by the City Court of Slidell and a combined FEMA application has been filed for approximately \$2,400 for replacement of the equipment. Management has not included this estimate in the financial statements as the application is included with the City Court of Slidell which reimburses costs to the Marshal.

SUPPLEMENTAL INFORMATION

**CITY MARSHAL OF SLIDELL
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
City Court of Slidell fees	\$ 104,000	\$ 104,000	\$ 119,434	\$ 15,434
City of Slidell fees	75,000	75,000	68,158	(6,842)
Sheriff's Office fees	24,000	24,000	24,000	-
Fingerprint fees	5,000	5,000	7,105	2,105
Interest income	-	-	229	229
Miscellaneous revenues	-	-	533	533
	<u>208,000</u>	<u>208,000</u>	<u>219,459</u>	<u>11,459</u>
EXPENDITURES				
Salaries	120,000	120,000	124,333	(4,333)
Payroll taxes	3,400	3,400	3,154	246
Health insurance	5,450	5,450	4,282	1,168
Deferred compensation plan	6,300	6,300	7,525	(1,225)
Telephone	8,000	8,000	5,931	2,069
Automobile	12,000	12,000	6,849	5,151
Professional fees	4,500	4,500	6,780	(2,280)
Insurance	31,000	31,000	19,210	11,790
Dues and subscriptions	300	300	340	(40)
Contract labor	3,000	3,000	3,330	(330)
Materials and supplies	10,000	10,000	6,950	3,050
Miscellaneous	-	-	3	(3)
Interest	200	200	3	197
Capital outlay	3,500	3,500	2,201	1,299
Debt service requirement	-	-	393	(393)
	<u>207,650</u>	<u>207,650</u>	<u>191,284</u>	<u>16,366</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	350	350	28,175	27,825
Fund balance -- beginning of year	<u>34,464</u>	<u>34,464</u>	<u>34,464</u>	<u>-</u>
Fund balance -- end of year	<u>\$ 34,814</u>	<u>\$ 34,814</u>	<u>\$ 62,639</u>	<u>\$ 27,825</u>

See independent accountants' report and accompanying notes.

OTHER INDEPENDENT AUDITORS' REPORT

Skarda & Silva, L.L.P.

Certified Public Accountants

4331 Iberville Street

Mandeville, LA 70471

Steven A. Skarda, C.P.A.

Brent A. Silva, C.P.A.

(985) 626-8299, Main

(985) 626-9767, Fax

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

Wyatt Williams - Marshal
City Marshal of Slidell
Slidell, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the City Marshal of Slidell 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, 2005, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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 purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The Marshal did not purchase any items exceeding \$20,000.

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-RS 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 noted 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 noted 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

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

The Marshal provided us with a copy of the adopted original budget and the adopted budget as amended.

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

Not applicable

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the amended budget to actual revenues and expenditures. Revenues exceeded budgeted amounts and actual expenditures for the year were under budgeted amounts.

Accounting and Reporting

8. 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 proper approvals from the Marshal

Meetings

9. Examine evidence indicating that agenda for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Not applicable

Debt

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.

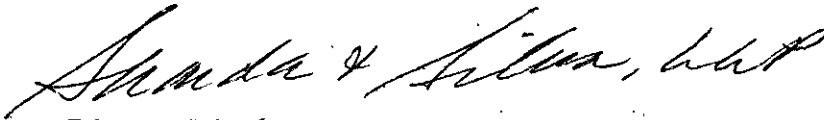
Advances and Bonuses

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 payments which may constitute bonuses, advances or gifts.

We were not engaged to, 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 Slidell and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



February 15, 2006