

**CITY COURT OF THIBODAUX,  
LOUISIANA**

***Annual Financial Report***

***For the Year Ended December 31, 2020***

# **CITY COURT OF THIBODAUX, LOUISIANA**

## **Annual Financial Report**

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**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

This discussion and analysis of City Court of Thibodaux's (City Court) financial performance provides an overview of the financial activities for the year.

**FINANCIAL HIGHLIGHTS**

- The net position at the end of the year was \$417,621, a decrease of \$100,672 or 24% from the prior year.
- Total net position is comprised of the following:
  - Net invested in capital assets of \$50,440 consisting of equipment, furniture, leasehold improvements, and vehicles, net of accumulated depreciation.
  - Restricted for Marshal's fund of \$96,372, representing the portion restricted due to enabling legislation that authorizes the City Court to assess court costs for the Marshal to operate his office.
  - Unrestricted net assets of \$270,809 representing the portion available to maintain continuing obligations to citizens and creditors.
- Total spending for all judicial activities was \$999,140 for the year, which was \$104,973 more than the fines and costs charged for these activities and operating and capital grants and contributions totaling \$894,167, a decrease of \$20,158.
- The governmental funds reported total ending fund balance of \$492,362 – \$96,372 was considered restricted, \$13,933 was assigned for the Judicial Building Fund and the remaining \$382,057 was considered unassigned. This compares to the prior year ending fund balance of \$591,486, a decrease of \$99,125 during the current year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities as a whole and present a longer-term view of the finances. Fund financial statements for governmental activities tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which the City Court acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing

**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

***Government-Wide Financial Statements***

The Statement of Net Position and the Statement of Activities report information about the entity as a whole. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report net position and changes in net position. You can think of the net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the financial health, or financial position of the entity. Over time, increases or decreases in the net position are indicators of whether the entity's financial health is improving or deteriorating. You will need to consider other non-financial factors, however, to assess the overall health of the entity.

In the Statement of Net Position and the Statement of Activities all governmental activities are reported. Most of the basic judicial services are reported as this type. Fines and fees charged to the public and operating contributions finance most of these activities.

***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds—not the City Court as a whole. Some funds are required to be established by State laws. However, City Court establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like the Marshal's Fund).

City Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending.

**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the judicial programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

**FINANCIAL ANALYSIS OF THE CITY COURT AS A WHOLE**

The net position of the Court decreased by \$100,672 as a result of this year's operations or approximately 24%. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements absorbed the decrease. Net Invested in Capital Assets decreased by almost \$22,000 due to depreciation and disposals in excess of capital purchases. Restricted net position decreased by \$74,000 from last year. The balance in net position represents the accumulated results of all past years' operations. Following is a condensed statement of Net Position:

<b>Condensed Statement of Net Position</b>	2019	2020	Increase (Decrease)
Current and Other Assets	\$ 612,022	\$ 524,532	\$ (87,490)
Capital Assets	72,141	50,440	(21,701)
<b>Total Assets</b>	<b>684,163</b>	<b>574,972</b>	<b>(109,191)</b>
<b>Deferred Outflows of Resources</b>	<b>16,707</b>	<b>33,804</b>	<b>17,097</b>
Current Liabilities	20,535	32,169	11,634
Long Term Liabilities	161,706	157,474	(4,232)
<b>Total Liabilities</b>	<b>182,241</b>	<b>189,643</b>	<b>7,402</b>
<b>Deferred Inflows of Resources</b>	<b>336</b>	<b>1,512</b>	<b>1,176</b>
Net Invested in Capital Assets	72,141	50,440	(21,701)
Restricted	170,501	96,372	(74,129)
Unrestricted	275,651	270,809	(4,842)
<b>Total Net Position</b>	<b>\$ 518,293</b>	<b>\$ 417,621</b>	<b>\$(100,672)</b>

**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

The total revenues for the year in governmental activities were \$898,468 (\$894,167 in program revenues and \$4,301 in general revenues). The total cost of all judicial programs and services was \$999,140 with no new programs added this year.

<b>Condensed Statement of Activities</b>	2019	2020	Increase (Decrease)
Total program expenses	\$ (951,262)	\$ (999,140)	\$ (47,878)
Total program revenues	914,325	894,167	(20,158)
<b>Net program income</b>	<b>(36,937)</b>	<b>(104,973)</b>	<b>(68,036)</b>
General revenues	7,493	4,301	(3,192)
<b>Change in Net Assets</b>	<b>(29,444)</b>	<b>(100,672)</b>	<b>(71,228)</b>
<b>Net Position:</b>			
Beginning of the year	547,737	518,293	(29,444)
End of the year	<u>\$ 518,293</u>	<u>\$ 417,621</u>	<u>\$(100,672)</u>

**FINANCIAL ANALYSIS OF THE CITY COURT'S FUNDS**

As we noted earlier, funds are used to control and manage money for particular purposes. Looking at the individual funds helps you consider whether the City Court is being accountable for the resources provided to it but may also give you more insight into the overall financial health. The following is information about the major funds.

At the end of the year, the General Fund reported an ending fund balance of \$395,989, a decrease of \$24,996 from the prior year. Revenues of \$713,171 decreased slightly from last year – mainly due to COVID pandemic. Current expenditures of \$724,692 increased slightly by 2%. Capital outlay of \$13,475 is less than the prior year of \$18,577. At the end of the current year, unassigned fund balance for the General Fund was \$420,985, or 52% of total General Fund expenditures.

The Marshal's Fund had an ending fund balance of \$96,372, a decrease of \$74,129. Revenues of \$185,297 decreased by 9%. Current expenditures were \$257,441, an increase of 14% from the prior year.

**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund budget was amended during the year. Revenues budgeted were amended by \$34,650 for decreases in court fees, fines and costs (\$27,500), Judge's supplemental pay (\$6,000) and interest earned and other fees by \$(1,150).

Current expenditures for the year were decreased from the original budget to the amended budget in the amount of \$54,100 mainly in personnel of \$(17,350), computer services \$(6,000), and other services and charges \$(17,650). The General Fund experienced favorable variances when comparing budget to actual. All funds followed the State and Local Budget laws.

**CAPITAL ASSETS**

The investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2020 and 2019 was \$50,440 and \$72,141, respectively. This year there was \$15,460 of additions of office equipment, and net disposals totaled \$243. Depreciation expense for the year was \$35,918 recorded in governmental activities. More detailed information about the capital assets is presented in Note 3 to the financial statements.

**LONG TERM OBLIGATIONS**

Net Pension Liability of \$157,474 was recorded as non-current liabilities. Deferred outflows of \$33,804 and inflows of \$(1,512) were recognized in connection with the pension liability.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Historically, the office staff and costs remain stable and should continue to do so. Most capital asset purchases are absorbed by the City of Thibodaux in their current operating budget. If these estimates remain consistent, the General Fund balance is expected to decrease by the close of 2021, with adequate fund balance to absorb the expected loss. Highlights of next year's adopted budget for the general fund include:

**CITY COURT OF THIBODAUX, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

**Condensed Summary of Budgeted Finances**

	<u>2021</u>
<b>Anticipated revenues</b>	\$ 99,313
<b>Expenditures:</b>	
Current	178,163
Capital outlay	<u>1,000</u>
Anticipated expenditures	<u>179,163</u>
Deficit of revenues over expenditures	(79,850)
<b>Fund Balance:</b>	
Beginning of the year	<u>410,000</u>
End of the year	<u><u>\$ 330,150</u></u>

***CONTACTING THE CITY COURT'S FINANCIAL MANAGEMENT***

This financial report is designed to provide a general overview of the finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

The Honorable Judge Mark Chiasson,  
1309 Canal Blvd., Thibodaux, LA 70301  
Phone (985) 446-7238.



# ***FINANCIAL SECTION***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## ***INDEPENDENT AUDITOR'S REPORT***

To the Honorable Mark Chiasson, Judge  
the Honorable Harley Gros, Marshal  
City Court of Thibodaux, Louisiana

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities and each major fund of the City Court of Thibodaux, Louisiana, a component unit of the City of Thibodaux, Louisiana, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### ***Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free of material misstatement, whether due to error or fraud.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion.

To the Honorable Mark Chiasson, Judge  
The Honorable Harley Gros, Marshal  
City Court of Thibodaux, Louisiana  
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An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the City Court of Thibodaux, Louisiana as of December 31, 2020, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 inquires, 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 sufficient evidence to express an opinion or provide any assurance.



To the Honorable Mark Chiasson, Judge  
The Honorable Harley Gros, Marshal  
City Court of Thibodaux, Louisiana  
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*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation of Payments to the Agency Heads and the Justice System Funding Schedules are presented for purposes of additional analysis and is not a required part of the basic financial statements.

This schedules are the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2021, on our consideration of the 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 testing, and not to provide an opinion on the 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 internal control over financial reporting and compliance.

*Stagni & Company*

May 12, 2021  
Thibodaux, Louisiana



**CITY COURT OF THIBODAUX, LOUISIANA**

*Statement of Net Position - Governmental Activities*

December 31, 2020

**ASSETS**

Cash and cash equivalents	\$ 413,410
Fees receivable	767
Due from Agency Funds	108,397
Due from other governments	1,958
Capital assets, net of depreciation	<u>50,440</u>
Total assets	<u>574,972</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows of resources - contributions	10,280
Deferred outflows of resources - other	<u>23,524</u>
Total Deferred outflows of resources	<u>33,804</u>

**LIABILITIES**

**Current:**

Accounts payable and accrued expenses	22,674
Due to other governments	<u>9,495</u>
Total current liabilities	32,169

**Noncurrent -**

Net Pension Liability	<u>157,474</u>
Total liabilities	<u>189,643</u>

**DEFERRED INFLOWS OF RESOURCES**

Related to Pension liability	1,512
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**NET POSITION**

Net investment in capital assets	50,440
Restricted for Marshal Fund	96,372
Unrestricted	<u>270,809</u>
Total Net Position	<u>\$ 417,621</u>

See notes to the financial statements.

**CITY COURT OF THIBODAUX, LOUISIANA**  
*Statement of Activities - Governmental Activities*  
As of and for the year ended December 31, 2020

<b>FUNCTIONS / PROGRAMS</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Totals</b>
<b>Governmental activities:</b>				
General government - Judicial	\$ 999,140	\$ 104,452	\$ 789,715	\$ (104,973)
<b>Total governmental activities:</b>				(104,973)
<b>General revenues:</b>				
Unrestricted investment earnings				4,301
			Change in net position	(100,672)
<b>Net Position:</b>				
Beginning				518,293
Ending				\$ 417,621

See notes to the financial statements.

**CITY COURT OF THIBODAUX, LOUISIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2020

	General Fund	Marshal's Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 300,358	\$ 113,052	\$ 413,410
Fees receivable	\$ 410	\$ 357	767
Due to/from other funds	105,927	2,470	108,397
Due from other governments	1,958	-	1,958
Total assets	\$ 408,653	\$ 115,879	\$ 524,532
<b>LIABILITIES &amp; FUND BALANCE</b>			
<i>Liabilities:</i>			
Accounts payable and accrued expenses	\$ 3,168	\$ 19,507	\$ 22,675
Due to other governments	9,495	-	9,495
Total liabilities	12,663	19,507	32,170
<i>Fund Balance:</i>			
Restricted	-	\$ 96,372	96,372
Assigned for Judicial Building Fund	13,933	-	13,933
Unassigned	382,057	-	382,057
Total equity	395,990	96,372	492,362
Total liabilities & fund balance	\$ 408,653	\$ 115,879	

**RECONCILIATION TO THE STATEMENT OF NET POSITION:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost of Capital Assets	261,809	
less Accumulated Depreciation	(211,369)	50,440

Long term liabilities are not due and payable in the current period and therefore, are not report in the funds.

Net pension liability		(157,474)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:

Deferred outflows - contributions	10,280	
Deferred outflows - others	23,524	
Deferred inflows - proportionate share	(1,512)	32,293

Net assets of governmental activities		\$ 417,621
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See notes to financial statements.

**CITY COURT OF THIBODAUX, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**

As of and for the year ended December 31, 2020

	General Fund	Marshal's Fund	Total Governmental Funds
<b>REVENUES</b>			
Court fees, fines and costs	\$ 60,542	\$ 43,910	\$ 104,452
Grant Parish	5,413	-	5,413
Judge's supplemental compensation	34,585	-	34,585
On-behalf salaries and benefits received	609,808	139,909	749,717
Interest earned	2,823	1,478	4,301
Total revenues	713,171	185,297	898,468
<b>EXPENDITURES</b>			
<b>General government - judicial:</b>			
Current:			
Salaries & benefits	51,485	94,851	146,336
On-behalf salaries & benefits paid	609,808	139,909	749,717
Grant to FINS	12,000	-	12,000
Uniforms	1,561	151	1,712
Office Supplies & Postage	4,586	514	5,100
Dues & Subscriptions	871	485	1,356
Meetings and conventions	975	864	1,839
Contract labor	17,154	-	17,154
Computer Services	18,182	160	18,342
Storage	3,432	-	3,432
Automobile - gas & service	-	2,158	2,158
Cell Phone	-	318	318
Other services and charges	4,638	18,031	22,669
Total current expenditures	724,692	257,441	982,133
Capital outlay	13,475	1,985	15,460
Total expenditures	738,167	259,426	997,593
<b>Net change in fund balances</b>	(24,996)	(74,129)	(99,125)
<b>FUND BALANCES</b>			
Beginning of year	420,985	170,501	591,486
End of year	\$ 395,989	\$ 96,372	\$ 492,361

See notes to financial statements.



**CITY COURT OF THIBODAUX, LOUISIANA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**As of and for the year ended December 31, 2020**

**Net change in fund balances - total governmental funds** **\$ (99,125)**

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.

Capital outlay	\$ 15,460	
Net disposed assets	(1,243)	
Depreciation	<u>(35,918)</u>	(21,701)

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions are reported as pension expense.

Increase in pension liability	4,232	
Change in deferred outflows and inflows	<u>15,922</u>	<u>20,154</u>

**Change in net assets of governmental activities** **\$ (100,672)**

**CITY COURT OF THIBODAUX, LOUISIANA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
December 31, 2020

	Civil Fund	Bond Fund	Garnishment Fund	Restitution Fund	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 857,741	\$ 121,269	\$ (82)	\$ 193	\$ 979,121
Total assets	<u>\$ 857,741</u>	<u>\$ 121,269</u>	<u>\$ (82)</u>	<u>\$ 193</u>	<u>\$ 979,121</u>
<b>LIABILITIES</b>					
Fees payable	\$ 13,362	\$ -	\$ -	\$ -	\$ 13,362
Bonds payable	-	121,269	-	-	121,269
Marshall's Commission payable	-	-	(82)	-	(82)
Restitution payable	-	-	-	193	193
Bonds and other deposits	735,983	-	-	-	735,983
Due to General Fund	108,397	-	-	-	108,397
Total liabilities	<u>\$ 857,742</u>	<u>\$ 121,269</u>	<u>\$ (82)</u>	<u>\$ 193</u>	<u>\$ 979,122</u>

See notes to the financial statements

***City Court of Thibodaux, Louisiana***  
Notes to the Financial Statements  
December 31, 2020

Article 7, Section 51, of the Louisiana Constitution of 1921, created the City Court of Thibodaux, Louisiana in 1953 under General Legislative authority provided. In 1960, Louisiana Revised Statutes 13:1951 was passed recognizing and continuing the existence of city courts created and established pursuant to this authority. The City Court of Thibodaux serves the people of the City of Thibodaux, Louisiana and all of Ward 2 of the Parish of Lafourche, Louisiana.

The City Marshal's office operations are included as a blended component unit. The City Marshal is responsible for providing court security for adult and juvenile proceedings at city court, serving papers and arrest warrants, seizing property, executing eviction orders and transporting adult and juvenile prisoners to and from the jail and hospitals, among other duties. The City Marshal serves six year terms. The current City Marshal's term expires December 31, 2020 and the newly elected City Marshall – Mr. Calvin Cooks – will be sworn in January 1, 2021.

The financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

**A. Reporting Entity**

City Court is a component unit of the City of Thibodaux, Louisiana as defined by GASB 14. City Court's Judge and Marshal are independently elected officials. The Marshal's Fund is a blended component unit. City Court is fiscally dependent on the City of Thibodaux, Louisiana for office space and courtrooms. The substance of the relationship between City Court and the City of Thibodaux, Louisiana is that the City of Thibodaux, Louisiana has approval authority over its capital budget.

**B. Fund Accounting**

Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is referred to as "Fund Balance."

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". City Court uses governmental and fiduciary funds in its operations.

# **City Court of Thibodaux, Louisiana**

## **Notes to the Financial Statements**

**December 31, 2020**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

#### **B. Fund Accounting, (Continued)**

Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others.

##### *Governmental funds:*

- *General fund* – The general fund is the general operating fund of the City Court. It accounts for all activities except those accounted for in other funds.
- *Special revenue funds* – are used to account for fees, fines and costs charged for court cases and expenditures for these court cases.

##### *Fiduciary funds:*

- *Agency funds* - are used to account for assets that the government holds on behalf of others as their agent.

#### **C. Basis of Accounting**

“Basis of accounting” refers to when revenues, expenditures, expenses, and transfers-and assets, deferred outflows of resources, liabilities and deferred inflows of resources – are recognized in the accounts and reported in the financial statements.

##### *Government-Wide Financial Statements*

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program revenues included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

##### *Fund Financial Statements*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resource measurement focus and 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).

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Court fees, fines, and other revenues are recorded when collected and are considered susceptible to accrual.

**D. Budgets**

City Courts, as political subdivisions, are required according to LRS 39:1302 to adopt a budget. The City Court presents, adopts and amends an operating budget for the general fund and the marshal funds as required by the Louisiana Local Government Budget Act. The budget is prepared on a modified accrual basis of accounting. The budget presented in the Budget Comparison Schedules show the original and final amended budgets for the year. On-behalf payments were not budgeted in revenues or expenditures and are the only reconciling items from the actual on the budget statement to the actual for GAAP purposes.

Encumbrances represent commitments related to unperformed contracts for goods or services. The City Court does not use an encumbrance system.

**E. Cash**

Cash includes amounts in demand deposits as well as short-term investments (certificates of deposit) with a maturity date within a year of the date acquired. Under state law, the City Court of Thibodaux may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

# **City Court of Thibodaux, Louisiana**

## **Notes to the Financial Statements**

**December 31, 2020**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

#### **F. Interfund Receivables/Payables and Transfers**

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the balance sheet. All interfund transactions, except quasi-external transactions, are reported as operating transfers.

In the process of aggregating data for the statement of net position and the statement of activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

#### **G. Capital Assets**

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. City Court maintains a threshold level of \$100 or more for capitalizing capital assets. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

- Equipment 3 - 10 years
- Furniture 5 - 10 years
- Law books 20 years

#### **H. Compensated Absences**

The City of Thibodaux, Louisiana primarily employs individuals who work at the City Court office. No liability for compensated absences is reflected on the financial statements. Vacation and sick leave do not accumulate.

#### **I. On-behalf Payments and Expenses**

Certain expenses of City Court are budgeted and paid for by the City of Thibodaux, Louisiana. These expenses consist of operating supplies, automobile expenses, equipment rental, telephone expenses, audit fees, insurance costs, publishing and other miscellaneous expenses. These expenses from the City of Thibodaux, not recognized on City Court's books, were \$94,127.

# **City Court of Thibodaux, Louisiana**

## Notes to the Financial Statements

December 31, 2020

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

#### **I. On-behalf Payments and Expenses (continued)**

The Judge and City Court Employees received on-behalf payments from the State of Louisiana of \$49,623; Lafourche Parish of \$24,619 and the City of Thibodaux of \$535,567 for salaries and benefits.

The Marshal received on-behalf payments from the State of Louisiana of \$6,000; Lafourche Parish of \$6,388; and the City of Thibodaux of \$127,521.

As required by GASB Statement 24, revenue and an expenditure of \$749,717 have been recognized in general fund (\$609,808) and the marshal fund (\$139,909) for these on-behalf payments.

#### **J. Fund Equity**

##### *Government-Wide Financial Statements –*

The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation. The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

##### *Fund Financial Statements -*

Governmental fund equity is classified as fund balance. Fund balance is further classified as *non-spendable*, *restricted*, *committed*, *assigned*, or *unassigned*. *Non-spendable fund balance* cannot be spent because of its form. *Restricted fund balance* has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. *Committed fund balance* is a limitation imposed by the City Court through formal action by the City Court Judge. *Assigned fund balances* is a limitation imposed by a designee of the City Court. *Unassigned fund balance* in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**K. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**L. Non-current Liabilities**

In the GWFS non-current obligations to be repaid from governmental resources are reported as liabilities. Long-term obligations for governmental funds are not reported as liabilities in the FFS.

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) - the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**N. Deferred Outflows/Inflows of Resources**

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.



# **City Court of Thibodaux, Louisiana**

## **Notes to the Financial Statements**

**December 31, 2020**

### **NOTE 2 - CASH AND CASH EQUIVALENTS**

A summary of deposits are listed as follows:

	<b>Reported Amount</b>	<b>Bank Balance</b>
Cash – governmental funds	\$413,410	\$414,803
Cash – fiduciary funds	979,121	1,011,137
<b>TOTAL DEPOSITS</b>	<b>\$1,392,531</b>	<b>\$1,425,940</b>

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. Under the provision of GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. At year end \$925,397 of the bank balance of deposits was exposed to custodial credit risk. These deposits were collateralized by securities purchased and pledged to City Court. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in City Court's name.

The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**City Court of Thibodaux, Louisiana**  
**Notes to the Financial Statements**  
**December 31, 2020**

**NOTE 3 - CAPITAL ASSETS**

A schedule of changes in capital assets follows:

<b>COST OF ASSETS:</b>	<b>BALANCE 12/31/2019</b>	<b>ADDITIONS</b>	<b>DELETIONS ADJUSTMENTS</b>	<b>BALANCE 12/31/2020</b>
<b>DEPRECIABLE ASSETS:</b>				
OFFICE EQUIPMENT	\$ 179,884	\$ 15,460	(\$66,902)	\$ 128,442
OFFICE FURNITURE	27,098	-	-	27,098
LAW BOOKS	5,844	-	-	5,844
LEASEHOLD IMPROVEMENTS	7,230	-	-	7,230
POLICE SPECIAL EQUIPMENT	18,910	-	-	18,910
VEHICLES	74,285	-	-	74,285
	<u>313,251</u>	<u>15,460</u>	<u>(66,902)</u>	<u>261,809</u>
<b>ACCUMULATED DEPRECIATION:</b>				
OFFICE EQUIPMENT	114,836	33,631	(65,659)	82,808
OFFICE FURNITURE	25,291	886	-	26,177
LAW BOOKS	5,844	-	-	5,844
LEASEHOLD IMPROVEMENTS	7,230	-	-	7,230
POLICE SPECIAL EQUIPMENT	13,624	1,401	-	15,025
VEHICLES	74,285	-	-	74,285
	<u>241,110</u>	<u>35,918</u>	<u>(65,659)</u>	<u>211,369</u>
<b>CAPITAL ASSETS, NET</b>	<u>\$ 72,141</u>			<u>\$ 50,440</u>

Depreciation expense for the year was \$35,918 recorded in governmental activities.

**NOTE 4 - DUE TO OTHER GOVERNMENTS**

Consist of amounts due to other governments for fines collected - to be remitted:

Entity	Amount Due
City of Thibodaux	\$4,543
Indigent Defender	3,600
Other miscellaneous	1,352
Totals	\$9,495

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 5 - PENSION PLANS**

**Employees**

All individuals who work at City Court are paid by the City of Thibodaux, Louisiana and are consequently members of the Municipal Employees Retirement System. GASB requires certain disclosures for employers who maintain retirement plans for their employees. All individuals employed at the City Court are primarily compensated by others who disclose the required retirement plan information in separately issued financial statements administered and controlled by a separate board of trustees. Payments made on behalf of the City Court employees for pension benefits to the Municipal Employees Retirement System by the City of Thibodaux for the year ending December 31, 2020 is \$136,211.79.

**Judge**

The City Court implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

The Judge is a member of the Louisiana State Employees' Retirement System (LASERS), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees. LASERS membership includes rank & file state employees and special plans for: judges, certain legislative officials and statewide elected officials, correctional officers in the Department of Safety and Corrections, bridge police for the Crescent City Connection, enforcement agents with the Department of Wildlife and Fisheries, Alcohol and Tobacco Control officers, and peace officers.

Governmental Accounting Standards Board (GASB) approved Statement No. 68, *Accounting and Financial Reporting for Pensions* requires governments providing pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and RSI.

**Louisiana State Employees' State System**

**Plan Description** – The City Court contributes to the Louisiana State Employees' State System (the System), a cost-sharing multiple-employer defined benefit pension plan established by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) to provide retirement allowances and other benefits to eligible state officers, employees and their beneficiaries, which is controlled and administered by a separate Board of Trustees.

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 5 - PENSION PLANS, (Continued)**

The System provides retirement, deferred and disability benefits, survivor's benefits and permanent benefit increases and cost of living adjustments to plan members and beneficiaries.

The System is governed by Louisiana Revised Statutes 11:401, specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

**Benefits Provided** - LASERS membership has specific membership requirements established by legislation, with LASERS established for state officers, employees, and their beneficiaries which include judges. The age and years of creditable service required in order for a member to retire with full benefits are established by state statute, and vary depending on the member's hire date, employer, and job classification. The majority of our rank and file member may either retire with full benefits:

- o 30 years of creditable service at any age, or
- o 5-10 years of creditable service depending on their plan who has attained age 60, or
- o 20 years of creditable service at any age with an actuarially reduced benefit.

The basic annual retirement benefit for members is equal to 2.5 to 3.5 of average compensation multiplied by the number of creditable years of service. Average compensation is defined as the member's average annual earned compensation for the highest consecutive months of employment for members employed prior to July 1, 2006.

For members hired after July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of year of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

## ***City Court of Thibodaux, Louisiana***

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

**December 31, 2020**

#### **NOTE 5 - PENSION PLANS, (Continued)**

Act 992 of the 2010 Louisiana Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire:

- 5 years of creditable service at age 60, or
- 20 years of creditable service at any age with an actuarially reduced benefit.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does to withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

**Deferred Benefits** – The State Legislature authorized LASERS to established a deferred retirement option plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of ½% less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account.

Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

# **City Court of Thibodaux, Louisiana**

## **Notes to the Financial Statements**

**December 31, 2020**

### **NOTE 5 - PENSION PLANS, (Continued)**

**Disability Benefits** - All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

**Survivor Benefits** – Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child.

Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

**Permanent Benefit Increases/Cost of Living Adjustments** – As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost of living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

**Contributions** – The employer contribution rate is established annually under LA RS 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership. Actual Rates for the years ending June 30, 2020 for Judges hired before 1/01/11 was 42.4% for employer contributions and 11.5% for employee contributions which is the only class of member that the city contributes for the City Judge.

Employer contributions to the pension plan totaled \$21,488, for the year ended December 31, 2020.

# City Court of Thibodaux, Louisiana

## Notes to the Financial Statements

December 31, 2020

**NOTE 5 - PENSION PLANS, (Continued)**

***Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:***

As of June 30, 2020 (the measurement date), City Court reported a total of \$157,474 for its proportionate shares of the net pension liability of the LASERS Plan, reported as governmental activities. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. City Court's proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. City Court's proportions of the plan was as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/20</u>	<u>6/30/19</u>
LASERS	0.001900%	0.002230%

For the year ended June 30, 2020, City Court recognized \$20,290 as its proportionate share of pension expense for the LASERS plan.

In addition, the deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Plan</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in assumption	\$ 504	\$ -
Differences between expected and actual experience	-	(1,512)
Net difference between projected and actual earnings on pension plan investments	23,020	
Contributions subsequent to the measurement date		
	<u>10,280</u>	<u>-</u>
TOTALS	<u>\$ 33,804</u>	<u>\$ (1,512)</u>

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 5 - PENSION PLANS, (Continued)**

The deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
Amortization-1 <sup>st</sup> year	\$2,932
Amortization-2 <sup>nd</sup> year	\$6,638
Amortization-3 <sup>rd</sup> year	\$7,114
Amortization-4 <sup>th</sup> year	\$5,327

**Actuarial assumptions:**

The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	2.30%
Discount rate used To measure pension liability	7.55%
Salary increases	Vary from 2.6% to 5.1% for Judges
Investment rate of return	7.55%
Actuarial cost method	Entry age normal
Expected remaining service lives	2 years
Cost of Living Adjustment	none

For LASERS, the long-term expected rate of return on the pension plan investments was determined using a building block method in which best estimates ranges of expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.



**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 5 - PENSION PLANS, (Continued)**

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 8.25% for the years ending June 30, 2020.

The best estimates of real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2020, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Cash	-0.59%
Domestic Equity	4.79%
International Equity	5.83%
Domestic Fixed Income	1.76%
International Fixed Income	3.98%
Alternative Investments	6.69%
Risk Parity	4.20%
Total Fund	5.81%

Rates of return are presented as geometric means for LASERS.

The investment rates of return were determined based on expected cash flows which assume that contributions from plan members will be made at current contribution rates and that contributions from the participating employers will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the investment rate of return on plan investments was applied as the discount rate to all periods of projected benefit payments to determine the total pension liability.

**City Court of Thibodaux, Louisiana**  
Notes to the Financial Statements  
December 31, 2020

**NOTE 5 - PENSION PLANS, (Continued)**

**Sensitivity of the of the proportionate share of the net pension liabilities to changes in the discount rate:**

The following presents the proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate of 7.55%:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
LASERS	\$193,510	\$157,474	\$126,892

**Pension plan fiduciary net position:**

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans.

Payables to the pension plans:

At December 31, 2020, there were no amounts due to the pension plans for employer and employee required contributions.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, 225-922-0600.

**NOTE 6 - RISK MANAGEMENT**

The City Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; injuring to employees. The City Court or the City of Thibodaux purchases commercial insurance policies for any and all claims relating to the above types of risks. The City Court or the City of Thibodaux is only liable for the payment of the deductible associated with the above types of risks. Settlements have not exceeded insurance coverage in any of the three preceding years.

***REQUIRED SUPPLEMENTAL  
INFORMATION***

**CITY COURT OF THIBODAUX, LOUISIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Budget Comparison Schedule-General Fund**  
As of and for the year ended December 31, 2020

	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Court fees, fines and costs	\$ 80,000	\$ 52,500	\$ 57,278	\$ 4,778
Judge's supplemental pay	36,000	30,000	34,585	4,585
Grant from Parish	5,413	5,413	5,413	-
Grant from City	6,000	6,000	-	(6,000)
Other Fees	2,500	2,900	3,264	364
Interest earned	1,800	250	2,823	2,573
Total revenues	<u>131,713</u>	<u>97,063</u>	<u>103,363</u>	<u>6,300</u>
<b>EXPENDITURES</b>				
General government - judicial:				
Personnel	77,413	60,063	51,485	8,578
FINS Grant	12,000	12,000	12,000	-
Uniforms	2,200	1,600	1,561	39
Supplies	5,200	5,500	4,586	914
Dues	2,000	550	871	(321)
Meetings and conventions	4,000	1,400	975	425
Court reporter fees	30,000	25,000	17,154	7,846
Computer Services	25,000	19,000	18,182	818
Storage	5,000	3,700	3,432	268
Repair & Maintenance	3,000	550	-	550
Other services and charges	24,000	6,350	4,638	1,712
Total current expenditures	<u>189,813</u>	<u>135,713</u>	<u>114,884</u>	<u>20,829</u>
Capital outlay	5,000	15,000	13,475	1,525
Total expenditures	<u>194,813</u>	<u>150,713</u>	<u>128,359</u>	<u>22,354</u>
<b>Net change in fund balances</b>	<b>(63,100)</b>	<b>(53,650)</b>	<b>(24,996)</b>	<b>28,654</b>
<b>FUND BALANCES</b>				
Beginning of year	440,000	420,985	420,985	-
End of year	<u>\$ 376,900</u>	<u>\$ 367,335</u>	<u>\$ 395,989</u>	<u>\$ 28,654</u>

**CITY COURT OF THIBODAUX, LOUISIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Budget Comparison Schedule – Marshal Fund**  
**As of and for the year ended December 31, 2020**

	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Court fees, fines and costs	\$ 63,000	\$ 37,500	\$ 38,900	\$ 1,400
Marshals fees	5,300	4,000	5,010	
Interest earned	250	1,400	1,478	78
Total revenues	<u>68,550</u>	<u>42,900</u>	<u>45,388</u>	<u>1,478</u>
<b>EXPENDITURES</b>				
General government - judicial:				
Current:				
Salary Reimbursements	95,300	78,100	94,851	(16,751)
Bank charges	500	125	104	21
Office Supplies & Postage	1,200	800	514	286
Dues & Subscriptions	1,000	950	485	465
Automobile Fuel & Service	5,000	3,500	2,158	1,342
Cell Phone	500	225	318	(93)
Computer Service	300	300	160	140
Miscellaneous	2,500	1,900	18,942	(17,042)
Total current expenditures	<u>106,300</u>	<u>85,900</u>	<u>117,532</u>	<u>(31,632)</u>
Capital outlay	<u>2,000</u>	<u>2,500</u>	<u>1,985</u>	<u>515</u>
Total expenditures	<u>108,300</u>	<u>88,400</u>	<u>119,517</u>	<u>(31,117)</u>
<b>Net change in fund balances</b>	<u>(39,750)</u>	<u>(45,500)</u>	<u>(74,129)</u>	<u>(29,639)</u>
<b>FUND BALANCES</b>				
Beginning of year	<u>142,200</u>	<u>170,501</u>	<u>170,501</u>	<u>-</u>
End of year	<u>\$ 102,450</u>	<u>\$ 125,001</u>	<u>\$ 96,372</u>	<u>\$ (29,639)</u>

\$ -

**CITY COURT OF THIBODAUX**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Louisiana State Employees Retirement System (LASERS)**

Last Ten Fiscal Years\*\*

**Schedule of the Employer's Proportionate Share  
of the Net Pension Liability**

**Schedule 1**

Measurement Date	Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered-employee payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
6/30/2015	12/31/2015	0.00209%	\$ 142,084	\$ 38,005	374%	62.7%
6/30/2016	12/31/2016	0.00283%	\$ 222,070	\$ 45,100	492%	57.7%
6/30/2017	12/31/2017	0.00296%	\$ 208,068	\$ 43,450	479%	62.5%
6/30/2018	12/31/2018	0.00258%	\$ 175,750	\$ 50,826	346%	64.3%
6/30/2019	12/31/2019	0.00223%	\$ 161,706	\$ 44,618	362%	62.9%
6/30/2020	12/31/2020	0.00190%	\$ 157,474	\$ 51,053	308%	58.0%

\*Amounts presented were determined as of the measurement date (previous fiscal year end).

\*\*This schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

**Schedule of Employer Contributions**

**Schedule 2**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution		Agency's # covered-employee payroll	Contributions as a percentage of covered-employee payroll
		(a-b) Contribution Deficiency (Excess)			
<b>Louisiana State Employees' Retirement System</b>					
6/30/2015	\$ 15,180	\$ 15,222	\$ (42)	\$ 38,005	40.1%
6/30/2016	\$ 17,576	\$ 17,576	\$ -	\$ 46,174	38.1%
6/30/2017	\$ 17,743	\$ 17,743	\$ -	\$ 43,450	40.8%
6/30/2018	\$ 18,902	\$ 17,758	\$ 1,144	\$ 50,826	34.9%
6/30/2019	\$ 17,178	\$ 17,782	\$ (604)	\$ 44,618	39.9%
6/30/2020	\$ 16,014	\$ 16,132	\$ (118)	\$ 51,053	31.6%

\*Amounts presented were determined as of the end of the fiscal year.

\*\*This schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

**Notes to Required Supplementary Information**

**Changes of Benefit Terms**

6/30/2016	NO CHANGE
6/30/2017	NO CHANGE
6/30/2018	NO CHANGE
6/30/2019	NO CHANGE
6/30/2020	NO CHANGE

**Changes of Assumptions**

	Actuarial cost method	Inflation rate	Discount rate	Salary increases Vary from 3.0%-	Investment ROR	Expecting remaining service lives
6/30/2015	Entry Age Normal	3.00%	7.75%	5.5%	7.75%	3 years
6/30/2016	Entry Age Normal	3.00%	7.75%	5.5%	7.75%	3 years
6/30/2017	Entry Age Normal	2.75%	7.75%	5.5%	7.70%	3 years
6/30/2018	Entry Age Normal	2.75%	7.65%	5.3%	7.65%	3 years
6/30/2019	Entry Age Normal	2.50%	7.60%	5.3%	7.60%	2 years
6/30/2020	Entry Age Normal	2.30%	7.55%	5.1%	7.55%	2 years

## ***OTHER REQUIRED SCHEDULES***

**CITY COURT OF THIBODAUX, LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD**  
As of and for the year ended December 31, 2020

**AGENCY HEAD: HONORABLE MARK CHIASSON, CITY JUDGE**

Purpose	City of	Lafourche	State of	City Court of	
	Thibodaux	Parish	Louisiana	Thibodaux	
Salary	\$ 29,578	\$ 15,930	\$ 43,360	\$ 28,874	\$ 117,742
Benefits - insurance	20,025	0	0	0	20,025
Benefits - retirement	0	2070	5,634	3,752	11,456
Benefits - other (Medicare)	429	0	710	419	1,558
Benefits - other (Workers Compensation)	0	0	0	0	0
Benefits - other (EAP & CBS)	0	0	0	0	0
Benefits - other (Long Term Disability)	0	0	0	0	0
Car allowance	0	0	0	0	0
Vehicle provided by government	0	0	0	0	0
Cell phone	0	0	0	0	0
Dues	0	0	0	0	0
Vehicle rental	0	0	0	0	0
Per diem	0	0	0	118	118
Reimbursements	0	0	0	0	0
Mileage	0	0	0	35	35
Registration fees	0	0	0	520	520
Lodging	0	0	0	302	302
Continuing professional education fees	0	0	0	0	0
Housing	0	0	0	0	0
Unvouchered expenses	0	0	0	0	0
Special meals	0	0	0	0	0
Other	0	0	0	0	0
	<u>\$ 50,032</u>	<u>\$ 18,000</u>	<u>\$ 49,704</u>	<u>\$ 34,020</u>	<u>\$ 151,756</u>

**AGENCY HEAD: HARLEY GROS, CITY MARSHAL**

Purpose	City of	Lafourche	State of	City Court of	
	Thibodaux	Parish	Louisiana	Thibodaux	
Salary	\$ 83,208	\$5,934	\$0	\$0	\$ 89,142
Supplemental Pay (Paid by state)	0	0	6,000	0	6,000
Supplemental Pay (Civil Fund)	0	0	0	0	0
Supplemental Pay - Garnishment Commissions	0	0	0	0	0
Benefits - insurance	8163	0	0	0	8163
Benefits - retirement	0	0	0	0	0
Benefits - other (Medicare)	1207	86	0	0	1293
Benefits - other (SSI)	0	368	0	0	368
Benefits - other (EAP & CBS)	0	0	0	0	0
Benefits - other (Long Term Disability)	0	0	0	0	0
Benefits - other (Fitness Reimbursement)	0	0	0	0	0
Vehicle provided by government	0	0	0	0	0
Cell phone	0	0	0	318	318
Dues	0	0	0	485	485
Vehicle rental	0	0	0	0	0
Per diem	0	0	0	0	0
Reimbursements	0	0	0	0	0
Travel	0	0	0	0	0
Registration fees	0	0	0	0	0
Conference travel	0	0	0	864	864
Continuing professional education fees	0	0	0	0	0
Housing	0	0	0	0	0
Unvouchered expenses	0	0	0	0	0
Special meals	0	0	0	0	0
Other - Fuel	0	0	0	0	0
	<u>\$ 92,578</u>	<u>\$ 6,368</u>	<u>\$ 6,000</u>	<u>\$ 1,667</u>	<u>\$ 106,633</u>

EAP - Employee Assistance Program - \$3.50/mth  
CBS - Ceridian (Cobra coverage) - \$0.72/mth

\* Reimbursed to the City by City Court

This form is used to satisfy the supplemental reporting requirement of R.S. 24:513(A)(3)



**CITY COURT OF THIBODAUX, LOUISIANA**  
**Justice System Funding Schedule - Collecting/Disbursing Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**

As of and for the year ended December 31, 2020

Cash Basis Presentation	First Six Month Period Ended 06/30/20	Second Six Month Period Ended 12/31/20
<b>Beginning Balance of Amounts Collected (i.e. cash on hand)</b>	<b>38,333</b>	<b>27,821</b>
<b>Add: Collections</b>		
Act 887 - Intoxilyzer	950	375
Act 887 - Crime Lab	125	125
Act 654	690	390
Witness Fees	3,935	2,550
Act 152	2,468	1,570
Fees & Fines	78,998	51,967
Criminal & Traffic Convictions	1,620	1,018
Act 405	530	367
Garnishments	172,617	135,488
<b>Subtotal Collections</b>	<b>281,933</b>	<b>193,850</b>
<b>Less: Disbursements To Governments &amp; Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)</b>		
Public Safety DWI Test, Main & Train Fund - Act 887	1,325	500
DHH-TH/SCI T.F.	775	335
City of Thibodaux - Witness Fees	3,830	2,820
Treasurer, State of Louisiana - CMIS	2,417	1,723
City of Thibodaux - Fines	42,616	28,531
Lafourche Parish - Fines	100	-
Lafourche Indigent Defender Board-Fees	31,675	24,655
LA Commission on Law Enforcement-Act 440 POST Law Enforcement Training	4,381	2,765
Bayou Council Behavioral Health Services	450	150
Bayou Region Crime Stoppers - Traffic and Criminal Convictions	1,576	1,122
Louisiana Supreme Court - Act 405	521	393
<b>Less: Amounts Retained by Collecting Agency</b>		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection - Marshal's Fund	23,857	23,327
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 (Additional rows may be added as necessary)	-	-
<b>Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies</b>		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	158,922	125,856
Payments to 3rd Party Collection/Processing Agencies	-	-
<b>Subtotal Disbursements/Retainage</b>	<b>272,445</b>	<b>212,177</b>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	<b>27,821</b>	<b>9,494</b>
<i>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.</i>	-	-

**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)

***REPORTS REQUIRED BY GOVERNMENT  
AUDITING STANDARDS***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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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***

Honorable Mark Chiasson, Judge  
Honorable Harley Gros, Marshal  
City Court of Thibodaux, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities and major funds of the City Court of Thibodaux, Louisiana a component unit of the City of Thibodaux, Louisiana as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City Court of Thibodaux's basic financial statements and have issued our report thereon dated May 12, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

*A deficiency in internal controls* 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

To the Honorable Mark Chiasson, Judge  
The Honorable Harley Gros, Marshal  
City Court of Thibodaux, Louisiana  
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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements are free from 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*.

### **Purpose of this Report**

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not provide an opinion on the effectiveness of the entity's control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

May 12, 2021  
Thibodaux, Louisiana

