

CITY COURT OF NEW IBERIA

FINANCIAL REPORT

JUNE 30, 2018

CITY COURT OF NEW IBERIA, LOUISIANA
FINANCIAL REPORT

June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

The Honorable Theodore M. Haik, Judge
City Court of New Iberia
New Iberia, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the City Court of New Iberia (hereinafter "Court"), a component unit of the City of New Iberia, Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City Court of New Iberia'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 the financial statements in accordance with accounting principles generally accepted in 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 Court'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 Court's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to previously 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 Court as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during I audit of the basic financial statements. I do not express an opinion or provide any assurance on the budgetary comparison information on page 27 because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

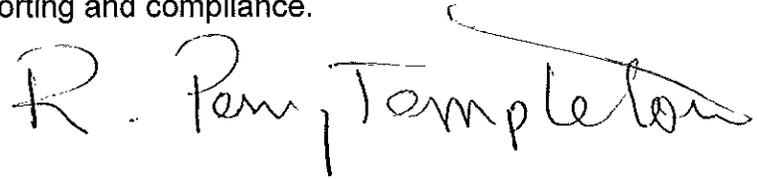
The Court has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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. My opinion on the basic financial statements is not affected by this missing information.

Other Reporting Requirements Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have issued my report dated December 27, 2018, on my consideration of the Court's internal control over financial reporting and on my 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 my 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

The Honorable Theodore M. Haik, Judge
City Court of New Iberia
New Iberia, Louisiana
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of an audit performed in accordance with *Government Auditing Standards* in considering the Court's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "R. Penny Templeton". The signature is written in a cursive style with a long, sweeping horizontal line above the name.

New Iberia, Louisiana
December 27, 2018

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY COURT OF NEW IBERIA
STATEMENT OF NET POSITION

June 30, 2018

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 17,259
Due from Agency Funds	<u>25,214</u>
Total Current Assets	42,473
Non Current Assets:	
Capital Assets, Net	<u>18,800</u>
Total Assets	<u>61,273</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>178,283</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Expenses	<u>7,379</u>
Noncurrent Liabilities	
Net Pension Liability	<u>724,461</u>
Total Liabilities	<u>731,840</u>
DEFERRED INFLOWS OF RESOURCES	<u>33,426</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt	18,800
Unrestricted	<u>(544,510)</u>
Total Net Position	<u>\$ (525,710)</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

STATEMENT OF ACTIVITIES

Year Ended June 30, 2018

Governmental Activities

Expenditures:

Judiciary

Publications	\$ 11,939
Judge's Salary	156,846
Other Salaries	217,492
Office Supplies & Printing	21,277
Legal & Accounting Costs	6,690
Judge & Employees Retirement and Benefits	356,973
Dues, Meetings & Insurance	8,577
Other Miscellaneous Costs	9,493
Outside Services	8,407
Depreciation	<u>4,058</u>
Total Expenditures	<u>801,752</u>

Program Revenues

Revenues:

Fees, Charges and Commissions – Court Costs, Fees, and Fines	393,186
Bonds Forfeited	<u>1,648</u>
Total Program Revenues	<u>394,834</u>

Net Program (Expense) Revenue (406,918)

General Revenue

Intergovernmental

On Behalf Payments	163,040
Other Income	<u>11,642</u>
Total General Revenue	<u>174,682</u>

Change in Net Position (232,236)

Net Position (Deficit), Beginning of Year (293,474)

Net Position (Deficit), End of Year \$ (525,710)

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTION

General Fund

The general fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY COURT OF NEW IBERIA
BALANCE SHEET – GOVERNMENTAL FUND
June 30, 2018

	General Fund
ASSETS	
Cash and Cash Equivalents	\$ 17,259
Due from Agency Funds	<u>25,214</u>
Total Assets	<u>\$ 42,473</u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts Payable and Accrued Expenses	\$ 7,379
Fund Balances:	
Unassigned	<u>35,094</u>
Total Liabilities and Fund Balance	<u>\$ 42,473</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
 RECONCILIATION OF THE GOVERNMENTAL FUND
 BALANCE SHEET TO THE STATEMENT OF
 NET POSITION

June 30, 2018

Total Fund Balance for the Governmental Fund at June 30, 2018		\$ 35,094
Cost of Capital Assets at June 30, 2018	169,424	
Less: Accumulated Depreciation	<u>150,624</u>	18,800
The deferred outflows of contributions for the retirement are not available resources, and therefore, are not reported in the funds		178,283
Noncurrent liabilities at June 30, 2018		
Net pension payable		(724,461)
The deferred inflows of contributions for the retirement systems are not payable from current expendable resources and, therefore, are not reported in the funds		<u>(33,426)</u>
Total Net Position of Governmental Activities at June 30, 2018		<u>\$ (525,710)</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

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

Year Ended June 30, 2018

	<u>General Fund</u>
Revenues:	
Fees, Charges and Commissions - Court Costs, Fees, and Fines	\$ 393,186
Intergovernmental- On Behalf Payments	163,040
Bonds Forfeited	1,648
Other Income	<u>11,642</u>
Total Revenues	<u>569,516</u>
Expenditures:	
Current-	
General Government – Publications	11,939
Judge's Salary	156,846
Other Salaries	217,492
Office Supplies & Printing	21,277
Legal & Accounting Costs	6,690
Judge & Employees Retirement and Benefits	168,127
Dues, Meetings, & Insurance	8,577
Other Miscellaneous Costs	9,493
Outside Services	8,407
Capital Outlay	
Total Expenditures	<u>608,848</u>
Excess (Deficiency) of Revenues Over Expenditures	(39,332)
Fund Balance, Beginning of Year	<u>74,426</u>
Fund Balance, End of Year	<u>\$ 35,094</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
OF GOVERNMENTAL FUND TO THE STATEMENT
OF ACTIVITIES

For the Year Ended June 30, 2018

Total Net Change in Fund Balance for the Year Ended June 30, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (39,332)
Add: Capital Outlay (Purchases) for the Year Ended June 30, 2018	-
Less: Depreciation Expense for Year Ended June 30, 2018	4,058
Less: Net Change in Pension Expense	<u>188,846</u>
Total Change in Net Position for the Year Ended June 30, 2018 per Statement of Activities	<u>\$ (232,236)</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
STATEMENT OF FIDUCIARY NET POSITION

June 30, 2018

	Agency Funds			
	Fines Agency Fund	Civil Court Fund	Bond Fund	Total
ASSETS				
Cash and Cash Equivalents	\$ <u>20,712</u>	\$ <u>146,886</u>	\$ <u>5,640</u>	\$ <u>173,238</u>
Total Assets	\$ <u>20,712</u>	\$ <u>146,886</u>	\$ <u>5,640</u>	\$ <u>173,238</u>
LIABILITIES				
Accounts Payable	\$ 6,334	\$ -	\$ -	\$ 6,334
Held for Other Pending Court Action	-	136,050	5,640	141,690
Due to General Fund	<u>14,378</u>	<u>10,836</u>	<u> </u>	<u>25,214</u>
Total Liabilities	\$ <u>20,712</u>	\$ <u>146,886</u>	\$ <u>5,640</u>	\$ <u>173,238</u>
NET POSITION				
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the basic financial statements.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by LSA-RS 13:1871 et seq, the City Court of New Iberia (Court) accounts for the operation of the Court's office. The City Court Judge is elected for a six-year term.

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

As the governing authority of the City, for reporting purposes, the City of New Iberia is the financial reporting entity. The financial reporting entity consists of the primary government (City), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Because the City provides the City Court of New Iberia with office space and pays the salaries and benefits of Court employees, the Court was determined to be a component unit of the City of New Iberia, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Court and do not present information on the City, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

The accompanying basic financial statements of the 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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Court as a whole. These statements include all the financial activities of the Court. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) court costs, fees, and fines paid by the recipients of services offered by the Court, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund-Financial Statements (FFS)

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The General Fund of the Court is considered to be a major fund. The funds of the Court are described below:

Governmental Funds –

General Fund – This fund is the primary operating fund of the Court and it accounts for the operations of the Court's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Court's policy.

Fiduciary Funds –

Fiduciary funds reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Court are agency funds. The agency funds account for assets held by the Court as an agent for litigants in civil suits, cash bonds for criminal proceedings, and fees held pending court action.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The agency funds are as follows:

Fines Agency Fund – accounts for the receipt and disbursement of bonds, fines, and costs from criminal proceedings to the appropriate governmental entity.

Civil Court Fund – accounts for advance deposits in civil suits and the receipt and disbursement of civil docket fees, small claims fees, and garnishments.

Bond Fund – accounts for the collection of bonds.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded with the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of a period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

D. Budgets and Budgetary Accounting

The City Court follows these procedures in establishing the budgetary data reflected in the financial statements.

1. A proposed budget is prepared and submitted to the Judge of the City Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the City Court.

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and Interest-Bearing Deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Court.

The Court has established the policy of including all short-term, highly liquid investments with maturities of 90 or fewer days in cash and cash equivalents. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. See Note (3) for other GASB No. 3 disclosures.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 or fewer days, they are classified as cash equivalents.

Short-Term Interfund Receivables/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 on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. The Court maintains a threshold level of \$500 for capitalizing capital assets.

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

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office furniture	7 years
Equipment	5 years

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires 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.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts 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.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Judge, which is the highest level of decision-making authority for the New Iberia City Court.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

When a expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the New Iberia City Court considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the New Iberia City Court considers amounts for have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the New Iberia City Court has provided otherwise in its commitment or assignment actions

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

F. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. Revenues and fees, charges and commissions for services are recorded when the Court is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the funds financial statements, expenditures are classified as follows:

Government Funds – By Character

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

H. Vacation and Sick Leave

Vacation is recorded as an expenditure of the period in which paid. It must be taken in the year accrued and cannot be carried over. There is no provision for sick leave at this time. Any liability the City Court of New Iberia, Louisiana might have in this regard is considered immaterial; therefore, no liability has been recorded in the accounts.

(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 United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2018, the Court has cash and cash equivalents (book balances) totaling \$190,497 as follows:

CITY COURT OF NEW IBERIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

	Governmental Fund Type	Fiduciary Fund Type	Total
Demand Deposits	\$ 17,259	\$ 173,238	\$ 190,497

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 the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2018, totaled \$235,023 and are secured from risk by federal deposit insurance.

Custodial credit risk is the risk that in the event of a bank failure, the Court's deposits will not be returned to it. As of June 30, 2018 there was no custodial credit risk.

(3) Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance 7/01/2017	Additions	Deletions	Balance 6/30/2018
Governmental Activities:				
Furniture, Fixtures and Equipment	\$169,424	-		\$169,424
Less: Accumulated Depreciation	146,566	4,058	-	150,624
Net Capital Assets	\$ 22,858	\$ (4,058)	\$ -	\$ 18,800

Depreciation expense of \$4,058 was charged to the general government function.

(4) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Beginning Balance, July 1, 2017	\$ 37,014	\$ 141,811	\$ 2,210	\$ 181,035
Additions	426,370	273,248	6,960	706,578
Reductions	<u>442,672</u>	<u>268,173</u>	<u>3,530</u>	<u>714,375</u>
Ending Balance, June 30, 2018	<u>\$ 20,712</u>	<u>\$ 146,886</u>	<u>\$ 5,640</u>	<u>\$ 173,238</u>

(5) On Behalf Payments for Salaries and Benefits

The Court follows GASB Statement No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance". This standard requires the Court to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to the City Court Judge and salary and fringe benefits payments made by the City of New Iberia to the Judge and the Court's employees.

Supplementary salary payments are made by the State directly to the City Court Judge and from the City to the Judge and the Court's employees. The Court is not legally responsible for these salary supplements. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the State and the City. For the fiscal year ended June 30, 2018 the State and City paid \$132,409 in supplemental salary and benefit payments to the City Court Judge and the City made supplementary salary and benefit payments of \$30,648 to the City Court's employees.

(6) Retirement

Employees, except for the Judge of the City Court, are included in the City of New Iberia's retirement system and participate in the same retirement system of that entity.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

General Information about the Pensions Plans

Plan Descriptions:

Municipal Employees' Retirement System (MERS)

Employees of the Court are eligible for participation in the Municipal Employees' Retirement System of Louisiana (the "System") – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Act 356 of the 1954 Regular Session of the Louisiana Legislature. The System issues a publicly available financial report that can be obtained at www.mersla.com/annual-reports.

Louisiana State Employees' Retirement System (LASERS)

The Judge is a member of the Louisiana State Employees' Retirement System (LASERS). LASERS is 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. R.S. 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.

Benefits Provided:

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

Municipal Employees' Retirement System (MERS)

The system provides retirement, disability and death benefits. Retirement benefits are federally determined as 3.0% of the employee's final compensation multiplied by the employee's years of creditable service. Employees with 25 years of service are eligible for disability benefits under age 60 with 5 years or more of service. Survivor's benefits are available upon the death of a member who has credit for 5 or more years of service who is not eligible for normal retirement benefits. Under state law, cost of living increases to benefits are allowable only if sufficient funds are available from investment income in excess of normal requirements. Cost of living increases cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Louisiana State Employees' Retirement System (LASERS)

(1) Retirement

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 majority of LASERS rank of file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the members 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 retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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 of 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.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the members 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.

(2) Deferred Retirement Benefits

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. 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. As that time, the member must choose among available alternative 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 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.

(3) Disability Benefits

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching 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.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

(4) Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have 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.

(5) Permanent Benefit Increases/Cost-of-Living Adjustments

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

Contributions:

Municipal Employees' Retirement System (MERS)

Per Act 788 of the 1978 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 9.5% of their annual pay. The Court's contractually required contribution rate for the year ended June 30, 2018 was 24.75% of annual payroll. Contributions to the System from the Court were \$45,677 for the year ended June 30, 2018.

Louisiana State Employees' Retirement System

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislative, Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The contribution rates in effect during the year ended June 30, 2018 for the plan for judges hired before January 1, 2011 were 13.0% for the employee and 39.6 % for the employer. The status of the plan for judges hired before January 1, 2011 is closed.

The Court's contractually required composite contribution rate for the year ended June 30, 2018 was 39.6% 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 Court were \$27,264 for the year ended June 30, 2018.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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

At June 30, 2018, the Court reported a liability of \$678,655 for its proportionate share of the net Pension liability of MERS and LASERS combined. For MERS, the net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For LASERS, the net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Court's proportion of the net pension liability was based on a projection of the Court's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Court's proportion was .0998% for MERS which was a decrease of .04096% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Court recognized pension expense of \$313,542.

At June 30, 2018, the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>MERS</u>	<u>LASERS</u>	<u>TOTAL</u>
Deferred Outflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	\$ 86,545	\$ 3,235	\$ 89,780
Change in Assumptions	7,176	2,539	9,715
Changes in proportion and difference between employer contributions and proportionate share of contributions	852	-	852
Employer contributions subsequent to the measurement of date	<u>45,677</u>	<u>27,264</u>	<u>72,941</u>
Total Deferred Outflows of Resources	\$ 140,250	\$ 33,038	\$173,288
	<u>MERS</u>	<u>LASERS</u>	<u>TOTAL</u>
Deferred Inflows of Resources:			
Difference between expected and actual Experience	\$ 13,071	\$ 2,798	\$ 15,869
Changes in Assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	<u>14,937</u>	-	<u>14,937</u>
Total Deferred Inflows of Resources	\$ 28,008	\$ 2,798	\$ 30,806

CITY COURT OF NEW IBERIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

\$72,941 reported as deferred outflows of resources related to pensions resulting from the Court's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>MERS</u>	<u>LASERS</u>	<u>TOTAL</u>
2019	31,093	(1,186)	38,082
2020	22,032	8,638	28,810
2021	32,313	3,843	49,968
2022	15,470	(5,945)	26,307

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017 for MERS and as of June 30, 2017 for LASERS are as follows:

	<u>MERS</u>	<u>LASERS</u>
Inflation	2.775%	3.0%
Salary increases	5.0%	3.0 – 5.5%
Investment rate of return	7.4%	7.75%

For MERS, mortality rates were based on RP-2000 Employee Mortality Table for active members; RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries; and RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants. For LASERS, mortality rates were based on RP-2000 Combined Healthy Mortality Table with mortality improvements projected to 2018 for non-disabled members; and RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement was selected for disabled members.

For MERS and LASERS' cost of living adjustments, the present value of the future retirement benefits is based on benefits currently being paid by the Systems and includes previously granted cost of living increase. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

For MERs, the long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.3% for the year ended June 30, 2015. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Expected Portfolio Real Rate of Return</u>
Fixed Income	35%	1.6%
Equity	50%	2.3%
Alternative	15%	.7%
 Total	 100%	 4.6%

For LASERS the long-term expected rate of return on pension plan investments were 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 expense 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 target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	0	-0.24%
Domestic Equity	25.0%	4.31%
International Equity	32.0%	5.35%
Domestic Fixed Income	8.0%	1.73%
International Fixed Income	6.0%	2.49%
Alternative Investments	22.0%	7.41%
Global Asset Allocation	7.0%	2.84%
Total Fund	-	5.26%
 Total	 100%	

CITY COURT OF NEW IBERIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for MERS and 7.75% for LASERS. 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 and non-employer contributing entities will be made at actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the pension plans' 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.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Court's proportionate share of the net pension liability calculated using the current discount rate, as well as what the 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 as of December 31, 2017 for MERS and as of June 30, 2017 for LASERS:

MERS

	Changes in Discount Rate		
	Plan A:		
	1% Decrease	Current Discount	1% Increase
	<u>6.40%</u>	<u>7.40%</u>	<u>8.40%</u>
Net pension liability (asset)	546,921	429,182	328,755

LASERS

	Changes in Discount Rate		
	Plan A:		
	1% Decrease	Current Discount	1% Increase
	<u>6.70%</u>	<u>7.70%</u>	<u>8.70%</u>
Net pension liability (asset)	370,689	295,279	231,162

Pension Plans Fiduciary Net Position

MERS issued a stand-alone audit report on its financial statements for the year ended December 31, 2017. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Detailed information about LASERS' pension plan's fiduciary net position is available in the separately issued LASERS 2017 Comprehensive Annual Financial Report at www.lasersonline.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Payables to the Pension Plan

There are no payables to MERS or LASERS at 6/30/18.

(7) Pending Litigation

At June 30, 2018 the Court was not involved in any litigation.

(8) Other Postretirement Benefits

The New Iberia City Court provides no postretirement benefits.

(9) Risk Management

Potential significant losses are covered by the City of New Iberia's commercial insurances.

(10) Subsequent Events

Subsequent events have been evaluated through December 27, 2018, the date of the financial statement issuance.

CITY COURT OF NEW IBERIA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

(11) Schedule of Compensation, Benefits and Other Payments to Agency Head

In accordance with Louisiana Revised Statute 24:513A, the following is a Schedule of Compensation and Benefits received by the acting agency heads for the year ended June 30, 2018:

	<u>Theodore M. Haik, III, Judge</u>
Salary	\$ 156,846
Benefit – Retirement	62,111
Registration Fees, City & Juvenile Judges Conference and Judge's Annual Summer School	<u>5,752</u>
	<u>\$ 224,709</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY COURT OF NEW IBERIA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND

Year Ended June 30, 2018

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Fees, Charges and Commissions -				
Court Costs, Fees, and Fines	\$400,000	\$400,000	\$393,186	\$ (6,814)
Intergovernmental				
On Behalf Payments	165,000	165,000	163,040	(1,960)
Bonds Forfeited, Net	2,500	2,500	1,648	(852)
Other Income	<u>10,000</u>	<u>10,000</u>	<u>11,642</u>	<u>1,642</u>
Total Revenues	<u>577,500</u>	<u>577,500</u>	<u>569,516</u>	<u>(7,984)</u>
Expenditures:				
Current -				
General Government:				
Publications	12,000	12,000	11,939	61
Judge's Salary	155,000	155,000	156,846	(1,846)
Other Salaries	215,000	215,000	217,492	(2,492)
Office Supplies & Printing	18,000	18,000	21,277	(3,277)
Legal & Accounting Costs	7,000	7,000	6,690	310
Judge & Employees Retirement and Benefits	159,000	159,000	168,127	(9,127)
Dues, Meetings, & Insurance	8,000	8,000	8,577	(577)
Other Miscellaneous Costs	14,500	14,500	9,493	5,007
Outside Services	8,000	8,000	8,407	(407)
Capital Outlay	-	-	-	-
Total Expenditures	<u>596,500</u>	<u>596,500</u>	<u>608,848</u>	<u>(12,348)</u>
Excess (Deficiency) of Revenues Over Expenditures	(19,000)	(19,000)	(39,332)	(20,332)
Fund Balance, Beginning of Year	<u>74,426</u>	<u>74,426</u>	<u>74,426</u>	-
Fund Balance, End of Year	<u>\$ 55,426</u>	<u>\$55,426</u>	<u>\$ 35,094</u>	<u>\$ (20,332)</u>

See independent auditor's report.

CITY COURT OF NEW IBERIA
Schedule of Employer's Share of Net Pension Liability
Year Ended June 30, 2018

Schedule of Employer's Share of Net Pension Liability
Louisiana State Retirement System

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll Obligation	Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2015	.05672	\$181,464	\$147,218	123.26%	65.02%
2016	.06017	181,736	148,005	122.79%	62.66%
2017	.00460	364,751	149,049	244.72%	57.70%
2018	.00420	295,279	156,846	188.26%	62.50%

Municipal Employees Retirement Plan

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll Obligation	Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2015	.00223	\$ 194,091	\$174,220	123.05%	66.19%
2016	.00217	166,792	176,838	127.16%	65.02%
2017	.00219	236,676	175,941	134.52%	62.11%
2018	.00102	429,182	184,551	232.55%	63.49%

The amounts presented have a measurement date of the previous fiscal year end.

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

CITY COURT OF NEW IBERIA
 Schedule of Employer Contributions
 Year Ended June 30, 2018

Schedule of Employer Contributions
 Louisiana State Retirement Plan

Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 46,420	\$ 46,420	\$ -	\$ 147,218	37.80%
2016	47,371	47,371	-	148,005	37.80%
2017	31,267	31,267	-	149,049	37.80%
2018	27,264	27,264	-	156,846	39.60%

Municipal Employees Retirement Plan

Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 37,540	\$ 37,540	\$ -	\$ 184,714	19.00%
2016	34,925	34,925	-	176,838	19.75%
2017	37,587	37,587	-	175,941	22.75%
2018	45,677	45,677	-	184,551	24.755%

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

**COMPLIANCE
AND
INTERNAL CONTROL**

R. PERRY TEMPLETON
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(A PROFESSIONAL ACCOUNTING CORPORATION)

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

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 Theodore M. Haik, Judge
City Court of New Iberia
New Iberia, Louisiana

I 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 the City Court of New Iberia, a component unit of the City of New Iberia, Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City Court of New Iberia's basic financial statements, and have issued my report thereon dated December 27, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the City Court of New Iberia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Court of New Iberia's internal control. Accordingly, I do not express an opinion on the effectiveness of the City Court of New Iberia's internal control.

My 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 and therefore, material weakness or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of prior and current audit findings and management's corrective action plan, I identified a certain deficiency in internal control that I consider to be a material weakness.

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. I consider the deficiency described in the accompanying schedules of prior and current audit findings and management's correction action plan as item 2018-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Court of New Iberia's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

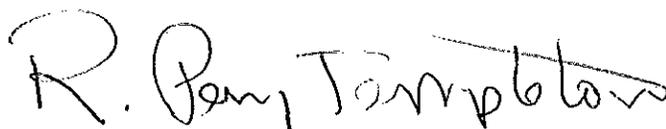
City Court of New Iberia's Response to Finding

The City Court of New Iberia's response to the finding identified in my audit is described in the accompanying schedules of prior and current audit findings and management's corrective action plan. The City Court's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

This report is intended solely for the information and use of the City Court of New Iberia, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, reading "R. Pammy Tompkins". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

New Iberia, Louisiana
December 27, 2018

CITY COURT OF NEW IBERIA

Schedule of Audit Results, Findings, and Management's Corrective Action Plan For the Year Ended June 30, 2018

Current Year Audit Findings and Management's Corrective Action Plan

Internal Control Over Financial Reporting

2018-1 (IC) Lack of Controls over Financial Reporting in accordance with GAAP

Finding:

The Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.

Effect:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the annual financial statements. This condition is intentional by management based upon the financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. Recently issued Statement on Auditing Standards (SAS) 112 requires that we report the above condition as a control deficiency.

Recommendation:

Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case I do not believe the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Management's Corrective Action Plan:

The Court has evaluated the cost vs. benefit 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 government 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.

Compliance

There are no findings that are required to be reported at June 30, 2018

Management Letter Items

There are no management letter items at June 30, 2018

CITY COURT OF NEW IBERIA

Schedule of Prior Audit Findings and Management's Corrective Action Plan
For the Year Ended June 30, 2018

Prior Year Findings:

Internal Control Over Financial Reporting

2017-1 (IC) Lack of Controls over Financial Reporting in accordance with GAAP

Finding:

The Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including the related notes.

Status:

Unresolved. See item 2018-1.

Compliance

There are no findings that are required to be reported at June 30, 2017

Management Letter Items

There are no management letter items at June 30, 2017

CITY COURT OF NEW IBERIA
Statewide Agreed-Upon Procedures Report

Year Ended June 30, 2018

R. PERRY TEMPLETON

CERTIFIED PUBLIC ACCOUNTANT

(A PROFESSIONAL ACCOUNTING CORPORATION)

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

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Theodore M. Haik, Judge
City Court of New Iberia
New Iberia, Louisiana

I have performed the procedures enumerated below, which were agreed to by City Court of New Iberia (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 20, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

- 1) Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and address the functions noted above.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendors list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and address the functions noted above.

- c) **Disbursements**, including processing, reviewing, and approving.

Written policies and procedures were obtained and address the functions noted above.

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies, and procedures were obtained and address the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing; and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Written policies and procedures were obtained and address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts; (2) standard terms and conditions; (3) legal reviews; (4) approval process; and (5) monitoring process.

Written policies and procedures were obtained and address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-cards, if applicable)**, including (1) how cards are to be controlled; (2) allowable business uses; (3) documentation requirements; (4) required approvers; and (5) monitoring card usage.

Not applicable. The City Court of New Iberia does not have any credit/debit cards.

- h) **Travel and expense reimbursement**, including (1) allowable expenses; (2) dollar thresholds by category of expense; (3) documentation requirements; and (4) required approvers.

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121; (2) actions to be taken if an ethics violation takes place; (3) system to monitor possible ethics violations; and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Written policies and procedures were obtained and address the functions noted above.

- j) **Debt Service**, including (1) debt issuance approval; (2) EMMA reporting requirements; (3) debt reserve requirements; and (4) debt service requirements.

The court does not have any debt service, and therefore, no written policies and procedures.

Board (or Finance Committee, if applicable)

- 2) Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget- to actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

This section is not applicable since City Court does not have a board or finance committee.

Bank Reconciliations

- 3) Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5) Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Obtained a listing of client bank accounts from management and management's representation that listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

The bank reconciliations for all accounts examined did not have evidence of management review.

- c) Management has documentation reflecting that it has researched reconciling items have been outstanding for more than 12 months from the statement closing date, if applicable.

There was no documentation reflecting that management researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections

- 4) Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained a listing of deposit sites for the fiscal period and management's representation that the listing is complete.

- 5) For each deposit site selected, obtain a listing of collection locations and

management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

For the deposit site selected, obtained a listing of collection locations and Management's representation that the listing is complete.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

In both locations, employees responsible for collecting cash do share cash drawers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

In both locations, the person responsible for collecting the cash is not bonded. In both locations, the persons responsible for collecting cash deposits cash in the bank. In one location, the person responsible for collecting cash records the deposit. In both locations, the person responsible for collecting cash prepares the reconciliation.

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

An outside bookkeeper is responsible for posting collection entries to the general ledger.

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

There is only one employee in each collection location, therefore, the same employee collecting checks/money orders is reconciling daily reports to the deposit slips. However, an outside bookkeeper reconciles collections to the general ledger for each bank account on a monthly basis.

- 6. Inquire of management that all employees who have access to cash are

covered by a bond or insurance policy for theft.

In both locations, the person responsible for collecting the cash is not bonded.

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

Randomly selected two deposit dates for each bank account, a total of four deposits were selected.

- a) Observe that receipts are sequentially pre-numbered.

For the four deposits selected, no exceptions were noted

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

For the four deposits selected, no exceptions were noted.

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

For the four deposits selected, no exceptions were noted.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

For the four deposits selected, no exceptions were noted.

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

For the four deposits selected, no exceptions were noted.

Non-payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

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

Listing of disbursements and management's representation that the listing is complete was obtained.

- 9) For each location selected under #8 above, obtain a listing of those Employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

The Clerk of Court initiates a purchase and makes a purchase, while the Judge approves the purchase.

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

The Clerk of Court processes payments to vendors and the Judge approves payments to vendors.

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

The clerk responsible for processing payments is not prohibited from adding/modifying vendor files.

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

The clerk, who is responsible for processing payments, mails the payment once the check is signed by the Judge.

- 10) For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

For the five disbursements selected, no exceptions were noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/ date, electronic logging) of segregation of duties tested under #9, as applicable.

For the five disbursements selected, evidence of the Judge's approval was included on the documentation.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11) Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 12) Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. (Note: requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality): these instances should not be reported.)
- b) Observe that finance charges and late fees were not assessed on the selected statements.
- 13) Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

This section not applicable since City Court did not have any credit cards, debit cards, fuel cards, or P-cards for the fiscal period.

Travel and Expense Reimbursement

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

Obtained the general ledger from management listing all travel and travel-related expense reimbursements during the fiscal period and management's representation that the general ledger listing is complete.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Per diem reimbursements did not exceed rates established by the State of Louisiana or GSA. City Court follows the IRS rates for mileage and the Supreme Court rates for meal reimbursements.

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

For actual cost reimbursements, no exceptions were noted.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were noted.

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

No exceptions were noted.

Contracts

- 15) Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete.

Obtained from management a listing of all agreements/contracts that were initiated or renewed during the fiscal period and management's representation that the listing is complete. City Court had two agreements/contracts that were initiated or renewed during the fiscal period.

Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

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

The agreements/contracts did not fall under the Louisiana Public Bid Law.

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

All agreements/contracts were signed and approved by the Judge.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

None of the agreement/contracts were amended.

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

Selected one payment from the fiscal period for each of the three agreements/contracts, no exceptions were noted.

Payroll and Personnel

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

Payroll and personnel procedures were not tested at June 30, 2018 (Year 2) due to the fact that there were no exceptions noted in prior year (Year 1).

- 17) Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period; and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18) Obtain a listing of those employees/officials that received termination payments During the fiscal period and management's representation that the list is complete. randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
- 19) Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

- 20) Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

No exceptions noted.

Debt Service

- 21) Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
- 22) Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reverse balance and payments to those required by the debt covenants.

City Court did not issue any bonds/notes during the fiscal period nor have any bonds/notes outstanding at the end of the fiscal period.

Other

- 23) Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

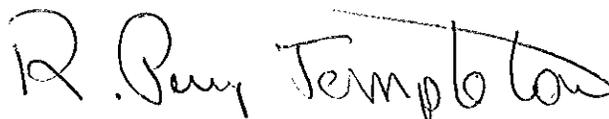
Per management, no misappropriations of public funds or assets during the fiscal period.

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

The notice required by R.S. 24:523.1 is posted on the entrance door of City Court.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

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



New Iberia, Louisiana
December 27, 2018

CITY COURT OF NEW IBERIA
NEW IBERIA, LOUISIANA

Management's Response to Statewide Agreed-upon Procedures Exceptions
For the Year Ended June 30, 2018

Management's response to all the agreed-upon procedure exceptions is as follows:

Due to the small size and nature of the entity and its staff, the recommended practice/procedure would be impractical.