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NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

Financial Report

Year Ended June 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 2-8-06

R. PERRY TEMPLETON, CERTIFIED PUBLIC ACCOUNTANT

NEW IBERIA CITY MARSHAL  
Financial Report  
As of and for the Year Ended June 30, 2005

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**R. PERRY TEMPLETON**

CERTIFIED PUBLIC ACCOUNTANT  
(A PROFESSIONAL ACCOUNTING CORPORATION)

Phone 337/365-5546  
Facsimile 337/365-5547  
E-Mail: perry@ptempletoncpa.com

124 Washington Street  
Suite A  
New Iberia, Louisiana 70560-3765

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LA CPA'S

**ACCOUNTANT'S COMPILATION REPORT**

Mr. Victor Delcambre, City Marshal  
NEW IBERIA, LOUISIANA

I have compiled the accompanying financial statements of the governmental activities of the NEW IBERIA CITY MARSHAL; a component unit of the City of New Iberia, Louisiana as of June 30, 2005, and for the year then ended as listed in the foregoing 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 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 other form of assurance on them.

The New Iberia City Marshal has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.



New Iberia, LA  
December 27, 2005

**Basic Financial Statements**

**Government-Wide Financial Statements**

NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS

June 30, 2005

**ASSETS**

Cash	\$ 47,197
Accounts Receivable	4,295
Capital Assets, net of Accumulated Depreciation	<u>1,558</u>
Total Assets	<u>\$ 53,050</u>

**LIABILITIES**

\$ -

**NET ASSETS**

Invested in Capital Assets	\$ 1,558
Unrestricted	<u>51,492</u>
Total Net Assets	<u>\$ 53,050</u>

See accountant's compilation report.  
See notes to financial statements.

NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2005

Governmental Activities:

Expenditures

Auto expense	\$ 10,817
Outside Services	39,400
Office Supplies	3,023
Dues, Seminars and Insurance	8,182
Depreciation	1,232
Other Miscellaneous Expenditures	9,010
Legal and Accounting	1,810
Total Expenditures	<u>\$ 73,474</u>

Program Revenues:

Service Fees	<u>\$ 42,845</u>
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Change in Net Assets (Decrease) \$( 30,629)

Net Assets – Beginning of Year \$ 83,679

Net Assets – End of Year \$ 53,050

See accountant's compilation report.  
See notes to financial statements.

**Fund Financial Statements**



NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2005

**ASSETS**

Cash (Note 4)	\$ 47,197
Due from City Court of New Iberia	<u>4,295</u>

Total Assets	<u>\$ 51,492</u>
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**FUND BALANCE**

\$ 51,492

See accountant's compilation report.  
See notes to financial statements.

NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUND

For the Year Ended June 30, 2005

REVENUE

Service Fees \$ 42,845

EXPENDITURES

Capital Outlay -

Current

Automobile Lease 10,817

Outside Labor 39,400

Office Supplies & Printing 3,023

Legal & Accounting Costs 1,810

Dues, Meetings, & Insurance 8,182

Other Miscellaneous Costs 9,010

Total Expenditures 72,242

EXCESS OF EXPENDITURES OVER REVENUE 29,397

FUND BALANCE, BEGINNING OF YEAR 80,889

FUND BALANCE, END OF YEAR \$ 51,492

See accountant's compilation report.  
See notes to financial statements.

**Notes to the Financial Statements**

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. BASIS OF PRESENTATION - The accompanying financial statements for the New Iberia City Marshal 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, Issued in June 1999.
- B. FINANCIAL REPORTING ENTITY – The New Iberia City Marshal consists of One Marshal who is elected by the voters of the City of New Iberia and serves a six year term. The duties of the office of the Marshal is to provide legal service and security for the New Iberia City Court as needed. The Marshal has no employees but has five individuals who are outside contractors and work on an as needed basis. As an independently elected official, the Marshal is solely responsible for the operations of his office, which include the hiring or retention of employees, responsibility for deficits, and the receipt and disbursement of funds.

Statement No. 14 of the GASB established the following criteria for determining if a governmental entity is a primary government or a component unit of a primary government:

- a. It has a separately elected governing body.
- b. It is legally separate.
- c. It is fiscally independent of other governments.

Because certain operating expenditures of the Marshal are paid or provided by the City of New Iberia, the New Iberia City Marshal is considered a component unit of the City of New Iberia in accordance with the provisions of GASB Statement No. 14.

The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the City of New Iberia, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

C. 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 fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the Marshal's activities are classified as governmental activities.

In the government-wide Statement of Net Assets, the governmental activities column (a) is presented on a consolidated basis, (b) and is reported on a full accrual, economic resource basis, which recognizes 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 Marshal first utilizes restricted resources to finance qualifying activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include bond forfeitures, drug seizures, equitable sharing receipts and fees and commissions.

This 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/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Marshal:

GOVERNMENTAL FUNDS – The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Marshal:

General Fund – This type of fund is the general operating fund of the Marshal. The General Fund is financed through court costs and commissions as well as bond forfeitures earned by the Marshal. Resources of the fund are used to supplement the cost of operating the Marshal's office.

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

D. BASIS OF ACCOUNTING - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. 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.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

E. CAPITAL ASSETS - Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Office Equipment	5-7
Furniture and Fixtures	10

F. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net assets*. One element of that reconciliation explains that "capital assets used in governmental activities are

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

not financial resources and, therefore, are not reported in the funds." The details of the \$1,558 difference are as follows:

Capital Assets Net of Accumulated Depreciation	<u>\$1,558</u>
Net Adjustment to Increase <i>Fund Balance-Total Governmental Funds</i> to Arrive at <i>Net Assets-Governmental Activities</i>	<u>\$1,558</u>

- G. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances-total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this (\$1,232) difference are as follows:

Depreciation Expense	\$1,232
Capital Outlay	<u>      -</u>
Net Adjustment to Decrease <i>Net Changes in Fund Balances-Total Governmental Funds</i> to Arrive at <i>Changes in Net Assets of Governmental Activities</i>	<u>\$1,232</u>

- H. CASH & CASH EQUIVALENTS - Cash includes amounts in demand deposits. Under state law, the New Iberia 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.
- I. COMPENSATED ABSENCES - The New Iberia City Marshal has no policy relating to vacation and sick leave.

NOTE 2: CAPITAL ASSETS

A summary of general fixed assets follows:

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, Being Depreciated:				
Equipment	\$10,504	\$ -	\$ -	\$10,504
Furniture and Fixtures	<u>1,819</u>	<u>-</u>	<u>-</u>	<u>1,819</u>
Total Capital Assets Being Depreciated	12,323	-	-	12,323
Less Accumulated Depreciation for:				
Equipment	( 7,714)	( 1,232)	-	( 8,946)
Furniture and Fixtures	<u>( 1,819)</u>	<u>( -)</u>	<u>-</u>	<u>( 1,819)</u>
Total Accumulated Depreciation	<u>( 9,533)</u>	<u>( 1,232)</u>	<u>-</u>	<u>(10,765)</u>
Total Capital Assets, Being Depreciated, Net	<u>\$ 2,790</u>	<u>\$( 1,232)</u>	<u>\$ -</u>	<u>\$ 1,558</u>

NOTE 3: PENDING LITIGATION

The City Marshal was not involved in any material lawsuits at June 30, 2005.

NOTE 4: CASH AND CASH EQUIVALENTS

At June 30, 2005 the carrying amount of the City Marshal's deposits is \$47,197 and the bank balance is \$52,969. These deposits are secured from risk by federal deposit insurance.

NOTE 5: The City of New Iberia, Louisiana provides the following for the City Marshal:

1. Marshal's salary in part
2. Telephone
3. Premises and utilities.
4. Marshal's retirement in part

These amounts have not been included in these financial statements.



NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

NOTE 6: LEASES

At June 30, 2005, the New Iberia City Marshal is committed to a month to month operating lease on an automobile. Lease payments are \$747 per month.

NOTE 7: PENSION PLAN

The New Iberia City Marshal is a participant in the Municipal Employees' Retirement System (MERS) of Louisiana, a multiple-employer public employee retirement system.

All permanent City employees who work at least 35 hours a week, not participating in another public funded retirement system and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with 10 years of service at age 60. The retirement allowance is equal to 3% of the member's final compensation multiplied by his years of creditable service, with certain provisions made for those employees who were members of the supplemental plan only prior to its revision date. Their retirement allowance may not exceed the greater of 100% of a member's final salary or compensation. The system also provides disability and survivor benefits. Benefits are established by the State statute.

State statute requires covered employees to contribute 9.25% of their earnings to the plan. The City of New Iberia contributes a percentage to the plan as employer only for the portion of compensation the City Marshal receives from the City.

Although contributions are determined by State statute rather than actuarial calculations, actuarially required contributions are determined for the System, but not separately for the New Iberia City Marshal.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers.

NEW IBERIA CITY MARSHAL  
NOTES TO FINANCIAL STATEMENTS  
(continued)

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 2005 comprehensive annual financial report. The City of New Iberia does not guarantee the benefits granted by the System.

NOTE 8: OTHER POST RETIREMENT BENEFITS

The New Iberia City Marshal provides no post retirement benefits.

NOTE 9: ESTIMATES

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

NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA

Corrective Action Plan for  
Current Year Findings  
For the Year Ended June 30, 2005

<u>Ref. No.</u>	<u>Description Of Finding</u>	<u>Corrective Action Planned</u>	<u>Names of Contact Persons</u>	<u>Anticipated Completion Date</u>
	Section I –Internal Control and Compliance Material to the Financial Statements			
	None			
	Section II – Management Letter			
1.	Establish separate bank account for garnishment activity			

**NEW IBERIA CITY MARSHAL  
NEW IBERIA, LOUISIANA**

**Summary Schedule of Prior Findings  
For the Year Ended June 30, 2005**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description Of Finding</u>	<u>Corrective Action Taken (Yes, No, Partial)</u>	<u>Planned Corrective Actual/Partial Corrective Action Taken</u>
2004-1	2004	New Iberia City Marshal did not prepare and adopt a budget for the General Fund for the year ended June 30, 2004 as required by R.S. 39:1305.	Yes. Management has prepared and adopted a budget for the General fund and has complied with the provisions of R.S. 39:1305.1	
2004-2	2004	Louisiana Revived Statue 24:513 requires that the Marshals' financial statements be completed and released within six months of its year end. The report was released subsequent to that due date.	Yes. Management has adopted a corrective action plan including the re-evaluation of its selection process and has established a monitoring system to monitor the progress of its audits.	

**R. PERRY TEMPLETON**  
CERTIFIED PUBLIC ACCOUNTANT  
(A Professional Accounting Corporation)

Phone 337/365-5546  
Facsimile 337/365-5547  
E-Mail: perry@ptempletoncpa.com

124 West Washington Street  
Suite A  
New Iberia, Louisiana 70560-3765

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AMERICAN INSTITUTE OF  
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SOCIETY OF LA CPAs

**MANAGEMENT LETTER**

Mr. Victor Delcambre  
New Iberia City Marshal  
New Iberia, Louisiana

I have compiled the financial statements of the New Iberia City Marshal for the year ended June 30, 2005 and submitted my report to you dated December 27, 2005.

I noted the following area in which improvements in the financial practices of the New Iberia City Marshal may be desirable.

I noted that your garnishment banking activity was combined in the same checking account as that you use for general fund activities. I suggest that a separate checking account be opened to separately account for garnishment banking activity.

Should you have any questions or need assistance regarding my recommendations, please feel free to contact me.

New Iberia, LA  
December 27, 2005

*R. Perry Templeton*