

**ALEXANDRIA CITY COURT
ALEXANDRIA, LOUISIANA**

SEPTEMBER 30, 2023

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR’S REPORT.....	1
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	5
Statement of Activities.....	6
FUND FINANCIAL STATEMENTS	
Governmental Funds:	
Balance Sheet	9
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	12
Fiduciary Funds:	
Statement of Fiduciary Net Position	14
Statement of Changes in Fiduciary Net Position.....	15
NOTES TO FINANCIAL STATEMENTS	16
SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	27
Justice System Funding Schedule – Receiving Entity.....	28
Justice System Funding Schedule – Collecting/Disbursing Entity	29
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule	32
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	33
Schedule of Findings and Questioned Costs	35
Summary Schedule of Prior Audit Findings	37
Management’s Corrective Action Plan	38
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	39



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Independent Auditor's Report

Emile P. Oestriecher III (1938-2024)

To the Honorable Judge Richard Starling, Jr.
Alexandria City Court
Alexandria, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Court, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Alexandria City Court's basic financial statements as listed in the table of contents.

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 Court, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alexandria City Court, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Alexandria City Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alexandria City Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Alexandria City Court's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 32 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. Our opinion on the basic financial statements is not affected by the missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alexandria City Court’s basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer on page 27, the Justice System Funding Schedule – Receiving Entity on page 28, and the Justice System Funding Schedule – Collecting/Disbursing Entity on pages 29-30 are other supplemental information presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standard

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2024 on our consideration of the Alexandria City Court’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide and opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alexandria City Court’s internal control over financial reporting and compliance.

Oestriecker & Company

OESTRIECKER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 11, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Alexandria City Court
Statement of Net Position
September 30, 2023**

	Primary Government Governmental Activities
<u>Assets</u>	
Cash	\$ 252,536
Investments, at cost	890,822
Accrued interest receivable	1,946
Due from Alexandria City Marshal	15,134
Capital assets, net of accumulated depreciation	82,934
Right of use assets, net of accumulated amortization	15,938
Total assets	1,259,310
<u>Liabilities</u>	
Current liabilities	
Accounts payable	2,118
Lease liability	3,581
Due to other funds	1,853
Other liabilities	691
Total current liabilities	8,243
Long term liabilities	
Lease liability	12,752
Total liabilities	20,995
<u>Net Position</u>	
Net investment in capital assets	82,934
Restricted	273,972
Unrestricted	881,409
Total net position	\$ 1,238,315

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

**Alexandria City Court
Statement of Activities
For the year ended September 30, 2023**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
GOVERNMENTAL ACTIVITIES					
Primary Government					
Governmental activities					
General government	\$ 363,558	\$ 160,226	\$ 147,378	\$ -	\$ (55,954)
Probation activities	42,927	38,986	-	-	(3,941)
Courtroom	107,181	74,750	-	-	(32,431)
Total governmental activities	513,666	273,962	147,378	-	(92,326)
Total primary government	\$ 513,666	\$ 273,962	\$ 147,378	\$ -	(92,326)
General revenues:					
Interest and investment earnings					33,198
Total general revenues and transfers					33,198
Change in net position					(59,128)
Net position-beginning of year					1,297,443
Net position-end of year					\$ 1,238,315

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

Balance Sheet
Governmental Funds
Alexandria City Court
September 30, 2023

	<u>General</u>	<u>Probation</u>	<u>Building</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash	\$ 177,730	\$ 25,165	\$ 49,641	\$ 252,536
Investments, at cost	621,576	269,246	-	890,822
Accrued interest receivable	443	1,503	-	1,946
Due from Alexandria City Marshal	10,616	4,450	68	15,134
Due from other funds	86,488	-	8,004	94,492
Total assets	<u><u>\$ 896,853</u></u>	<u><u>\$ 300,364</u></u>	<u><u>\$ 57,713</u></u>	<u><u>\$ 1,254,930</u></u>
 <u>Liabilities and fund balance</u>				
Liabilities:				
Accounts payable	\$ 75	\$ -	\$ 2,043	\$ 2,118
Due to other funds	14,283	82,062	-	96,345
Other liabilities	691	-	-	691
Total liabilities	<u>15,049</u>	<u>82,062</u>	<u>2,043</u>	<u>99,154</u>
Fund balance:				
Restricted	-	218,302	55,670	273,972
Unassigned	881,804	-	-	881,804
Total fund balances	<u>881,804</u>	<u>218,302</u>	<u>55,670</u>	<u>1,155,776</u>
Total liabilities and fund balances	<u><u>\$ 896,853</u></u>	<u><u>\$ 300,364</u></u>	<u><u>\$ 57,713</u></u>	<u><u>\$ 1,254,930</u></u>

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 Position
September 30, 2023**

Total fund balance-total governmental funds	\$ 1,155,776
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets of \$597,853 net of accumulated depreciation of (\$514,919), are not financial resources and, therefore, are not reported in the funds.	82,934
Right of use assets of \$19,516 net of accumulated amortization of (\$3,578), are not financial resources and, therefore, are not reported in the funds.	15,938
Lease liability not reported in the fund financial statements	<u>(16,333)</u>
Net position of governmental activities	<u><u>\$ 1,238,315</u></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 Court
For the year ended September 30, 2023**

	<u>General</u>	<u>Probation</u>	<u>Building</u>	<u>Total Governmental Funds</u>
Revenues:				
Court costs	\$ 142,255	\$ 38,986	\$ 74,750	\$ 255,991
Intergovernmental	147,378	-	-	147,378
Other revenue	17,971	-	-	17,971
Interest	30,896	2,302	-	33,198
Total revenues	<u>338,500</u>	<u>41,288</u>	<u>74,750</u>	<u>454,538</u>
Expenditures:				
Current:				
General Fund	333,066	-	-	333,066
Probation	-	42,928	-	42,928
Maintenance	-	-	-	-
Building	-	-	96,784	96,784
Capital outlay	-	-	18,599	18,599
Total expenditures	<u>333,066</u>	<u>42,928</u>	<u>115,383</u>	<u>491,377</u>
Excess (deficiency) of revenues over expenditures	5,434	(1,640)	(40,633)	(36,839)
Other financing sources (uses)				
Transfers (to) from other funds	-	-	-	-
Fund balance, beginning of year	<u>876,370</u>	<u>219,942</u>	<u>96,303</u>	<u>1,192,615</u>
Fund balance, end of year	<u>\$ 881,804</u>	<u>\$ 218,302</u>	<u>\$ 55,670</u>	<u>\$ 1,155,776</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, 2023**

Net changes in fund balances-total governmental funds	\$	(36,839)
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>		
<p>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.</p>		
Capital expenditures	\$	18,599
Depreciation expense		(40,494)
		(21,895)
<p>Governmental funds report leases as expenditures. However, in the statement of activities, the cost of those right of use assets is allocated over their estimated useful lives and reported as amortization expense.</p>		
Lease expense	\$	3,184
Amortization expense		(3,578)
		(394)
Change in net position of governmental activities	\$	(59,128)

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

FIDUCIARY FUNDS

**Statement of Fiduciary Net Position
Alexandria City Court
September 30, 2023**

	<u>Total Fiduciary Funds</u>
<u>Assets</u>	
Cash	\$ 641,903
Investments, at cost	1,567,605
Due from Alexandria City Marshal	1,603
Due from other funds	<u>11,139</u>
Total assets	<u><u>2,222,250</u></u>
<u>Liabilities</u>	
Due to other funds	<u>9,286</u>
Total liabilities	<u>9,286</u>
<u>Fiduciary Net Position Restricted for:</u>	
Individuals, Organizations, and Other Governments	<u>2,212,964</u>
Total fiduciary net position	<u><u>\$ 2,212,964</u></u>

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

Statement of Changes in Fiduciary Net Position
Alexandria City Court
September 30, 2023

	Total Fiduciary Funds
<u>Additions</u>	
Contributions	
Court costs collected	\$ 872,581
Garnishments collected	1,598,540
Restitutions collected	18,736
Total additions	2,489,857
<u>Deductions</u>	
Court costs disbursed	801,686
Garnishments disbursed	1,598,752
Restitutions disbursed	18,330
Total deductions	2,418,768
Net increase in fiduciary net position	71,089
Net position, beginning	2,141,875
Net position, ended	\$ 2,212,964

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

NOTES TO FINANCIAL STATEMENTS

Alexandria City Court
Notes to Financial Statements

September 30, 2023

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

These financial statements are presented in conformity with generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant accounting policies affecting their presentation.

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Alexandria City Court as a whole, excluding fiduciary activity. 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.

The Alexandria City Court has implemented GASB 63 which requires the presentation of a Statement of Net Position instead of a Statement of Net Assets in the government wide financial statements.

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

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 criteria 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 criteria used in evaluating potential component units is the scope of public service. Application of this criteria involves considering whether the activity benefits the government and/or its citizens, or whether the

Alexandria City Court
Notes to Financial Statements

September 30, 2023

activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criteria 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 Court is a potential component unit of the City of Alexandria, Louisiana. However, the Alexandria City Court is a separate reportable entity from the City of Alexandria because it is an autonomous unit and is a separate political division of the Judicial Division of the State of Louisiana. The City Judge, an elected official, has the ability to exercise accountability for fiscal matters. The Alexandria City Court is financially independent from the City of Alexandria, Louisiana.

Governmental Funds –

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

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Probation Fund – Fees are collected and used to pay for operating expenses of the Probation Program, which was established to aid the Alexandria City Court in monitoring and compliance with probationary terms of those individuals who have been placed on probation by the Judge.

Building Fund – Fees are collected from each suit that comes through the court. These fees are used at the Judge’s discretion to pay for building and equipment upkeep.

Fiduciary Funds –

Fiduciary Funds - Fiduciary funds are used to account for assets held by Alexandria City Court as an agent for other governmental departments, other organizations and other funds. Fiduciary funds are custodial in nature (assets equal liabilities).

Advanced Court Costs Fund - Advanced court costs are deposits made by plaintiffs who file civil suits. The court acts only as a collection agent for fees in civil matters. As the suits are processed, the various fees earned are paid out on a monthly basis. After a case is dismissed, any excess deposit is refunded to the plaintiff.

Alexandria City Court
Notes to Financial Statements

September 30, 2023

Garnishments Fund - The Court acts as a collection agent for garnishments when they are assessed in a civil suit. Ordinarily, the balance in this account represents amounts that have been received by the Court but have not yet been distributed to the person or agency to which they are due.

Bond Forfeiture Fund - To account for the collection and ultimate disposition of bonds posted by citizens who have been issued citations for traffic violations or arrested for criminal offenses. Bonds posted by violators are held until their cases are heard in Alexandria City Court. At that time, the bonds for persons convicted of violations are distributed to various agencies.

Restitution Fund – The Court collects restitution from persons who have been convicted of crimes. The court acts only a collection agent for restitution funds. The restitution funds are collected and then remitted to the injured party in criminal cases.

Fund Balances

Alexandria City Court has adopted the provisions of GASB 54 related to the classification of governmental fund balances. The governmental fund balances are classified as follows:

Restricted – Restricted fund balances are amounts that are constrained for a specific purpose through restrictions of external parties or by constitutional provision or enabling legislation. The amount restricted by legislation is \$273,972.

Unassigned – Unassigned fund balance is the residual classification and includes all amounts that are not restricted or constrained in any other classification of fund balance.

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.

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

Alexandria City Court
Notes to Financial Statements

September 30, 2023

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 Court has four fiduciary funds which are custodial in nature.

Budgets and Budgetary Accounting

The Alexandria City Court adopts a budget on a basis consistent with GAAP for the General Fund and Special Revenue Funds. The Alexandria City Court is required to present the adopted and final amended budgeted revenues and expenditures for the General Fund and Special Revenue Funds. The Alexandria City Court establishes the fiscal year as the twelve-month period beginning October 1. The budget is 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.

Cash and cash equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities less than 30 days. Under state law, the Alexandria City Court 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.

Investments

Investments are limited by R.S. 33:2955 and the City Court's investment policy. If the original maturities of investments exceed 30 days, they are classified as investments; however, if the original maturities are 30 days or less, they are classified as cash equivalents. Investments are recorded at cost which approximates market value.

Interfund Receivables and Payables

The fiduciary funds occasionally incur costs such as check printing charges, cash shortages, and checks dishonored. The General Fund reimburses the fiduciary funds for these costs. Interest revenues earned on the fiduciary funds are used to offset these charges. Interfund balances are eliminated in the Government-Wide financial statements.

Alexandria City Court
Notes to Financial Statements

September 30, 2023

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.

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.

Net Position

Net position is reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where the Alexandria City Court receives restricted and unrestricted monies for the same purpose, the restricted monies are used first.

Adoption of GASB 87

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and lease liabilities that were previously classified as operating leases and recognized as outflows of resources based on the payment provisions in the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financing the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. The effective date of this standard is for fiscal years beginning after June 15, 2021 and thereafter. Alexandria City Court implemented this standard effective October 1, 2022. The implementation of this standard did not result in a restatement of net position as the Alexandria City Court believes the restatement would have been unlikely to influence a user's decision. Therefore, no restatement was made.

**Alexandria City Court
Notes to Financial Statements**

September 30, 2023

2. CASH AND INVESTMENTS:

As of September 30, 2023, cash deposit accounts totaled \$894,439, of which \$177,730 was classified as unrestricted. As of September 30, 2023, certificates of deposit totaled \$2,458,427 of which \$621,576 was classified as unrestricted. These certificates bear interest ranging from 0.15% to 3.75% and have maturities ranging from ninety-one days to sixty months with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. The certificates are reflected as investments, at cost, on the Governmental Funds Balance Sheet and the Statement of Fiduciary Net Assets.

Cash and investment balances were insured to Federal Deposit Insurance Corporation limits. Alexandria City Court had cash and investment balances of \$3,000,364 that exceeded FDIC insurance. Of that amount, \$135,154 was not adequately secured by the pledging institutions' agents.

3. COURT COSTS PAYABLE:

These various liabilities represent charges against advance court costs deposited for each case and are based on the processing of the case by the Judge and/or Marshal. As activity occurs in the suit, the advanced court costs account is decreased and the related liability account is decreased.

4. INTERFUND RECEIVABLES AND PAYABLES:

A summary of the interfund receivables and payables by fund at September 30, 2023 is presented below:

	<u>Interfund Payables</u>	<u>Interfund Receivables</u>
Advanced Court Costs Fund	\$ 4,860	\$ 10,212
Bond Forfeiture Fund	-0-	927
Garnishments Fund	2,391	-0-
Restitution Fund	2,035	-0-
Building Fund	-0-	8,004
General Fund	14,283	86,488
Probation Fund	<u>82,062</u>	<u>-0-</u>
	<u>\$ 105,631</u>	<u>\$ 105,631</u>

**Alexandria City Court
Notes to Financial Statements**

September 30, 2023

5. CAPITAL ASSETS:

The accounting and reporting treatment applied to the capital assets associated with a fund were 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.

Office equipment	5 years
Office furniture	7 years
Software	3 years
Vehicles	5 years

Capital asset activity for the year ended September 30, 2023 was as follows:

	<u>Balance</u> <u>9/30/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/23</u>
Furniture and fixtures	\$ 172,082	\$ -0-	\$ (19,170)	\$ 152,912
Office equipment	679,139	18,599	(353,665)	344,073
Vehicles	64,277	-0-	(64,277)	-0-
Building improvements	<u>120,635</u>	<u>-0-</u>	<u>(19,767)</u>	<u>100,868</u>
Totals	1,036,133	18,599	(456,879)	597,853
Accumulated depreciation	<u>(931,305)</u>	<u>(40,493)</u>	<u>456,879</u>	<u>(514,919)</u>
Capital assets, net	<u>\$ 104,828</u>			<u>\$ 82,934</u>

6. EMPLOYEE BENEFIT PLAN – DEFINED CONTRIBUTION:

Alexandria City Court adopted a Saving Incentive Match Plan for Employees of Small Employers (SIMPLE) Plan that covers employees that are not covered under a labor negotiated retirement plan. The Plan is a defined contribution plan. The employees may voluntarily contribute a portion of their wages to the SIMPLE Plan on a tax-deferred basis. The Court matches up to 3% of compensation that each participant contributed to the Plan, which are

**Alexandria City Court
Notes to Financial Statements**

September 30, 2023

immediately 100% vested. The employer contribution is established by the Plan document and is in accordance with IRS guidelines. There were no employees contributing in the current year.

7. LEASE COMMITMENTS:

Copier lease

Alexandria City Court entered into a lease agreement with Leaf Capital Funding, LLC to lease certain office equipment commencing November 28, 2022. The minimum lease payment is \$384 per month for 60 months.

The Court recognized a right of use asset and liability in the amount of \$19,516 as of November 28, 2022. A discount rate of 7% was used to determine the present value of future expected lease payments.

Interest expense on the lease in the amount of \$1,043 was recognized as an outflow. The right of use asset of \$15,938 and the lease liability of \$16,333 are recognized on the Statement of Net Position.

Right of use activity for the year ended September 30, 2023 was as follows:

	<u>Balance</u> <u>9/30/22</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/23</u>
Right of use assets	\$ -0-	\$ 19,516	\$ -0-	\$ 19,516
Accumulated amortization	<u>-0-</u>	<u>(3,578)</u>	<u>-0-</u>	<u>(3,578)</u>
Right of use assets, net	<u>\$ -0-</u>			<u>\$ 15,938</u>

Amortization expense for the year ended September 30, 2023 was \$3,578.

Under the terms of the lease at September 30, 2023, future minimum lease payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	3,581	1,030
2025	3,839	771
2026	4,117	494
2027	4,414	196
2028	382	2

**Alexandria City Court
Notes to Financial Statements**

September 30, 2023

8. **ON-BEHALF PAYMENTS:**

Employees receive payments directly from the Rapides Parish Police Jury for salaries, payroll taxes, health insurance, and retirement plan contributions. These amounts are then reimbursed by the City of Alexandria. On-behalf payments made by the City of Alexandria during the year ended September 30, 2023 were \$147,378.

SUPPLEMENTARY INFORMATION

Alexandria City Court
Schedule of Compensation, Benefits, and Other Payments
To Agency Head or Chief Executive Officer
For the year ended September 30, 2023

Agency Head Judge Richard Starling

Salary	\$ 171,684
Health insurance	25,069
Seminar registration	1,025
Seminar travel	<u>4,515</u>
 Total	 <u>\$ 202,293</u>

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
Entity Name	Alexandria City Court
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2096
Date that reporting period ended (mm/dd/yyyy)	9/30/2023

If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund.

Cash Basis Presentation

Receipts From: (Must include one agency name and one collection type - see below -

Alexandria City Marshal, Criminal Court Costs/Fees

Alexandria City Marshal, Restitution

Alexandria City Marshal, Probation/Parole/Supervision Fees

Subtotal Receipts

First Six Month Period Ended 03/31/23	Second Six Month Period Ended 09/30/23
---	--

64,520 79,744

8,596 8,949

18,569 18,072

91,685 106,765

Ending Balance of Amounts Assessed but Not Received (only applies to those agencies that assess on behalf of themselves, such as courts)

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Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information		
Entity Name	Alexandria City Court	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2096	
Date that reporting period ended (mm/dd/yyyy)	9/30/2023	
	First Six Month Period Ended 03/31/23	Second Six Month Period Ended 09/30/23
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	567,731	570,120
Add: Collections		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	1,299,077	1,126,727
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	-	-
Subtotal Collections	1,299,077	1,126,727
Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one		
Acadia Parish Sheriff, Civil Fees	124	33
Acadiana Legal Services, Civil Fees	991	741
Alexandria City Marshal, Civil Fees	29,064	21,554
Allen Parish Sheriff, Civil Fees	336	759
Avoyelles Parish Sheriff, Civil Fees	3,274	2,214
Ascension Parish Sheriff, Civil Fees	-	59
Bienville Parish Sheriff, Civil Fees	-	35
Bossier Parish Sheriff, Civil Fees	117	278
Baton Rouge City Court, Civil Fees	120	278
Calcasieu Parish Sheriff, Civil Fees	100	149
Catahoula Parish Sheriff, Civil Fees	107	36
Central Louisiana Pro Bono, Civil Fees	-	746
City of Alexandria, Civil Fees	71,080	50,197
City of Pineville, Civil Fees	-	319
Concordia Parish Sheriff, Civil Fees	323	256
Caddo Parish Sheriff, Civil Fees	498	378
Louisiana Division of Administration, Civil Fees	8,260	4,516
Louisiana Department of Public Safety, Civil Fees	30	-
East Baton Rouge Parish Sheriff, Civil Fees	7,346	6,350
Evangeline Parish Sheriff, Civil Fees	798	553
Franklin Parish Sheriff, Civil Fees	31	94
Grant Parish Sheriff, Civil Fees	2,949	1,556
Iberia Parish Sheriff, Civil Fees	-	35
Jefferson Parish Sheriff, Civil Fees	90	30
Jackson Parish Sheriff, Civil Fees	-	31
LaSalle Parish Sheriff, Civil Fees	494	221
Louisiana State Treasury, Civil Fees	34,346	26,447
Lincoln Parish Sheriff, Civil Fees	33	35
Lafayette Parish Sheriff, Civil Fees	977	1,233
Louisiana Supreme Court, Civil Fees	606	458
Morehouse Parish Sheriff, Civil Fees	-	43
Natchitoches City Marshal, Civil Fees	30	-
Natchitoches Parish Sheriff, Civil Fees	337	255
Ouachita Parish Sheriff, Civil Fees	184	214
Orleans Parish Sheriff, Civil Fees	270	120

Pineville City Marshal, Civil Fees	5,370	2,640
Pointe Coupee Parish Sheriff, Civil Fees	277	-
Rapides Parish Police Jury, Civil Fees	69,948	49,437
Rapides Parish School Board, Civil Fees	2,309	4,787
Rapides Parish Sheriff, Civil Fees	7,206	4,747
Richland Parish Sheriff, Civil Fees	-	73
Secretary of State, Civil Fees	3,850	3,800
Sabine Parish Sheriff, Civil Fees	30	71
State of Louisiana, Civil Fees	-	15
St. John the Baptist Parish, Civil Fees	-	5
St. Landry Parish Sheriff, Civil Fees	124	64
St. Martin Parish Sheriff, Civil Fees	31	-
St. Tammany Parish Sheriff, Civil Fees	159	43
Tangipahoa Parish Sheriff, Civil Fees	-	54
United States Postal Service, Civil Fees	-	307
Vernon Parish Sheriff, Civil Fees	693	578
Village of Turkey Creek, Civil Fees	382	-
Webster Parish Sheriff, Civil Fees	40	90
Winn Parish Sheriff, Civil Fees	158	31

Less: Amounts Retained by Collecting Agency

Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency (must include a separate line for each collection type, as applicable) - Example: Criminal Fines - Other		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	57,296	39,846
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	-	-

Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies

Civil Fee Refunds	985,900	829,041
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-

Subtotal Disbursements/Retainage

1,296,688	1,055,852
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Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)

570,120	640,995
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Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.

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Other Information:

Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)

Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)

-	-
-	-

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule
All Governmental Fund Types
Alexandria City Court
For the year ended September 30, 2023

	GENERAL FUND				SPECIAL REVENUE FUNDS			
	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:								
Court costs	\$ 142,000	\$ 145,000	\$ 142,255	\$ (2,745)	\$ 125,000	\$ 113,025	\$ 113,736	\$ 711
Intergovernmental	-	-	147,378	147,378				
Other revenue	12,000	12,000	17,971	5,971	-	-	-	-
Interest	25,000	25,000	30,896	5,896	4,100	4,100	2,302	(1,798)
Total revenues	<u>179,000</u>	<u>182,000</u>	<u>338,500</u>	<u>156,500</u>	<u>129,100</u>	<u># 117,125</u>	<u>116,038</u>	<u>(1,087)</u>
Expenditures:								
Salaries and wages	75,000	69,500	183,794	(114,294)	48,000	36,025	37,425	(1,400)
Employee benefits	-	-	37,736	(37,736)	-	-	-	-
Payroll taxes	10,000	11,000	9,499	1,501	2,668	6,371	2,863	3,508
Law books	-	-	-	-	3,500	3,222	3,221	1
Computer services	-	-	-	-	75,000	75,067	56,468	18,599
Dues and subscriptions	1,000	1,000	1,000	-	-	-	-	-
Capital expenditures	-	-	-	-	5,000	5,036	18,599	(13,563)
Equipment lease	-	-	-	-	6,000	6,659	6,659	-
Bank charges	5,500	4,600	8,084	(3,484)	-	250	134	116
Miscellaneous	500	1,450	1,325	125	800	705	1,280	(575)
Office supplies	4,200	3,700	2,238	1,462	15,000	14,251	19,977	(5,726)
Postage	15,000	14,000	11,067	2,933	-	-	-	-
Repairs & maintenance	-	-	-	-	6,500	-	6,094	(6,094)
Legal & professional	26,000	24,000	23,815	185	240	240	240	-
Janitorial	1,200	1,200	1,194	6	-	-	-	-
Insurance	24,000	22,000	21,482	518	2,266	2,266	2,266	-
Vehicle maintenance & expense	-	-	-	-	126	-	-	-
Telephone	-	-	-	-	-	3,085	3,085	-
Seminars	25,500	25,500	31,832	(6,332)	-	-	-	-
Total expenditures	<u>187,900</u>	<u>177,950</u>	<u>333,066</u>	<u>(155,116)</u>	<u>165,100</u>	<u>153,177</u>	<u>158,311</u>	<u>(5,134)</u>
Excess (deficiency) of revenues over expenditures	(8,900)	4,050	5,434	1,384	(36,000)	(36,052)	(42,273)	(6,221)
Fund balances, beginning	876,370	876,370	876,370	-	316,245	316,245	316,245	-
Fund balances, ended	<u>\$ 867,470</u>	<u>\$ 880,420</u>	<u>\$ 881,804</u>	<u>\$ 1,384</u>	<u>\$ 280,245</u>	<u>\$ 280,193</u>	<u>\$ 273,972</u>	<u>\$ (6,221)</u>



OESTRIECHER
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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Judge Richard Starling, Jr.
Alexandria City Court
Alexandria, Louisiana

We have audited the financial statements of the governmental activities and each major fund of the Alexandria City Court, as of and for the year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 11, 2024. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Alexandria City Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alexandria City Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Alexandria City Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of current and prior year findings, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a

deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of current and prior year findings to be material weaknesses listed as items number 2023-001 and 2023-002.

Compliance

As part of obtaining reasonable assurance about whether Alexandria City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Alexandria City Court's response to the findings identified in our audit are described in the accompanying Management's Corrective Action Plan. We did not audit Alexandria City Court's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of management and pass-through entities 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 by the Legislative Auditor as a public document.

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 11, 2024

**ALEXANDRIA CITY COURT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended September 30, 2023**

Section I-Summary of Auditor's Reports

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Alexandria City Court.
2. Two material weaknesses disclosed during the audit of the basic financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Section II - Financial Statement Findings

Finding 2023-001 – Segregation of Duties

Statement of Condition – Alexandria City Court does not have adequate segregation of duties within the administrative office.

Criteria – A system of internal control procedures requires a segregation of duties so that no individual handles a transaction from start to finish.

Effect of condition – Lack of oversight could lead to improperly recorded transactions.

Cause of condition –There is a small number of personnel employed by Alexandria City Court.

Recommendation – Alexandria City Court should monitor the assignment of duties to ensure as much segregation of duties as possible.

Questioned costs – None

Finding 2023-002 – Job Description

Statement of Condition – The Alexandria City Court does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Criteria – A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Effect of Condition – The Alexandria City Court needed assistance in preparing the annual financial statements.

Cause of Condition – There was no written job description available to ensure hiring of staff that have appropriate training in applying generally accepted accounting principles.

Recommendation – Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Questioned Costs – None

Section III – Federal Awards Findings and Questioned Costs

There were no federal awards.

Alexandria City Court
Summary Schedule of Prior Audit Findings
For the year ended September 30, 2023

Section I - Internal Control and Compliance Material to the Financial Statements

Finding No. 2022-001-The Alexandria City Court does not have adequate segregation of duties within the administrative office.

Corrective action taken- Condition is not resolved. See Finding 2023-001.

Finding No. 2022-002-The Alexandria City Court does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Corrective action taken- Condition is not resolved. See Finding 2023-002.

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.

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

March 11, 2024

MANAGEMENT'S CORRECTIVE ACTION PLAN

Alexandria City Court respectfully submits the following corrective action plan for the year ended September 30, 2023.

Name and address of contact person: Richard Starling, Jr., Alexandria City Judge, 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, 2022 through September 30, 2023.

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 NO. 2023-001:

Recommendation: Alexandria City Court should monitor the assignment of duties to ensure as much segregation of duties as possible.

Action Taken: Employees will be monitored as effectively as possible with the limited staff.

FINDING NO. 2023-002

Recommendation: Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Action Taken: While management understands the nature of the finding and the necessity of personnel with qualifications that are higher than our current job descriptions, the benefits of hiring personnel with increased qualifications do not outweigh the costs.



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To Alexandria City Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2022 through September 30, 2023. Alexandria City Court's management is responsible for those C/C areas identified in the SAUPs.

Alexandria City Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2022 through September 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Results of Procedure: No exceptions noted.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
Results of Procedure: No exceptions noted.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
Results of Procedure: No exceptions noted.

- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Results of Procedure: No exceptions noted.
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
Results of Procedure: No exceptions noted.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Results of Procedure: No exceptions noted.
- vii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Results of Procedure: No exceptions noted.
- viii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, (4) required approvers.
Results of Procedure: No exceptions noted.
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
Results of Procedure: No exceptions noted.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Results of Procedure: No exceptions noted.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic

testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results of Procedure: No exceptions noted.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results of Procedure: No exceptions noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results of Procedure: Not applicable.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Results of Procedure: Not applicable.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results of Procedure: Not applicable.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results of Procedure: Not applicable.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged).
Results of Procedure: No exceptions noted.
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged).
Results of Procedure: No exceptions noted.
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
Results of Procedure: No exceptions noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
Results of Procedure: There are two deposit sites. Both sites were selected for testing.
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
- i. Employees responsible for cash collections do not share cash drawers/registers.
Results of Procedure: No exceptions noted.
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Results of Procedure: No exceptions noted.

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results of Procedure: No exceptions noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results of Procedure: No exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Results of Procedure: No exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

Results of Procedure: No exceptions noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results of Procedure: No exceptions noted.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

Results of Procedure: No exceptions noted.

- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Results of Procedure - Finding: Deposits were made within one business day of receipt for all accounts except the general fund.

Management's Response: All deposits will be made within one business day of receipt.

- v. Trace the actual deposit per the bank statement to the general ledger.

Results of Procedure: No exceptions noted.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results of Procedure: There is one location that processes payments. That location was selected for testing.

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Results of Procedure: No exceptions noted.

- ii. At least two employees are involved in processing and approving payments to vendors.

Results of Procedure: No exceptions noted.

- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Results of Procedure: No exceptions noted.

- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results of Procedure - Finding: The bookkeeper mails payments to vendors. The bookkeeper also processes payments.

Management's Response: The Clerk of Court will mail signed checks to vendors or assign a staff member not responsible for processing payments to mail signed checks to vendors.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Results of Procedure: No exceptions noted.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
Results of Procedure: No exceptions noted.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
Results of Procedure: No exceptions noted.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected, the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.
Results of Procedure: No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
Results of Procedure: No exceptions noted.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and

approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported).

Results of Procedure: No exceptions noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Results of Procedure: No exceptions noted.

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results of Procedure - Finding: Original receipts were not available for three transactions.

Management’s Response: Original receipts will be filed with all credit card statements.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Results of Procedures: No exceptions noted.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Results of Procedures: Not applicable.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes

the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii).

Results of Procedures: No exceptions noted.

- iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results of Procedure: No exceptions noted.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Results of Procedure: No exceptions noted.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Results of Procedure: No exceptions noted.

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval).

Results of Procedure: Not applicable.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results of Procedure: No exceptions noted.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Results of Procedure: No exceptions noted.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
Results of Procedure - Finding: Daily attendance and leave was not documented for one part-time employee.
Management's Response: Daily attendance and leave will be documented for all employees.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
Results of Procedure - Finding: Daily attendance and leave were not approved by supervisors.
Management's Response: Daily attendance and leave will be approved by supervisors.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
Results of Procedure: Not applicable.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
Results of Procedure: No exceptions noted.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
Results of Procedure: No exceptions noted.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
Results of Procedure: No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
Results of Procedure - Finding: Documentation of ethics training was not available for one part-time employee.
Management's Response: Management will verify that all employees receive one hour of ethics training.
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
Results of Procedure: Not applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
Results of Procedure: No exceptions noted.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.
Results of Procedure: Not applicable.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
Results of Procedure: Not applicable.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the

misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Results of Procedure: No exceptions noted.

- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results of Procedure - Finding: Alexandria City Court has the notice concerning the reporting of misappropriation, fraud, waste, or abuse of public funds on the premises, but not on the website.

Management's Response: The notice required by R.S. 24:523.1 will be added to the website.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Results of Procedure: We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Results of Procedure: We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results of Procedure: We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results of Procedure: Not applicable.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results of Procedure - Finding: One part-time employee tested did not receive one hour of sexual harassment training during the calendar year.

Management’s Response: Management will require all employees to complete one hour of sexual harassment training during the calendar year.

- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Result of Procedure - Finding: Alexandria City Court does not have the sexual harassment policy posted on its website.

Management’s Response: The sexual harassment policy and complaint procedure will be posted on its website.

- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

Result of Procedure - Finding: Alexandria City Court does not submit the report directly. Information is submitted to the Rapides Parish Police Jury and included within the Rapides Parish Police Jury report. A report was not available for part-time employees employed by Alexandria City Court.

Management’s Response: Alexandria City Court will complete the annual sexual harassment report and keep a copy of the report within the office.

- i. Number and percentage of public servants in the agency who have completed the training requirements;

Results of Procedure: Report not available.

- ii. Number of sexual harassment complaints received by the agency;
Results of Procedure: Report not available.
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
Results of Procedure: Report not available.
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
Results of Procedure: Report not available.
- v. Amount of time it took to resolve each complaint.
Results of Procedure: Report not available.

We were engaged by Alexandria City Court to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Alexandria City Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Oestriecher & Company, CPAs

OESTRIECHER & COMPANY
Certified Public Accountants
Alexandria, Louisiana

March 11, 2024