

**CITY COURT OF CROWLEY, LOUISIANA**

**Financial Report**

**Year Ended August 31, 2021**

# CITY COURT OF CROWLEY, LOUISIANA

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# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Marie B. Trahan  
City Judge  
City Court of Crowley  
Crowley, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of City Court of Crowley, Louisiana, a component unit of the City of Crowley, Louisiana, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the Court's 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 statements that are free from material misstatement, whether due to fraud or error.

### 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 from 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. An audit also includes evaluating the appropriateness of accounting policies 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 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 City Court of Crowley, as of August 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Emphasis of Matter

As discussed in Note 15 to the basic financial statements, the City Court of Crowley has a change in accounting principle. Our opinion is not modified with respect to this matter.

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 35-37 and the schedule of employer's share of net pension liability and the schedule of employer contributions on pages 38-40 be presented to supplement the basic financial statements. Such 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 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 management's discussion and analysis that accounting principles generally accepted in the United States of America 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 historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City Court of Crowley's basic financial statements. The schedule of expenditures and the schedule of compensation, benefits and other payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures on pages 44-45, the schedule of compensation, benefits and other payments to Agency Head or Chief Executive on page 46, and the justice system funding schedule on pages 42-43 are the responsibility of management and were derived from and relate 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 of expenditures, the schedule of compensation, benefits and other payments to Agency Head or Chief Executive and the justice system funding 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 February 22, 2022, on our consideration of the City Court of Crowley'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 an 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 City Court of Crowley's internal control over financial reporting and compliance.

*Thibodeaux Accounting Company*  
**Thibodeaux Accounting Company**  
A Limited Liability Company  
Rayne, Louisiana  
February 22, 2022

MEMBER OF  
AMERICAN INSTITUTE OF  
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# **Basic Financial Statements**

## **Government-Wide Financial Statements (GWFS)**

**CITY COURT OF CROWLEY, LOUISIANA**

**STATEMENT OF NET POSITION**  
**Year Ended August 31, 2021**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 261,303
Accounts receivable	-
Due from other funds	100
Capital assets, depreciable, net	<u>19,947</u>
Total Assets	<u>281,350</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources, pension related	<u>30,547</u>
Total Deferred Outflows of Resources	<u>30,547</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>311,897</u></u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 57,433
Due to other funds	100
Noncurrent Liabilities:	
Compensated absences	11,952
Net Pension Liability	<u>127,378</u>
Total Liabilities	<u>\$ 196,863</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources, pension related	<u>141,945</u>
Total Deferred Inflows of Resources	<u>141,945</u>
<b>NET POSITION</b>	
Invested in capital assets	\$ 19,947
Unrestricted	<u>(46,858)</u>
Total Net Position	<u>\$ (26,911)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 311,897</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**STATEMENT OF ACTIVITIES**  
**Year Ended August 31, 2021**

Function / Program	Expenses	Program Revenues		Net (Expense)
		Charges for Services, Fines, and Forfeits	Operating Contributions	Revenue and Change in Net Position
				2021 Governmental Activities
Governmental activities:				
General government	<u>\$ 536,061</u>	<u>\$ 517,285</u>	<u>\$ 80,000</u>	\$ 61,224
General revenues and transfers:				
Transfers				<u>-</u>
Change in net position				\$ 61,224
Net position, restated				(89,985)
Prior period adjustments				<u>1,850</u>
Net position, ending				<u>\$ (26,911)</u>

The accompanying notes are an integral part of this statement.

## **Fund Financial Statements**

**CITY COURT OF CROWLEY, LOUISIANA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
Year Ended August 31, 2021**

	City Court Fund	State Court Fund	Judicial Fees Fund	Other Governmental Funds	<u>TOTALS</u> 2021
<b>ASSETS</b>					
Cash	\$ 73,883	\$ 98,357	\$ 63,627	\$ 25,436	\$ 261,303
Accounts Receivable	-	-	-	-	-
Due from other funds	100	-	-	-	100
Total Assets	<u>\$ 73,983</u>	<u>\$ 98,357</u>	<u>\$ 63,627</u>	<u>\$ 25,436</u>	<u>\$ 261,403</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 52,751	\$ 3,868	\$ 814	\$ -	\$ 57,433
Due to other funds	-	100	-	-	100
Total Liabilities	<u>\$ 52,751</u>	<u>\$ 3,968</u>	<u>\$ 814</u>	<u>\$ -</u>	<u>\$ 57,533</u>
<b>FUND BALANCES</b>					
Unassigned	21,232	94,389	62,813	25,436	203,870
Total Liabilities and Fund Balances	<u>\$ 73,983</u>	<u>\$ 98,357</u>	<u>\$ 63,627</u>	<u>\$ 25,436</u>	<u>\$ 261,403</u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
Year Ended August 31, 2021**

Total fund balances - Governmental funds	\$ 203,870
Total net assets for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.	
Capital assets, net	19,947
Compensated absences	(11,952)
Deferred Outflows	30,547
Net pension liability	(127,378)
Deferred Inflows	<u>(141,945)</u>
Net Position of Governmental Activities	<u><u>\$ (26,911)</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended August 31, 2021**

	City Court Fund	State Court Fund	Judicial Fees Fund	Other Governmental Funds	<u>TOTALS</u>  2021
<b>Revenues:</b>					
Fines and forfeits	\$ 358,550	\$ 76,456	\$ 56,196	\$ 26,083	\$ 517,285
Intergovernmental	40,000	40,000	-	-	80,000
Miscellaneous income	-	-	-	-	-
<b>Total Revenues</b>	<u>\$ 398,550</u>	<u>\$ 116,456</u>	<u>\$ 56,196</u>	<u>\$ 26,083</u>	<u>\$ 597,285</u>
<b>Expenditures:</b>					
Current -					
General government:					
Salaries, payroll taxes, and retirement	\$ 152,136	\$ -	\$ 41,392	\$ -	\$ 193,528
Office Expenses	120	8,162	-	4,980	13,262
Fines and fees	299,714	50,287	-	-	350,001
Professional services	825	10,050	-	-	10,875
Juvenile housing costs	-	-	-	-	-
District attorney fees	-	5,048	-	-	5,048
Miscellaneous	1,767	4,840	7,969	18,723	33,299
<b>Total general government</b>	<u>\$ 454,562</u>	<u>\$ 78,387</u>	<u>\$ 49,361</u>	<u>\$ 23,703</u>	<u>\$ 606,013</u>
Capital Outlay	-	-	-	3,700	3,700
<b>Total expenditures</b>	<u>\$ 454,562</u>	<u>\$ 78,387</u>	<u>\$ 49,361</u>	<u>\$ 27,403</u>	<u>\$ 609,713</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (56,012)</u>	<u>\$ 38,069</u>	<u>\$ 6,835</u>	<u>\$ (1,320)</u>	<u>\$ (12,428)</u>
Other sources (uses):					
Transfers out	\$ -	\$ (30,000)	\$ -	\$ -	\$ (30,000)
Transfers in	30,000	-	-	-	30,000
<b>Total other sources (uses):</b>	<u>\$ 30,000</u>	<u>\$ (30,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ (26,012)</u>	<u>\$ 8,069</u>	<u>\$ 6,835</u>	<u>\$ (1,320)</u>	<u>\$ (12,428)</u>
Fund balances, beginning, as previously reported	45,813	86,263	55,978	26,394	214,448
Prior period adjustments	1,431	57	-	362	1,850
<b>Fund balance, ending</b>	<u><u>\$ 21,232</u></u>	<u><u>\$ 94,389</u></u>	<u><u>\$ 62,813</u></u>	<u><u>\$ 25,436</u></u>	<u><u>\$ 203,870</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended August 31, 2021**

Net Change in Fund Balances - Total Governmental Funds	\$ (12,428)
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The change in net position reported for governmental activities  
in the statement of activities is different because:

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the costs of these  
assets is allocated over their estimated useful lives as  
depreciation expense.

Capital Outlay	\$ 3,700	
Depreciation expense	<u>(6,799)</u>	\$ (3,099)

Some expenses reported in the statement of activities do not require the use  
of current financial resources and therefore are not reported as expenditures  
in governmental funds

Decrease in Compensated Allowances	\$ 734
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The change in other post employment benefit obligation reported in the statement  
of activities does not require the use of current financial resources, and, therefore,  
is not reported as an expenditure in the governmental funds.

Net change in pension liability and deferred inflows/outflows of resources	<u>\$ 76,017</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 61,224</u></u>
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The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**STATEMENT OF FIDUCIARY NET POSITION**  
Year Ended August 31, 2021

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	<u>\$ 97,206</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	<u>\$ 267</u>
<b>NET POSITION</b>	
Restricted for individuals, organizations and other governments	<u><u>\$ 96,939</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**Year Ended August 31, 2021**

	<u>Custodial Funds</u>
<b>Additions:</b>	
Deposits-	
Fines and court costs- criminal	\$ -
Civil suit collections	350,233
Bonds	<u>-</u>
 Total Additions	 <u><u>\$ 350,233</u></u>
<b>Reductions:</b>	
Civil and criminal fees distributed to others	\$ 282,969
Other	<u>64,627</u>
 Total Reductions	 <u><u>347,596</u></u>
 Net change in fiduciary position	 2,637
 Net position, beginning of year as restated	 <u>94,302</u>
 Balances, end of year	 <u><u>96,939</u></u>

The accompanying notes are an integral part of this statement.

## **Notes to the Financial Statements**

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### **Note 1. Summary of Significant Accounting Policies**

The accompanying financial statements of the City Court of Crowley, Louisiana (the "City Court"), have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. 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 of the City Court are described below.

##### **Financial Reporting Entity:**

A financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary governments are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

##### **Primary Government -**

The City Court was created under the authority of Louisiana Revised Statute (LSA-RS) 13:1952. Louisiana Revised Statutes provide for territorial jurisdiction, powers, authority, functions, election and/or appointment, tenure, and compensation of individuals. The City Judge is elected for a term of six years and receives an annual salary payable monthly by the City of Crowley (the "City") and the Acadia Parish Police Jury. The City Marshal's Office is administered by a separately elected City Marshal. These financial statements do not include separate funds received and administered directly by the City Marshal or by the City on behalf of the City Marshal's Fund.

##### **Component Units -**

GASB Statement No. 14, "The Financial Reporting Entity", establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. A potential component unit must have separate corporate powers that distinguish it as being legally separate from the primary government. These include the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued in its own name without recourse to a state or local government, and the right to buy, sell, lease, and mortgage property in its own name.
2. The primary government must be financially accountable for a potential component unit. Financial accountability may exist as a result of the primary government appointing a voting majority of the potential component unit's governing body, their ability to impose their will on the potential component unit by significantly influencing the programs, projects, activities, or level of services performed or provided by the potential component unit, or the existence of a financial benefit or burden. In addition, financial accountability may also exist as a result of a potential component unit being fiscally dependent on the primary government

In some instances, the potential component unit should be included in the reporting entity (even when the criteria in No. 2 above are not met), if exclusion would render the reporting entity's financial statements incomplete or misleading.

The City Court is fiscally dependent on the City for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the City Court is fiscally dependent upon the City, the City Court is determined to be a component unit of the City, the financial reporting entity.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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

#### Basis of Presentation:

The City Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain court functions or activities. The minimum number of funds maintained by the City Court is consistent with legal and managerial requirements.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The City Court's basic financial statements include both government-wide (reporting on the City Court as a whole) and fund financial statements (reporting on the City Court's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the City Court's operations are classified as governmental activities. The City Court does not have any business-type activities.

#### Government-Wide Financial Statements –

The government-wide financial statements include a statement of net position and a statement of activities. These statements report financial information on all of the nonfiduciary activities of the City Court. 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 of the government-wide financial statements.

In the statement of net position, the governmental type activities column (1) is presented on a consolidated basis by column, and (2) is reported using the economic resources measurement focus and the accrual basis of accounting, which recognizes all long-term assets as well as long-term liabilities. The City Court's net assets are reported in three parts: (1) invested in capital assets, (2) restricted, and (3) unrestricted. When both restricted and unrestricted resources are available for use, it is the City Court's policy to use restricted resources first, then unrestricted resources as needed.

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 associated with a distinct functional activity. Program revenues include: (1) charges for services, fines, and forfeits, which report fees, fines, and forfeits, and other charges to users of the City Court's services, and (2) operating contributions which finance annual operating activities. Program revenues included in the statement of activities are derived directly from court users as a fee for services; program revenues reduce the cost of the function financed from the City Court's general revenues. Investment income and other revenue sources not properly included with program revenues are reported as general revenues.

The City Court reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function. The City Court does not allocate indirect costs.

## **CITY COURT OF CROWLEY, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

This government-wide focus is more on the sustainability of the City Court as an entity and the change in the City Court's net position resulting from the current year's activities.

#### **Fund Financial Statements –**

The fund financial statements provide information about the City Court's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. A fund is considered major if it is the primary operating fund of the entity or total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund is at least 10 percent of the corresponding total for all funds.

#### **Governmental Funds:**

Governmental funds account for all of the City Court's general activities, including the collection and disbursement of specific or legally restricted monies and general operating expenses of the Court.

The City Court reports the following major governmental funds:

City Court Fund – to account for the receipt of court costs derived from City charges and the payment of court expense reports as well as the operating expenses of the Court.

State Court Fund – to account for the receipt of court costs derived from State charges and the payment of court expense reports as well as the operating expenses of the Court.

Judicial Fees Fund- to account for the receipt of court costs derived from City charges for judicial fees and the payment of court expenses related to operations of the Court.

Additionally, the City Court reports the following fund type:

#### **Fiduciary Funds:**

Custodial Funds – The amounts reported in custodial funds are limited to assets that are being held for individuals, private organizations, or other governments. The custodial funds account for assets held by the Court as an agent for litigants in civil suits, cash bods for criminal proceedings, and fees held pending court action. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Court's own programs.

#### **Basis of Accounting – Measurement Focus:**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

#### **Government-Wide and Fiduciary Fund Financial Statements –**

The government-wide and fiduciary fund financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

## **CITY COURT OF CROWLEY, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

#### **Governmental Fund Financial Statements –**

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of “available spending resources.” Operating statements of these funds present increases (i.e., revenues and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spending resources” during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. General capital asset acquisitions are reported as expenditures in governmental funds.

Major revenue sources susceptible to accrual include intergovernmental revenues and investment income. In general, other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

#### **Investments:**

Under State Law, the City Court may invest in United States bonds, treasury notes or certificates, or time certificates of deposit of state banks having their principal office in the State of Louisiana, or any other federally insured investment. The City Court may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

#### **Deposits:**

The City Court is exposed to custodial credit risk as it relates to their deposits with financial institutions. The City Court’s policy to ensure there is no exposure is to require each financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage in the City Court’s name. These securities are to be held at a third-party bank.

#### **Interfund Receivables and Payables:**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds in the fund financial statements. Short-term interfund loans are classified as interfund receivables/payables in the fund financial statements.

#### **Capital Assets and Depreciation:**

The accounting treatment over property and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

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

The City Court’s property and equipment with useful lives of more than one year are stated at historical costs and reported in the government-wide financial statements. Donated assets are stated at fair value at the date of donation. The City Court maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal repairs and maintenance that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and related accumulated depreciation are removed from the respective

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

accounts and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for furniture and equipment are 5-10 years.

#### Fund Financial Statements –

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

#### Unsettled Deposits:

Unsettled deposits represent advances of money received in connection with civil suits. Plaintiffs are required to make an advance payment to this account to cover the costs incurred by the City Court in processing the suit. These cash advances remain in this account until they are earned by the City Court, at which time they are disbursed to the proper entities, or until the case has been dismissed and the remaining amount is refunded.

#### Equity Classifications:

##### Government-Wide Financial Statements –

The City Court's government-wide equity is reported as net position in two parts: (1) invested in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation, and (2) unrestricted – all other net position that do not meet the definition of "invested in capital assets". The City Court does not have any restricted net position.

##### Fund Financial Statements –

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows:

*Nonspendable* – funds that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* – funds that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – funds that are constrained by limitations that the government imposes on itself. These amounts are imposed at the highest level of authority. These amounts are binding unless removed in the same manner that it was imposed and any action must be taken prior to year-end.

*Assigned* – funds whose intended use has been established. These amounts can be, but are not required to be, imposed at the highest level of authority. They do not have to be binding and action does not have to be taken prior to year-end.

*Unassigned* – all other spendable amounts.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

Fund balances for the periods ending August 31, 2021:

For year ended August 31, 2021

	City Court Cost Fund	State Court Cost Fund	Judicial Fees Fund	Other Govt Funds	Total
Unassigned	\$ 21,232	\$ 94,389	\$ 62,813	\$ 25,436	\$ 203,870
Total Fund Balances	<u>\$ 21,232</u>	<u>\$ 94,389</u>	<u>\$ 62,813</u>	<u>\$ 25,436</u>	<u>\$ 203,870</u>

The City Court considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The City Court also considers committed fund balances to be spent first when other unrestricted fund balances classifications are available for use.

#### Compensated Absences:

The City Court employees follow the compensated absences policy of the City as described below.

Employees are granted the following paid vacation days based on years of service: 1 year – 5 days, 2-5 years – 10 days; 6-10 years – 14 days; 11-15 years – 16 days; 16-25 years – 18 days and 26 or more years – 20 days. Annual vacation shall not be accumulated and shall be taken each year after being earned. Compensation in lieu of vacation shall not be paid, except upon termination of any employee, any accumulated vacation time shall be paid together with any wages due as of the effective date of the employee's termination.

After one year of employment, all full time employees shall be entitled to ten (10) days sick leave during each calendar year, which leave may be accumulated for a three-year period for a term of thirty (30) full days if not used during the year in which same accrued. An employee must notify the Clerk of Court as soon as possible of the occurrence of a non-occupational illness or injury.

Compensated absences (sick leave) totals \$11,952 as of August 31, 2021.

#### Interfund Transactions:

Quasi-external transactions are accounted for as revenues or expenditures/expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. Legally authorized transfers are treated as operating transfers and are included in the results of operations. For purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

#### Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### Impairment of Long-Lived Assets:

In August 2001, the Financial Accounting Standards Board (FASB) issued Statement No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". FASB Statement No. 144 requires that a single accounting model be used for long-lived assets to be disposed of by sale and broadens the presentation of discontinued operations to include more disposal transactions. FASB Statement No. 144 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows are estimated to be generated by those assets are less than the assets carrying amounts. A review of such assets of the City Court has not indicated any material effect on the City Court's financial position or results of operations.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. The City Court of Crowley recognizes deferred outflows of resources and deferred inflows of resources that are attributable to its pension plan.

#### Note 2. Cash and Interest-Bearing Deposits

Under state law, the Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Court may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At August 31, 2021, the Court had cash and interest-bearing deposits (book balances) totaling \$358,548 as follows:

Demand deposits	\$358,548
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Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must always equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Court or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at August 31, 2021, are secured as follows:

Bank Balances	<u>\$ 376,691</u>
Federal deposit insurance	\$ 250,000
Pledged securities	<u>\$ 126,691</u>
Total	<u>\$ 376,691</u>

Deposits in the amount of \$126,691 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Court's name. The Court does not have a policy for custodial credit risk.

# CITY COURT OF CROWLEY, LOUISIANA

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Budgets

The City Court is legally required to prepare a budget. The budget is prepared and adopted prior to the beginning of each fiscal year and amended, if necessary, prior to year-end.

### Note 4. Capital Assets

Capital assets activity for the year ended August 31, 2021 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets				
Furniture and Equipment	\$ 180,550	\$ 3,700	\$ -	\$ 184,250
Less: accumulated depreciation	<u>(157,504)</u>	<u>(6,799)</u>	<u>-</u>	<u>(164,303)</u>
Total governmental activities capital assets, net	<u>\$ 23,046</u>	<u>\$ (3,099)</u>	<u>\$ -</u>	<u>\$ 19,947</u>

Depreciation expense for the year ended August 31, 2021 was charged as follows:

Governmental activities:	
General government	<u>\$ 6,799</u>

The land and building in which the City Court operates is owned by the City.

### Note 6. Interfund Transfers

Interfund transfers reported in the financial statements for the year ended August 31, 2021 consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Fund:		
City Court Fund	\$ 30,000	\$ -
State Court Fund	-	30,000
Other Governmental Funds	-	-
Agency Funds	<u>-</u>	<u>-</u>
Total interfund transfers	<u>\$ 30,000</u>	<u>\$ 30,000</u>

Transfers are used to allow unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These transfers are not expected to be repaid within one year.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### Note 7. Risk Management

The City Court is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City Court maintains an employee blanket bond to manage its exposure to fraud, illegal acts, and errors and omissions.

#### Note 8. Salaries and Benefits

Salaries include amounts paid for part-time office staff, as well as payments to the Clerk of Court and other full-time employees. Salaries do not include amounts paid by the Acadia Parish Police Jury and the City of Crowley to the City Judge, Clerk of Court, and other full-time employees. Employee benefits such as retirement and health insurance are also provided by the City of Crowley.

#### Note 9. Interfund Balances

Interfund balances reported in the financial statements of August 31, 2021 consisted of the following:

	<u>Receivables</u>	<u>Payables</u>
Judicial Building Fund	\$ -	\$ -
State Court Cost	-	100
City Court Cost	100	
Civil Fund	-	-
Judicial Fees Fund	-	-
	<u>\$ 100</u>	<u>\$ 100</u>

#### Note 10. Operating Lease

City Court was engaged in an operating lease with TIAA Bank for the use of a copy machine. The lease term was sixty months which began in March of 2020. Total expenditures for this lease totaled \$3,652 for the year ended August 31, 2021. The future minimum rental payments for these leases are as follows:

<u>Year Ending</u> <u>August 31</u>	<u>Amount</u>
2022	3,396
2023	3,396
2024	3,396
2025	<u>1,981</u>
Total	<u>\$ 12,169</u>

## **CITY COURT OF CROWLEY, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

#### **Note 11. Retirement Benefits**

##### ***Plan Descriptions***

##### **Louisiana State Employees' Retirement System (LASERS)**

The City Judge is provided with a pension through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (LA RS 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

##### **Municipal Employees' Retirement System of Louisiana (MERS)**

Employees of the City Court are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:1731 to provide retirement, disability and survivor benefits to employees of all incorporated villages, towns and cities throughout the State of Louisiana. MERS is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City Court are members of Plan A. The system issues a publicly available financial report that may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

##### ***Benefits Provided***

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

##### ***Retirement***

##### **LASERS**

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired 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 years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

Act 992 of the 2010 Louisiana Regular 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 at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

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 not 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.

#### **MERS**

Any member of Plan A, who was hired before January 1, 2013 can retire providing the member meets one of the following criteria:

Eligibility for Retirement for Plan A members hired on or after January 1, 2013 is as follows:

- a. Any age with twenty-five (25) or more years of creditable service.
- b. Age 60 with a minimum of ten (10) years of creditable service.
- c. Any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to three percent of the member's monthly average final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

#### ***Deferred Retirement Benefits***

#### **LASERS**

The State Legislature authorized LASERS to establish 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 of up to three years. The election is irrevocable once participation begins.

## **CITY COURT OF CROWLEY, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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 one-half percent 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.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

#### **MERS**

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of MERS has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in MERS.

#### ***Disability Benefits***

#### **LASERS**

Generally, active 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 age 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 or 100% of final average compensation if the injury was the result of an intentional act of violence.

#### **MERS**

For Plan A, a member shall be eligible to retire and receive a disability benefit if he has at least five years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid disability benefits equal to the lesser of forty-five percent of his final average compensation or three percent of his final average compensation multiplied by his years of creditable service whichever is greater or an amount

## **CITY COURT OF CROWLEY, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

equal to three percent of the member's final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

#### ***Survivor's Benefits***

##### **LASERS**

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 a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty 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.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

##### **MERS**

Upon death of any member of Plan A with five (5) or more years of creditable service, not eligible for retirement, the plan provides for benefits for the surviving spouse and/or minor children as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

#### ***Permanent Benefit Increases/Cost-of-Living Adjustments***

##### **LASERS**

As fully described in Title 11 of the Louisiana Revised Statutes, LASERS 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.

##### **MERS**

The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant additional cost of living increases to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

#### ***Deferred Benefits***

##### **MERS**

Plan A provides for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement; benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### ***Contributions***

##### **LASERS**

Contribution requirements of active employees are governed by Title 11 of the Louisiana Revised Statutes and may be amended by the Louisiana Legislature. Employee contributions are deducted from a member's salary and remitted to LASERS by participating employers along with the employer portion of the contribution.

The rates in effect during the year ending June 30, 2022 and during the year ended June 30, 2021 related to the City Court were as follows:

<b>Plan</b>	<b>Plan Status</b>	<b>Employee Contribution Rate</b>	<b>Employer Contribution Rate 2021</b>	<b>Employer Contribution Rate 2022</b>
Judges hired before 1/1/11	Closed	11.5%	42.5%	43.7%

The City Court's contractually required composite contribution rate for the period from September 1, 2020 to June 30, 2021 was 42.5%, and for the period from July 1, 2021 to August 31, 2021 was 43.7%, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the City Court were \$17,422 for the year ended August 31, 2021.

##### **MERS**

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2022 and for the year ended June 30, 2021, the actual employer contribution rate was 29.5% for Plan A. For the year ending June 30, 2022 and for the year ended June 30, 2021, the actuarially determined employer contribution rate was 28.29% and 29.18%, respectively, for Plan A. The actuarially determined rate is the rate calculated to provide employer contributions that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the City Court were \$24,559 for the year ended August 31, 2021.

In accordance with state statute, MERS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from nonemployer contributing entities, but are not considered special funding situations.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liabilities were measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City Court's proportion of the net pension liability for LASERS and MERS was based on a projection of the City Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

# CITY COURT OF CROWLEY, LOUISIANA

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The following table reflects the City Court's proportionate share of the Net Pension Liability for each of the pension plans, the proportion at June 30, 2021 and the change compared to the June 30, 2020 proportion.

	Net Pension Liability at June 30, 2021	Proportion at June 30, 2021	Increase (Decrease) to June 30, 2020 Proportion
<b>LASERS</b>	\$ 117,565	0.002136%	0.000074%
<b>MERS</b>	9,813	0.003528%	(0.043409%)
	<u>\$ 127,378</u>		

The following table reflects the City Court's recognized pension expense plus the City Court's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended August 31, 2021.

	Pension Expense (Benefit)	Amortization	Total
<b>LASERS</b>	\$ 8,242	\$ (554)	\$ 7,688
<b>MERS</b>	(49,004)	(17,017)	(66,021)
	<u>\$ (40,762)</u>	<u>\$ (17,571)</u>	<u>\$ (58,333)</u>

At August 31, 2020, the City Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

### LASERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 116	\$ -
Changes in assumptions	2,880	-
Net difference between projected and actual earnings on pension plan investments	-	(27,417)
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,632	(442)
Employer contributions subsequent to the measurement date	2,972	-
Total LASERS	<u>\$ 8,600</u>	<u>\$ (27,859)</u>

### MERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4	\$ (112)
Changes in assumptions	-	(2,765)
Net difference between projected and actual earnings on pension plan investments	359	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,861	(111,209)
Employer contributions subsequent to the measurement date	4,723	-
Total MERS	<u>\$ 21,947</u>	<u>\$ (114,086)</u>

**CITY COURT OF CROWLEY, LOUISIANA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>LASERS</b>	\$ 8,600	\$ (27,859)
<b>MERS</b>	21,947	(114,086)
	<u>\$ 30,547</u>	<u>\$ (141,945)</u>

Deferred outflows of resources related to pensions resulting from the City Court's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending August 31, 2022.

The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	<b>Subsequent Contributions</b>
<b>LASERS</b>	\$ 2,972
<b>MERS</b>	4,723
	<u>\$ 7,695</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending August 31:	<b>LASERS</b>	<b>MERS</b>	<b>Total</b>
2022	\$428	\$ (46,612)	\$ (46,184)
2023	(4,225)	(48,602)	(52,827)
2024	(6,229)	(713)	(6,942)
2025	(12,205)	(935)	(13,140)
	<u>\$ (22,231)</u>	<u>\$ (96,862)</u>	<u>\$ (119,093)</u>

# CITY COURT OF CROWLEY, LOUISIANA

## NOTES TO THE BASIC FINANCIAL STATEMENTS

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

	LASERS	MERS
<b>Valuation Date</b>	June 30, 2021	June 30, 2021
<b>Actuarial Cost Method</b>	Entry Age Normal	Entry Age Normal
<b>Amortization Approach</b>		
<b>Actuarial Assumptions:</b>		
<b>Expected Remaining Service Lives</b>	2 years	3 years
<b>Investment Rate of Return</b>	7.40% per annum, net of investment expenses	6.85%, net of pension plan investment expense, including inflation
<b>Inflation Rate</b>	2.3% per annum	2.5%
<b>Salary Increases</b>	2.6% - 5.1%	4.5% - 6.4%
<b>Cost of Living Adjustments</b>	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
<b>Mortality</b>	<p>Non-disabled members - Mortality rates based on the RP-2014 Blue Collar (males/ females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational bases by Mortality Improvement Scale MP-2018.</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>	<p>Annuitant and beneficiary mortality - PubG-2010(B), Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.</p> <p>Employee mortality – PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.</p> <p>Disabled lives mortality – PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.</p>
<b>Termination, Disability, and Retirement</b>	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2013-2018) experience study of the System's members.

# CITY COURT OF CROWLEY, LOUISIANA

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The following table lists the methods used by each of the pension plans in determining the long term rate of return on pension plan investments:

<b>LASERS</b>	<b>MERS</b>
The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.61% for 2021.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of June 30, 2021:

<b>Asset Class</b>	<b>Target Allocation</b>		<b>Long-Term Expected Portfolio Real Rate of Return</b>	
	<b>LASERS</b>	<b>MERS</b>	<b>LASERS</b>	<b>MERS</b>
Cash	1%	-	-0.29%	-
Domestic equity	31%	53.0%	4.09%	2.31%
International equity	23%	-	5.12%	-
Domestic fixed income	3%	38.0%	0.49%	1.65%
International fixed income	18%	-	3.94%	-
Alternative investments	24%	9.0%	6.93%	0.39%
Total	100%	100.0%	5.81%	4.35%
International fixed income				2.60%
Expected Arithmetic Nominal Return				6.95%

### **Discount Rate**

The discount rates used to measure the total pension liability for LASERS and MERS were 7.40% and 6.85%, respectively for the year ended June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### ***Sensitivity of the City Court's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the City Court's proportionate share of the Net Pension Liability using the discount rate of each pension plan, as well as what the City Court's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
<b>LASERS</b>			
Discount rate	6.40%	7.40%	8.40%
Share of NPL	\$ 159,292	\$ 117,565	\$ 82,061
<b>MERS</b>			
Discount rate	5.85%	6.85%	7.85%
Share of NPL	\$ 14,534	\$ 9,813	\$ 5,826

#### ***Support of Non-employer Contributing Entities***

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The City Court recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended August 31, 2021, the City Court recognized revenue as a result of support received from non-employer contributing entities of \$263 for its participation in MERS. LASERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LASERS for the year ended August 31, 2021.

#### ***Pension Plans Fiduciary Net Position***

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for LASERS and MERS and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: [www.la.la.gov](http://www.la.la.gov).

#### **Note 12. Deficit in Net Position**

The Court has a deficit in net position of (\$26,911) caused by the net pension liability of \$127,378.

## CITY COURT OF CROWLEY, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS

#### **Note 13. Change in Accounting Principle**

As of September 1, 2020, the Court adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. This statement improves guidance relative to the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The adoption of GASB Statement No. 84 had the following effect on net position:

Net position, custodial funds, August 31, 2020	\$ -
Net effect of change in accounting principle	\$ 94,302
Net position, custodial funds, August 31, 2020, as restated	<u>\$ 94,302</u>
Net position, governmental funds, August 31, 2020	\$ (145,963)
Net effect of change in accounting principle	\$ 55,978
Net position, governmental funds, August 31, 2020, as restated	<u>\$ (89,985)</u>

#### **Note 14. Litigation**

The City Court of Crowley has no threatened or pending litigation against it at August 31, 2021.

#### **Note 15. Uncertainties Arising During and After Financial Statement Date**

As a result of the spread of the COVID 19 coronavirus, economic uncertainties have arisen which may continue to impact the Court's ongoing activities. The extent and severity of the potential impact on future operations is unknown at this time.

#### **Note 16. Evaluation of Subsequent Events**

Subsequent events have been evaluated through February 22, 2022. This date represents the date the financial statements were available to be issued.

## **Required Supplemental Information**

**CITY COURT OF CROWLEY, LOUISIANA**

**CITY COURT COSTS FUND**

**BUDGETARY COMPARISON SCHEDULE**

Year Ended August 31, 2021

	2021			
	Budget			Variance--
	Original	Final	Actual	Positive (Negative)
Revenues:				
City court costs	\$ 685,000	\$ 365,000	\$ 358,550	\$ (6,450)
Appropriation from City of Crowley	10,000	40,000	40,000	-
Miscellaneous income	-	-	-	-
Total Revenues	\$ 695,000	\$ 405,000	\$ 398,550	\$ (6,450)
Expenditures:				
Current -				
General government:				
Salaries, payroll taxes, and retirement	\$ 153,300	\$ 154,000	\$ 152,136	\$ 1,864
Office Expenses	800	800	120	680
Fines and fees	579,500	311,140	299,714	11,426
Professional services	3,300	1,600	825	775
Miscellaneous	1,900	600	1,767	(1,167)
Total	\$ 738,800	\$ 468,140	\$ 454,562	\$ 13,578
Capital Outlay	\$ -	\$ -	\$ -	-
Total expenditures	\$ 738,800	\$ 468,140	\$ 454,562	\$ 13,578
Excess (deficiency) of revenues over expenditures:	\$ (43,800)	\$ (63,140)	\$ (56,012)	\$ 7,128
Other sources (uses):				
Transfers to Judicial Bldg. Fund	\$ -	\$ -	\$ -	\$ -
Transfers to State Court Cost Fund	-	-	-	-
Transfers to TASC	-	-	-	-
Transfers to Juvenile Fund	-	-	-	-
Transfers to Cash Bond Fund	-	-	-	-
Transfers to Judicial Fees Fund	-	-	-	-
Transfers from TASC	-	-	-	-
Transfers from Cash Bond Fund	-	-	-	-
Transfers from State Court Cost Fund	30,000	30,000	30,000	-
Transfers from Judicial Fees	-	-	-	-
Transfers from Civil Fund	-	-	-	-
Transfers from Judicial Bldg. Fund	-	-	-	-
City of Crowley Insurance Claim	-	-	-	-
Total Transfers (Uses)	\$ 30,000	\$ 30,000	\$ 30,000	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ (13,800)	\$ (33,140)	\$ (26,012)	\$ 7,128
Fund balance, beginning of year	\$ 45,813	\$ 45,813	\$ 45,813	\$ -
Prior period adjustment	\$ -	\$ -	\$ 1,431	\$ 1,431
Fund balance, end of year	\$ 32,013	\$ 12,673	\$ 21,232	\$ 8,559

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**STATE COURT COSTS FUND**

**BUDGETARY COMPARISON SCHEDULE**

Year Ended August 31, 2021

	2021			Variance--
	Budget		Actual	Positive
	Original	Final		(Negative)
Revenues:				
State court costs	\$ 76,000	\$ 76,000	\$ 76,456	\$ 456
Appropriation from Police Jury	15,000	40,000	40,000	-
Miscellaneous income	-	-	-	-
Total Revenues	\$ 91,000	\$ 116,000	\$ 116,456	\$ 456
Expenditures:				
Current -				
General government:				
Office Expenses	\$ 12,000	\$ 13,500	\$ 8,162	\$ 5,338
Fines and fees	48,700	49,450	50,287	(837)
Professional services	10,000	9,500	10,050	(550)
District attorney fees	5,200	5,000	5,048	(48)
Miscellaneous	1,700	1,920	4,840	(2,920)
Total general government	\$ 77,600	\$ 79,370	\$ 78,387	\$ 983
Capital Outlay	\$ -	\$ -	\$ -	-
Total expenditures	\$ 77,600	\$ 79,370	\$ 78,387	\$ 983
Excess (deficiency) of revenues over expenditures:	\$ 13,400	\$ 36,630	\$ 38,069	\$ 1,439
Other sources (uses):				
Transfers to Juvenile Fund	\$ -	\$ -	\$ -	\$ -
Transfers to Judicial Bldg. Fund	-	-	-	-
Transfers to City Fund	(30,000)	(30,000)	(30,000)	-
Transfers to TASC	-	-	-	-
Transfers to Civil Fund	-	-	-	-
Transfers to Cash Bond Fund	-	-	-	-
Transfers from TASC	-	-	-	-
Transfers from Cash Bond Fund	-	-	-	-
Transfers from City Fund	-	-	-	-
Transfers from Civil Fund	-	-	-	-
Transfers from Judicial Bldg. Fund	-	-	-	-
Total other sources (uses)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ (16,600)	\$ 6,630	\$ 8,069	\$ 1,439
Fund balance, beginning of year	\$ 86,263	\$ 86,263	\$ 86,263	\$ -
Prior period adjustment	\$ -	\$ -	\$ 57	\$ 57
Fund balance, end of year	\$ 69,663	\$ 92,893	\$ 94,389	\$ 1,496

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**NOTES TO THE BUDGETARY COMPARISON SCHEDULE**  
**For the Year Ended August 31, 2021**

**Note 1.     Budgets and Budgetary Accounting**

The City Court is legally required to prepare a budget. The budget is prepared and adopted prior to the beginning of each fiscal year and amended, if necessary, prior to year-end.

All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final budget made during the year.

**CITY COURT OF CROWLEY, LOUISIANA**

Schedule of the Employer's Proportionate Share of the Net Pension Liability  
For the year ended August 31, 2021

Louisiana State Employees' Retirement System (LASERS)

Fiscal Year ended June 30	Agency's Proportion of the Net Pension Liability (Asset)	Agency's Proportionate Share of the Net Pension Liability (Asset)	Agency's Covered Payroll	Agency's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	.002136%	\$ 117,565	\$ 40,800	288.1%	72.8%
2020	0.002062%	\$ 170,541	\$ 40,800	418.0%	58.0%
2019	0.002137%	\$ 154,824	\$ 40,800	379.5%	62.9%
2018	0.002231%	\$ 152,153	\$ 40,800	372.9%	64.3%
2017	0.002315%	\$ 162,949	\$ 40,800	399.4%	62.5%
2016	0.002303%	\$ 180,844	\$ 40,800	443.2%	57.7%
2015	0.002200%	\$ 149,769	\$ 41,800	358.3%	62.7%
2014	0.002600%	\$ 162,700	\$ 46,800	347.6%	65.0%

Louisiana Municipal Employees' Retirement System (MERS)

2021	.003528%	\$ 9,813	\$ 83,250	11.8%	77.8%
2020	0.046937%	\$ 202,928	\$ 96,392	210.5%	64.5%
2019	0.045438%	\$ 189,870	\$ 90,865	209.0%	64.70%
2018	0.042393%	\$ 175,536	\$ 77,399	226.8%	63.9%
2017	0.044468%	\$ 186,028	\$ 80,756	230.0%	62.5%
2016	0.05381%	\$ 220,535	\$ 96,116	229.0%	62.1%
2015	0.05844%	\$ 208,753	\$ 99,743	209.0%	66.20%

\* Amounts presented were determined as of the measurement date (fiscal year ended June 30).

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**See Notes to Required Supplementary Information on page 40.**

The accompanying notes are an integral part of this statement.

# CITY COURT OF CROWLEY, LOUISIANA

## Schedule of Employer Contributions For the year ended August 31, 2021

### Louisiana State Employees' Retirement System (LASERS)

Fiscal Year ended August 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Agency's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 17,422	\$ 17,422	\$ -	\$ 40,800	42.7%
2020	\$ 17,306	\$ 17,306	\$ -	\$ 40,800	42.4%
2019	\$ 16,516	\$ 16,516	\$ -	\$ 40,800	40.5%
2018	\$ 15,545	\$ 15,545	\$ -	\$ 40,800	38.1%
2017	\$ 15,647	\$ 15,647	\$ -	\$ 40,800	38.4%
2016	\$ 15,538	\$ 15,538	\$ -	\$ 40,800	38.1%
2015	\$ 16,701	\$ 16,701	\$ -	\$ 40,800	40.9%
2014	\$ 17,389	\$ 17,389	\$ -	\$ 46,800	37.2%

### Louisiana Municipal Employees' Retirement System (MERS)

2021	\$ 24,559	\$ 24,559	\$ -	\$ 83,250	29.5%
2020	\$ 25,029	\$ 25,029	\$ -	\$ 94,110	26.6%
2019	\$ 23,037	\$ 23,037	\$ -	\$ 92,187	25.0%
2018	\$ 20,251	\$ 20,251	\$ -	\$ 81,038	25.0%
2017	\$ 17,889	\$ 17,889	\$ -	\$ 77,587	23.1%
2016	\$ 19,187	\$ 19,187	\$ -	\$ 97,379	19.7%
2015	\$ 19,136	\$ 19,136	\$ -	\$ 96,892	19.7%

\* Amounts presented were determined as of the measurement date (fiscal year ended August 31).

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**See Notes to Required Supplementary Information on page 40.**

The accompanying notes are an integral part of this statement.

## CITY COURT OF CROWLEY, LOUISIANA

### Notes to the Schedule of the Employer's Proportionate Share of the Net Pension Liability and the Schedule of Employer Contributions For the Year Ended August 31, 2021

#### Changes of Benefit Terms

For LASERS, Act 37 provided a monthly benefit increase to retirees that on June 30, 2021 have attained age 60, have 30 or more years of service, have been reretired 15 or more years, receive a monthly benefit of less than \$1450, and have not participated in DROP or the Initial Benefit Option. The benefit increase is the lesser of \$300 per month or the amount needed to increase the monthly benefit to \$1,450.

For LASERS, a 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and, added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

For MERS, there were no changes of benefit terms for the seven valuation years ended June 30, 2021.

#### Changes of Assumptions

For LASERS, the investment rate of return was decreased from 7.55% to 7.40% for valuation dated June 30, 2021.

For LASERS, the investment rate of return was decreased from 7.60% to 7.55%, the inflation rate was decreased from 2.50% to 2.30%, and the salary increases changed for the lower range from 2.8%-3.8% to 2.6%-3.6% and the upper range from 5.3% - 14.0% to 5.1% to 13.8% for the valuation dated June 30, 2020.

The investment rate of return was decreased from 7.65% to 7.60%, the inflation rate was decreased from 2.75% to 2.50%, the average remaining services lives decreased from 3 years to 2 years, and the mortality table for non-disabled members changed to the RP-2014 Healthy Mortality Table for the valuation dated June 30, 2019.

The investment rate of return was decreased from 7.70% to 7.65% for the valuation dated June 30, 2018.

The investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75% for the valuation dated June 30, 2017.

For MERS, the investment rate of return was decreased from 6.95% to 6.85% for the valuation dated June 30, 2021.

For MERS, the investment rate of return was decreased from 7% to 6.95% for the valuation dated June 30, 2020.

The investment rate of return was decreased from 7.275% to 7%, the inflation rate was decreased from 2.6% to 2.5%, and the mortality tables changed to the PubG-2010(B) Tables for the valuation dated June 30, 2019.

The investment rate of return was decreased from 7.4% to 7.275% and the inflation rate was decreased from 2.775% to 2.6% for the valuation dated June 30, 2018.

The investment rate of return was decreased from 7.5% to 7.4% and the inflation rate was decreased from 2.875% to 2.775% for the valuation dated June 30, 2017.

The investment rate of return was decreased from 7.75% to 7.5%, the rate for projected salary increases was decreased from 5.75% to 5.0%, and the rate of inflation was decreased from 3.0% to 2.875% for the valuation dated June 30, 2015.

The accompanying notes are an integral part of this statement.

## **Other Supplemental Information**

**CITY COURT OF CROWLEY, LOUISIANA**

**JUSTICE SYSTEM FUNDING SCHEDULE- COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
For the Year Ended August 31, 2021**

	First Six Month Period Ended 2/28/2021	Second Six Month Period Ended 8/31/21
Beginning balance of amounts collected	\$ 100,139	\$ 105,121
Add: Collections- Civil Fees	\$ 192,186	\$ 158,046
Less: Disbursements to governments and nonprofits-		
City of Crowley Marshal's Office, Civil Garnishment Commissions	\$ 7,262	\$ 5,740
City of Crowley Marshal's Office, Civil Fees	\$ 6,960	\$ 6,750
Acadia Parish Clerk of Court, Civil Fees	\$ 2,326	\$ 2,698
LA Supreme Court, Judges Supplemental Compensation, Civil Fees	\$ 5,200	\$ 3,928
LA Supreme Court, LA Judicial College, Civil Fees	\$ 100	\$ 75
Acadia Parish Sheriff's Office, Civil Fees	\$ 3,136	\$ 2,129
Allen Parish Sheriff's Office, Civil Fees	\$ 30	\$ 60
Ascension Parish Sheriff's Office, Civil Fees		\$ 56
Beauregard Parish Sheriff's Office, Civil Fees	\$ 47	
Calcasieu Parish Sheriff's Office, Civil Fees		\$ 240
Cameron Parish Sheriff's Office, Civil Fees		\$ 82
E. Baton Rouge Parish Sheriff's Office, Civil Fees	\$ 1,441	\$ 1,618
E. Carroll Parish Sheriff's Office, Civil Fees		\$ 33
Eunice City Marshal's Office, Civil Fees	\$ 150	\$ 90
Evangeline Parish Sheriff's Office, Civil Fees	\$ 236	\$ 54
Iberia Parish Sheriff's Office, Civil Fees	\$ 55	\$ 135
Jeff Davis Parish Sheriff's Office, Civil Fees	\$ 106	\$ 53
Jefferson Parish Sheriff's Office, Civil Fees	\$ 150	\$ 210
Jennings City Marshal's Office, Civil Fees	\$ 970	\$ 910
Kaplan City Marshal's Office, Civil Fees	\$ 70	\$ 240
Lafayette City Marshal's Office, Civil Fees	\$ 180	\$ 540
Lafayette Parish Sheriff's Office, Civil Fees	\$ 769	\$ 536
Lake Charles City Marshal's Office, Civil Fees	\$ 60	\$ 164
Opelousas City Marshal's Office, Civil Fees	\$ 18	
Rayne City Marshal's Office, Civil Fees	\$ 510	\$ 900
Sabine Parish Sheriff's Office, Civil Fees		\$ 71
St. John Baptist Sheriff's Office, Civil Fees	\$ 53	
St. Landry Parish Sheriff's Office, Civil Fees	\$ 177	\$ 522
St. Martin Parish Sheriff's Office, Civil Fees	\$ 60	
St. Mary Parish Sheriff's Office, Civil Fees	\$ 59	\$ 117
St. Tammany Parish Sheriff's Office, Civil Fees	\$ 71	

(Continued on next page)

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**JUSTICE SYSTEM FUNDING SCHEDULE- COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION  
For the Year Ended August 31, 2021**

	First Six Month Period Ended <u>2/28/2021</u>	Second Six Month Period Ended <u>8/31/21</u>
Less: Disbursements to governments and nonprofits- (Continued)		
Shreveport City Marshal's Office, Civil Fees	\$ 60	\$ 60
Sulphur City Marshal's Office, Civil Fees	\$ 150	\$ 120
Terrebonne Parish Sheriff's Office, Civil Fees	\$ 106	
Vermilion Parish Sheriff's Office, Civil Fees		\$ 315
Vernon Parish Sheriff's Office, Civil Fees	\$ 589	
Ville Platte City Marshal's Office, Civil Fees	\$ 59	\$ 30
Less: Amounts retained by collection agency		
City Court of Crowley, Judicial Building Fund, Civil Fees	\$ 2,000	\$ 1,500
City Court of Crowley, Judicial Fees Account, Civil Fees	\$ 28,383	\$ 33,569
City Court of Crowley, Operating Expenses, Civil Fees	\$ 2,346	\$ 2,583
Less: Disbursements to Individuals/3rd Party Collection Agencies		
Civil Fee Refunds	\$ 10,087	\$ 8,828
Other Disbursements to Individuals	<u>\$ 113,229</u>	<u>\$ 91,005</u>
Subtotal Disbursements/Retainage	<u>\$ 187,205</u>	<u>\$ 165,961</u>
Ending balance of amounts collected but not disbursed/retained	<u><u>\$ 105,120</u></u>	<u><u>\$ 97,206</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**SCHEDULE OF EXPENDITURES - CITY COURT COST**  
August 31, 2021

	<u>2021</u>
Expenditures:	
General Government--Judicial	
Salaries, payroll taxes and retirement	\$ 152,136
Office Expenses	120
Fines and fees	299,714
Professional services	825
Juvenile housing costs	-
District attorney fees	-
Miscellaneous	1,767
Total General Government	<u>\$ 454,562</u>
Capital Outlay	<u>\$ -</u>
Total Expenditures	<u><u>\$ 454,562</u></u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**SCHEDULE OF EXPENDITURES - STATE COURT COSTS**  
August 31, 2021

	<u>2021</u>
Expenditures:	
General Government--Judicial	
Office expenses	\$ 8,162
Fines and fees	50,287
Professional services	10,050
District attorney fees	5,048
Miscellaneous	4,840
Total General Government	<u>\$ 78,387</u>
Capital Outlay	<u>\$ -</u>
Total Expenditures	<u>\$ 78,387</u>

The accompanying notes are an integral part of this statement.

**CITY COURT OF CROWLEY, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
For the Year Ended August 31, 2021**

Agency Head Name: The Honorable Judge Marie B. Trahan

<b>Purpose</b>	<b>Amount</b>
Salary*	\$ 93,047
Benefits-insurance	-
Benefits-retirement*	37,332
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	103
Travel	-
Dues	1,757
Registration fees	1,295
Conference travel	4,917
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<hr/>
	<u>\$ 138,451</u>

\* Includes amounts paid by the Acadia Parish Police Jury and City of Crowley, Louisiana.

The accompanying notes are an integral part of this statement.

## **Compliance, Internal Control and Other Information**

# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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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***

The Honorable Marie B. Trahan  
City Judge  
City Court of Crowley  
Crowley, 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, each major fund, and the aggregate remaining fund information of City Court of Crowley, Louisiana, a component unit of the City of Crowley, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise City Court of Crowley's basic financial statements and have issued our report thereon dated February 22, 2022.

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

In planning and performing our audit of the financial statements, we considered City Court of Crowley's 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 City Court of Crowley's internal control. Accordingly, we do not express an opinion on the effectiveness of City Court of Crowley's internal control.

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. 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 charged with governance.

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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and corrective action plan at 2021-1 that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City Court of Crowley'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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **City Court of Crowley, Louisiana's Response to Findings**

City Court of Crowley, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and corrective action plan. The Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The 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 to provide an opinion on the effectiveness of the entity's internal 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. Therefore, its distribution is not limited.

*Thibodeaux Accounting Company*  
**Thibodeaux Accounting Company**  
A Limited Liability Company

Rayne, Louisiana  
February 22, 2022

**CITY COURT OF CROWLEY, LOUISIANA**

**SCHEDULE OF PRIOR YEAR FINDINGS**

**Year Ended August 31, 2021**

2020-1 The City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing the financial statements.

Recommendation: We recommend that the City Court outsource this task to ensure the recording of the court's financial transactions in accordance with GAAP.

Status: Unresolved

# CITY COURT OF CROWLEY, LOUISIANA

Schedule of Findings  
Year Ended August 31, 2021

## PART I. SUMMARY OF AUDITOR'S RESULTS

### FINANCIAL STATEMENTS

#### Auditor's Report

An unmodified opinion has been issued on the City Court of Crowley, Louisiana's basic financial statements as of and for the year ended August 31, 2021.

#### Internal Control - Financial Reporting

There was one significant deficiency in internal control over financial reporting that was disclosed by the audit of the financial statements for the period ended August 31, 2021.

#### Material Noncompliance – Financial Reporting

The results of our tests did not disclose any instances of noncompliance required to be reported under *Government Auditing Standards*.

## PART II. FINDING RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

### 2021-1 Finding: Financial Statements Not in Accordance with GAAP

The City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing the financial statements.

#### Criteria:

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

#### Cause of Condition:

The City Court does not have the funds to hire someone or to outsource this function.

#### Effect of Condition:

The financial statements may not be prepared in accordance with GAAP.

#### Recommendation:

We recommend that the City Court outsource this task to ensure the recording of the court's financial transactions in accordance with GAAP.

**CITY COURT OF CROWLEY, LOUISIANA**

Corrective Action Plan  
Year Ended August 31, 2021

Response to Findings:

- 2021-1 City Court has evaluated the cost vs. benefits of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the court to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Judge Marie B. Trahan is the responsible party. There is no estimated date of completion.