

CITY COURT OF EUNICE
FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

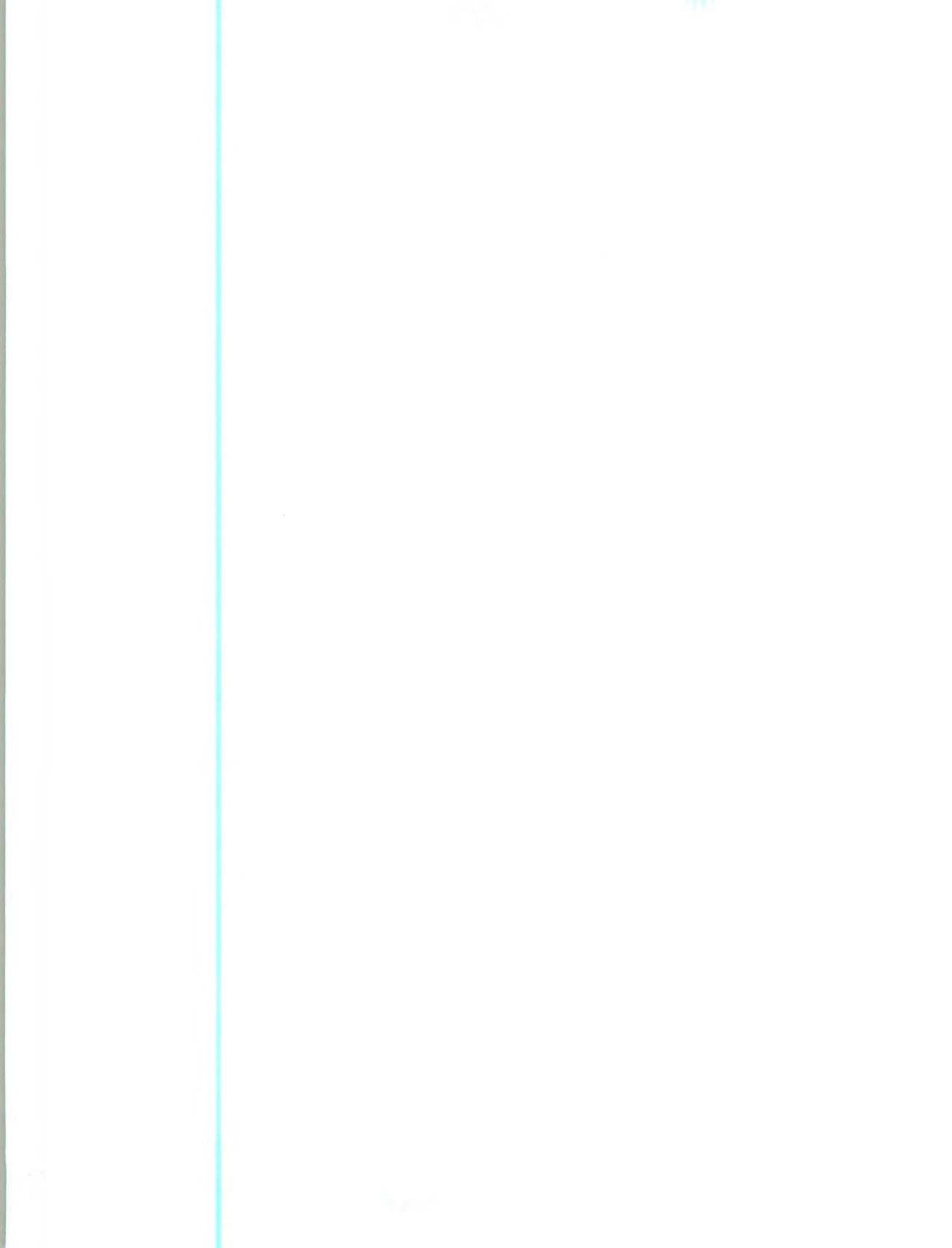


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VIGE, TUJAGUE NOEL

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INDEPENDENT AUDITOR'S REPORT

The Honorable Terry Hoychick, Judge
Eunice City Court
Eunice, Louisiana 70535

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities of the Eunice City Court, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Eunice City Court, as of June 30, 2017, and the respective changes in financial position, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison and pension information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

The Eunice City 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

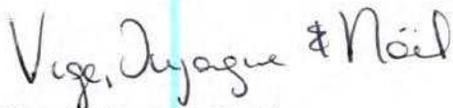
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Eunice City Court's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, as listed in the table of

contents, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to agency head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2017, on our consideration of the Eunice City Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Eunice City Court's internal control over financial reporting and compliance.



Vige, Tujague & Noël
Eunice, Louisiana
December 7, 2017

GOVERNMENT WIDE FINANCIAL STATEMENTS (GWFS)

CITY COURT OF EUNICE
Statement of Net Position
June 30, 2017

ASSETS

Current Assets

Cash	\$ 81,640
Accounts Receivable	38,126
Total Current Assets	119,766

Non-Current Assets:

Furniture and Fixtures, Net	1,726
Total Non-Current Assets	1,726

Total Assets	121,492
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DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows Related to Pensions	71,559
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LIABILITIES

Current Liabilities:

Accounts Payable	3,886
Accrued Wages	6,917
Payroll Taxes Payable	1,226
Accrued Compensated Absences	4,792
Due to Other Government Agencies	36,943
Total Current Liabilities	53,764

Longterm Liabilities:

Due in More than One Year - Net Pension Liability	397,182
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Total Liabilities	450,946
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DEFERRED INFLOWS OF RESOURCES

Deferred Inflows Related to Pensions	9,814
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NET POSITION

Invested in Capital Assets, Net of Related Debt	1,726
Unrestricted	(269,435)
Total Net Position	\$ (267,709)

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

CITY COURT OF EUNICE
Statement of Activities
For the Year Ended June 30, 2017

	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expenses) Revenues and Change in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Capital and Operating Grant</u>	
Governmental Activities:				
General Government	<u>\$ 680,309</u>	<u>\$ 486,811</u>	<u>\$ -</u>	<u>\$ (193,498)</u>
Total Governmental Activities	<u>\$ 680,309</u>	<u>\$ 486,811</u>	<u>\$ -</u>	<u>(193,498)</u>
General Revenues:				
Other Income				34,223
Nonemployer pension contributions				20,049
Investment Earnings				79
Total General Revenues				<u>54,351</u>
Change in Net Position				(139,147)
Net Position - June 30, 2016				<u>(128,562)</u>
Net Position - June 30, 2017				<u>\$ (267,709)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

CITY COURT OF EUNICE
 Balance Sheet
 Governmental Fund
 June 30, 2017

ASSETS	<u>2017</u>
Currents Assets	
Cash	\$ 81,640
Accounts Receivable	38,126
Total Current Assets	<u>119,766</u>
Total Assets	<u>\$ 119,766</u>
LIABILITIES AND FUND BALANCE	
Current Liabilities:	
Accounts Payable	\$ 3,886
Accrued Wages	6,917
Payroll Taxes Payable	1,226
Accrued Compensated Absences	4,792
Due to Other Government Agencies	36,943
Total Current Liabilities	<u>53,764</u>
Fund Balance:	
Unassigned	<u>66,002</u>
Total Fund Balance	<u>66,002</u>
Total Liabilities and Fund Balance	<u>\$ 119,766</u>

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

CITY COURT OF EUNICE
 Reconciliation of the Governmental Funds Balance Sheet
 To the Statement of Net Position
 June 30, 2017

Total Fund Balance for Governmental Funds at June 30, 2017		\$ 66,002
Total Net Position reported for Governmental Activities in the Statement of Net Position is different because:		
Capital Assets used in governmental activities are not Financial Resources and, therefore, are not Reported in the Funds. Those Assets consist of:		
Furniture and Fixtures, Net of \$37,490		
Accumulated Depreciation		1,726
General long term debt of governmental activities is not payable from current resources and not reported in the funds:		
Net Pension Liability	\$ (397,182)	
Deferred Outflows of Resources	71,559	
Deferred Inflows of Resources	(9,814)	(335,437)
Total Net Position of Governmental Activities at June 30, 2017		<u>\$ (267,709)</u>

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

CITY COURT OF EUNICE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - General Fund
For the Year Ended June 30, 2017

Revenues	<u>2017</u>
Court Fees	\$ 382,411
Less: Amounts Paid to other Government Agencies	(182,263)
Net Court Fees Earned	<u>200,148</u>
Restitution Income	2,564
Interest Earned	79
Probation and Supervision Fees	68,100
On Behalf Payments	215,999
Other Income	34,223
Total Revenues	<u>521,113</u>
Expenditures	
Salaries and Related Benefits	
Salaries	312,950
Payroll Taxes and Retirement	88,663
Contracted Services	
Legal and Accounting	4,500
Dues and Subscriptions	4,942
Materials and Supplies	
Office Supplies	20,531
Other	
Repairs and Maintenance	3,331
Miscellaneous	7,416
Seminars	2,101
NSF Checks Paid	4,633
Insurance	30,940
License & Permits	3,600
Total Expenditures	<u>483,607</u>
Excess (deficiency) of revenues over expenditures	<u>37,506</u>
Other financing sources (uses):	
Transfers in	12,269
Transfers out	(12,269)
Total other financing sources (uses)	<u>-</u>
Excess (deficiency) of revenues and other sources other sources over expenditures and other uses	37,506
Fund Balance, Beginning of Year	<u>28,496</u>
Fund Balance, End of Year	<u>\$ 66,002</u>

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

CITY COURT OF EUNICE
 Reconciliation of Statement of Revenues, Expenditures, and
 Changes in Fund Balance of Governmental Funds
 To the Statement of Activities
 For the Year Ended June 30, 2017

Total net changes in fund balance at June 30, 2017 per statement of revenues, expenditures, and changes in fund balance		\$ 37,506
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the statement of revenues, expenditures, and changes in fund balance	\$ -	
Depreciation expense for the year ended June 30, 2017	<u>(1,291)</u>	(1,291)
Net effect of pension liability recognition		<u>(175,362)</u>
Total changes in net position at June 30, 2017 per statement of activities		<u><u>\$ (139,147)</u></u>

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

CITY COURT OF EUNICE
Statement of Net Position and Liabilities
Fiduciary Fund Type-Civil Fund
June 30, 2017

	2017
Assets	
Cash	<u>\$ 25,134</u>
Total Assets	<u><u>\$ 25,134</u></u>
Liabilities	
Deposits - Civil Suits	<u>\$ 25,134</u>
Total Liabilities	<u><u>\$ 25,134</u></u>

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

CITY COURT OF EUNICE
 Statements of Changes in Net Assets and Liabilities
 Fiduciary Fund Type - Civil Fund
 For the Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
Assets				
Cash	<u>\$ 21,440</u>	<u>\$ 125,795</u>	<u>\$ 122,101</u>	<u>\$ 25,134</u>
Liabilities				
Deposits-Civil suits	<u>\$ 21,440</u>	<u>\$ 125,795</u>	<u>\$ 122,101</u>	<u>\$ 25,134</u>

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

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

INTRODUCTION

The City Court of Eunice, Louisiana was established under the Authority contained in R.S. 13:1872. The City Judge serves a six year term and is elected from Ward 6 of St. Landry Parish, which includes the City of Eunice, Louisiana. The Court presides over civil and criminal cases in Ward 6. It also has five employees.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the City Court of Eunice, Louisiana have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In the government-wide financial statements, Eunice City Court Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

B. Reporting Entity

GASB Statement No. 14 established criteria for determining which component units should be considered part of the primary government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the primary government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
2. Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The criteria for determining whether an entity is a primary government are as follows:

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

City Court of Eunice, Louisiana is considered to be the primary government because:

- a. The city Judge is an independently elected official.
- b. City Court of Eunice possesses the corporate powers that would distinguish it as being legally separate from any other government.
- c. City Court of Eunice can set rates or changes without approval of any other government and it can issue bonded debt without approval of any other government.

The accompanying financial statements present information only on the funds maintained by the City Court and do not present information on other governmental units.

C. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities display information about the City Court as a whole. These statements include all the financial activities of the City 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 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 City 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) fees and charges paid by the recipients of services offered by the City 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.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City 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 City 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 City 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 City Court 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 governmental fund of the City Court is considered to be a major fund. The funds of the City Court are described below:

Governmental Fund -

General Fund- This fund is the primary operating fund of the City Court and it accounts for the operations of the City 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 City Court policy.

Fiduciary Fund -

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the City Court are agency funds. The agency funds account for assets held by the City Court as an agent for individuals and for deposits held pending court action. 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.

D. Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as 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.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For this purpose, the government considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Court's policy to use restricted resources first, then unrestricted resources as they are needed.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government or collected within 60 days.

E. Budgetary Accounting

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

F. Compensated Absences

Employees of the Eunice City Court are allowed 12 days of sick leave per year. Any sick leave not taken by an employee is paid to that employee by December 31. Each employee is also allowed one to three weeks of vacation depending on years of service. Any vacation days not taken by December 31, are paid to that employee.

G. Capital Assets

Capital assets, which include furniture, fixtures, and equipment, are reported in the governmental activities columns of the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. The City Court maintains a threshold level of \$1,500 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. 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:

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Furniture	5-10 years
Equipment	5-10 years

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

H. Equity Classifications

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

1. 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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist of net position 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.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental funds report aggregate amount for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining for classifications: restricted, committed, assigned, and unassigned.

1. Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Judge – the government's highest level of decision making authority. Those committed amounts

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

cannot be used for any other purpose unless the Judge removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

3. Assigned fund balance. This classification reflects the amounts constrained by the Court's "intent" to be used for specific purposes, but are neither restricted nor committed. The City Court of Eunice and the Judge have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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

I. Deferred Outflows/Inflows of Resources

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

All of the Court's deferred outflows and inflows of resources on the statement of net position are related to pensions. See pension Note 7.

J. Pensions

The Court is a participating employer in a cost-sharing, multiple-employer defined benefit plans as described in Note 7. For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Revenues, Expenditures, and Expenses

Program Revenues:

Program revenues consist of fees, fines, and charges for services related to governmental fund activities.

Expenditures/Expenses:

In the government-wide financial statements, expenses are classified by function for governmental activities. In the fund financial statements, expenditures are classified by character.

In the fund financial statements, governmental funds report expenditures of financial resources.

L. Fund Deficit:

As a result of the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, the unrestricted net position resulted in a deficit of \$267,709. Net position was significantly affected by the recognition of the deferred outflow and inflow of resources and the net pension liability. The new judge is studying ways to increase revenues and decrease expenses to correct this deficit.

NOTE 2 CASH

Cash includes amounts in demand deposits and savings accounts. The cash balance is covered by Federal Deposit Insurance. Cash and cash equivalents include those investments purchased with original maturities of 90 days or less. The balance of cash at June 30, 2017 is recorded in the amount of \$106,774, which includes \$25,134 of civil fund deposits.

NOTE 3 ACCOUNTS RECEIVABLE

Accounts receivable represents fines that are assessed but have not been collected until 60 days after the year end. The balance of accounts receivable at June 30, 2017 is recorded in the amount of \$38,126. Since this amount was collected the allowance for doubtful accounts is -0-.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

NOTE 4 CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

<u>Furniture and Equipment</u>	
Balance, 7/01/2016	\$ 39,216
Additions	-
Deletions	-
Balance, 6/30/2017	<u>39,216</u>
 <u>Less Accumulated Depreciation</u>	
Balance, 7/01/2016	36,199
Additions	1,291
Deletions	-
Balance, 6/30/2017	<u>37,490</u>
 Governmental Activities.	
Capital Assets, Net	<u>\$ 1,726</u>

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

NOTE 5 OTHER SUPPORT / CONCENTRATION OF RISK

The City Court receives other support from the City of Eunice. In addition to office space, the City of Eunice provides utilities, janitorial, telephone, payroll support and other expenditures. All court cases arise within Ward 6 of St. Landry Parish Louisiana.

NOTE 6 ESTIMATES

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

NOTE 7 PENSION PLANS

For the year ended June 30, 2015 the Court adopted the requirements of GASB Statement 68. *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68*. These standards revise and establish new financial reporting requirements for governments that provide their employees with pension

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

benefits. These standards require the Court to record its proportionate share of each of the pension plans net pension liability and report the following disclosures:

General Information about the Pension Plan

Plan Descriptions:

Louisiana State Employees' Retirement System

During the year ended June 30, 2015, the City Court adopted the provisions of Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions*. The Louisiana State Employees' Retirement System prepares their employer schedules in accordance with the Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions* an amendment of GASB Statement No. 27. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization for deferred inflows and deferred outflows.

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

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.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

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 and 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 member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions.

The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

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

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

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

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor'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.

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

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 Legislature. 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, 2015 for the plan for judges hired before January 1, 2011 were 13.0% for the employee and 39.3% and 36.2% for the employer for the periods January through June 2016 and July through December 2015, respectively. 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, 2017 was 36.7% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$24,239 for the year ended June 30, 2017.

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

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

At June 30, 2017, the Court reported a liability of \$397,182 for its proportionate share of the net pension liability. For LASERS, the net pension liability was measured as of June 30, 2016 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, 2016, the Court's proportion was .00506% for LASERS which was an increase of .0023% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the Court recognized fund pension expense of \$24,239 for LASERS.

At June 30, 2017, the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LASERS</u>
Deferred Outflows of Resources:	
Differences between expected and actual expense	\$ 230
Net difference between projected and actual earnings on pension plan investments	49,470
Changes in proportion and differences between employer contributions and proportionate share of contributions	(2,380)
Employer contributions subsequent to the measurement date	24,239
Total Deferred Outflows of Resources	\$ 71,559
<u>LASERS</u>	
Deferred Inflows of Resources:	
Differences between expected and actual experience	\$ 3,684
Changes in Assumptions	-
Net difference between projected and actual earnings on pension plan investments	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,130
Total Deferred Inflows of Resources	\$ 9,814

The Court reported a total of \$71,559 as deferred outflows of resources related to pension contributions made subsequent to the measurement period of June 30, 2016, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

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

	<u>LASERS</u>
2018	\$ 14,607
2019	4,570
2020	15,981
2021	8,557
	<u>\$ 43,715</u>

Actuarial Methods and Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of June 30, 2016 are as follows:

	<u>2016</u>	<u>2015</u>
Total Pension Liability	\$ 939,960	\$ 502,779
Plan Fiduciary Net Position	(542,778)	(315,125)
Employers' Net Pension Liability	\$ 397,182	\$ 187,654
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	57.70%	62.70%

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.75% per annum
Inflation Rate	3.0% per annum

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

Mortality	<p>Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.</p> <p>Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>																					
Termination, Disability, and Retirement	<p>Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.</p>																					
Salary Increases	<p>Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;">Lower</th> <th style="text-align: center;">Upper</th> </tr> <tr> <th style="text-align: left;"><u>Member Type</u></th> <th style="text-align: center;"><u>Range</u></th> <th style="text-align: center;"><u>Range</u></th> </tr> </thead> <tbody> <tr> <td>Regular</td> <td style="text-align: center;">4.0%</td> <td style="text-align: center;">13.0%</td> </tr> <tr> <td>Judges</td> <td style="text-align: center;">3.0%</td> <td style="text-align: center;">5.5%</td> </tr> <tr> <td>Corrections</td> <td style="text-align: center;">3.6%</td> <td style="text-align: center;">14.5%</td> </tr> <tr> <td>Hazardous Duty</td> <td style="text-align: center;">3.6%</td> <td style="text-align: center;">14.5%</td> </tr> <tr> <td>Wildlife</td> <td style="text-align: center;">3.6%</td> <td style="text-align: center;">14.5%</td> </tr> </tbody> </table>		Lower	Upper	<u>Member Type</u>	<u>Range</u>	<u>Range</u>	Regular	4.0%	13.0%	Judges	3.0%	5.5%	Corrections	3.6%	14.5%	Hazardous Duty	3.6%	14.5%	Wildlife	3.6%	14.5%
	Lower	Upper																				
<u>Member Type</u>	<u>Range</u>	<u>Range</u>																				
Regular	4.0%	13.0%																				
Judges	3.0%	5.5%																				
Corrections	3.6%	14.5%																				
Hazardous Duty	3.6%	14.5%																				
Wildlife	3.6%	14.5%																				
Cost of Living Adjustments	<p>The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.</p>																					

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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 of 3.0% and an adjustment for the effect of rebalancing/diversification. The resulting expected long term rate of return is 8.72% for 2016. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2016 are summarized in the following table:

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

Expected Long Term Real Rates of Return

<u>Asset Class</u>	<u>2016</u>
Cash	0.24%
Domestic Equity	4.31%
International Equity	5.48%
Domestic Fixed Income	1.63%
International Fixed Income	2.47%
Alternative Investments	7.42%
Global Tactical Asset Allocation	2.92%
Total Fund	5.30%

The discount rate used to measure the total pension liability was 7.75%. 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 approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current 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 to Changes in the Discount Rate

The following presents the net pension liability of the participating employers calculated using the current discount rate of 7.75%, as well as what the employers' 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.

	<u>Changes in Discount Rate</u>		
	1% Decrease <u>6.75%</u>	Current Discount	1% Increase <u>8.75%</u>
		<u>7.75%</u>	
2016 Employer Net Pension Liability	\$ 487,975	\$ 397,182	\$ 320,037

Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2017 were recognized as pension expense or benefit in the current reporting period except as follows:

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources in the amount of \$230 for the year ended June 30, 2017. Remaining deferred inflows resulting from these differences recorded in prior years was \$3,684 as of June 30, 2017 with a pension benefit being recorded in the amount of \$3,684 for the year ended June 30, 2017.

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of \$0 for the year ended June 30, 2017.

Contributions – Proportionate Share/Change in Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

Changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date are recognized in employer's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Estimates

The process of preparing the schedules of employer allocations and schedules of pension amount is in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, actual results may differ from estimated amounts.

Retirement System Audit Reports

The Louisiana State Employees' Retirement System has issued stand-alone audit reports on their financial statements for the years ended June 30, 2016 and 2015. Access to the reports can be

CITY COURT OF EUNICE
Notes to the Financial Statements
June 30, 2017

found on the Louisiana Legislative Auditor's website, www.la.gov and the System's website, <http://www.lasersonline.org/site.php>.

NOTE 8 ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

The St. Landry Parish Police Jury pays a portion of the Judges annual salary and expenses in the amount of \$16,063. The City of Eunice pays expenses on behalf of the City Court in the amount of \$5,024. The City of Eunice pays the Judge an annual salary and benefits in the amount of \$23,529. The City of Eunice also paid salaries and benefits to the employees in the amount of \$95,079. The Louisiana Supreme Court pays the Judge an annual salary and benefits in the amount of \$76,304.

The Civil Fund paid Judges Fees in the amount of \$66,047, retirement benefits in the amount of \$24,239 and an amount to the Judges Supplemental Compensation Fund totaling \$11,110.

NOTE 9 EVALUATION OF SUBSEQUENT EVENTS

The project has evaluated subsequent events through December 7, 2017, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY COURT OF EUNICE
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2017

	Original Budget	Amended Budget	Total 2017	Variance- Favorable (Unfavorable)
Revenues				
Court Fees	\$ 275,000	\$ 382,578	\$ 382,411	\$ (167)
Less: Amounts Paid to other				
Government Agencies	139,000	175,092	182,263	(7,171)
Net Court Fees Earned	136,000	207,486	200,148	(7,338)
Restitution	4,000	3,000	2,564	(436)
Interest Earned	100	100	79	(21)
Probation and Supervision Fees	55,000	68,165	68,100	(65)
On Behalf Payments	135,000	211,000	215,999	4,999
Other Income	73,000	35,313	34,223	(1,090)
Total Revenues	403,100	525,064	521,113	(3,951)
Expenditures				
Salaries and Related Benefits				
Salaries	275,000	323,000	312,950	10,050
Payroll Taxes and Retirement	75,000	93,000	88,663	4,337
Contracted Services				
Legal and Accounting	5,000	4,500	4,500	-
Dues and Subscriptions	4,000	4,448	4,942	(494)
Materials and Supplies				
Office Supplies	20,000	18,045	20,531	(2,486)
Other				
Repairs and Maintenance	2,000	2,770	3,331	(561)
Miscellaneous	8,000	12,000	7,416	4,584
Seminars	1,000	1,300	2,101	(801)
NSF Checks Paid	4,500	4,140	4,633	(493)
Insurance	18,000	33,600	30,940	2,660
License & Permits	3,000	3,600	3,600	-
Total Expenditures	415,500	500,403	483,607	16,796
Excess (deficiency) of revenues over expenditures	(12,400)	24,661	37,506	12,845
Other financing sources (uses):				
Transfers in	-	-	12,269	(12,269)
Transfers out	-	-	(12,269)	12,269
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(12,400)	24,661	37,506	12,845
Fund Balance, Beginning of Year	40,540	28,496	28,496	-
Fund Balance, End of Year	\$ 28,140	\$ 53,157	\$ 66,002	\$ 12,845

See Independent Auditor's Report

CITY COURT OF EUNICE
Notes to Required Supplementary Information
June 30, 2017

Note 1. Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

Note 2. Budgetary Practices

The Judge prepares and adopts a budget in accordance with R.S. 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting used by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting record is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

CITY COURT OF EUNICE
 Schedule of Proportionate Share of Net Pension Liability
 Louisiana State Employees' Retirement System
 For the Year Ended June 30, 2017

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	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.50600%	\$ 397,182	\$ 66,046	601%	57%
2016	0.00276%	187,654	77,030	244%	63%
2015	0.23600%	147,756	39,284	376%	65%
2014	-	-	45,948	-	-
2013	-	-	41,249	-	-
2012	-	-	36,311	-	-
2011	-	-	51,769	-	-

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

See Independent Auditor's Report

CITY COURT OF EUNICE
Schedule of Employer Contributions
Louisiana State Employees' Retirement System
For the Year Ended June 30, 2017

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
2017	\$ 24,239	\$ 24,239	\$ -	\$ 66,046	36.70%
2016	30,548	30,548	-	77,030	39.65%
2015	16,303	16,303	-	39,284	41.50%
2014	16,679	16,679	-	45,948	36.30%
2013	14,355	14,355	-	41,249	34.80%
2012	15,973	15,973	-	36,311	31.80%
2011	11,547	11,547	-	51,769	22.30%

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

See Independent Auditor's Report

CITY COURT OF EUNICE
Notes to Required Supplementary Information
For the Year Ended June 30, 2017

Louisiana State Employees' Retirement System:

Changes of Benefit Terms include:

- A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and,

Changes of Assumptions

There were no changes of benefit assumptions for the year ended June 30, 2017.

VIGE, TUJAGUE & NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
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INDEPENDENT AUDITORS 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 Terry Hoychick, Judge
Eunice City Court
Eunice, Louisiana 70535

We have audited, 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, the financial statements of the governmental activities of Eunice City Court as of June 30, 2017, and the related notes to the financial statements, which collectively comprise Eunice City Court's basic financial statements, and have issued our report thereon dated December 7, 2017.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as item #2017-001, that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Eunice City Court's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item #2017-001.

Eunice City Court's Response to Findings

Eunice City Court's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Eunice City Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statutes 24:513 and 44:6, this report is a matter of public record and its distribution is not limited.



Vige, Tujague & Noël, CPA's
Eunice, Louisiana
December 7, 2017

CITY COURT OF EUNICE
Schedule of Findings and Responses
Year Ended June 30, 2017

We have audited the financial statements of Eunice City Court as of and for the year ended June 30, 2017, and have issued our report thereon dated December 7, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2017, resulted in an unmodified opinion.

Section I. Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ___ Yes X No Significant Deficiencies X Yes ___ No

Compliance

Non Compliance Material to Financial Statement ___ Yes X No

Section II. Financial Statement Findings

#2017-001 Segregation of Accounting Functions

Condition: The Eunice City Court did not have adequate segregation of functions within the accounting system.

Criteria: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU314.43 defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT501.03 states:

“An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

CITY COURT OF EUNICE
Schedule of Findings and Responses (continued)
Year Ended June 30, 2017

- Cause: The cause of the condition is the fact that the Court does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.
- Effect: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.
- Recommendation: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.
- Response: It is not cost effective to achieve complete segregation of duties within the accounting function. No corrective action is considered necessary.

CITY COURT OF EUNICE
Schedule of Prior Year Findings and Responses
Year Ended June 30, 2017

Section II. Financial Statement Findings

There were no findings for the year ended June 30, 2016.

CITY COURT OF EUNICE
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
Year Ended June 30, 2017

Terry Hoychick, Judge
Period: 12 Months

Judges Supplemental Compensation	\$ 11,110
Salary/Fees	94,886
Retirement	34,823
Registration Fees	375
Other (Dues/Memberships)	500
	<u>\$ 141,694</u>

EUNICE CITY COURT
STATEWIDE AGREED-UPON PROCEDURES REPORT
YEAR ENDED JUNE 30, 2017

VIGE, TUJAGUE  NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Terry Hoychick, Judge of the Eunice City Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Eunice City Court 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, 2016 through June 30, 2017. The Eunice City Court's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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, we 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 the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
Written policies were obtained and address the functions noted above.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase

orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies were obtained and address the functions noted above.

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

Written policies were obtained and address the functions noted above.

- d) **Receipts**, including receiving, recording, and preparing deposits

Written policies 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 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 review, (4) approval process, and (5) monitoring process

Written policies 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

Written policies were obtained and address the functions noted above.

- 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 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.

- j) *Written policies were obtained and address the functions noted above.*

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

Written policies were obtained and address the functions noted above.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

This procedure is not applicable since there is no board.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

This procedure is not applicable since there is no board.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

This procedure is not applicable since there is no board.

Bank Reconciliations

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

Obtained a listing of cash collection locations and management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period for all selected accounts noting that reconciliations have been prepared for all months.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

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

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Obtained bank statements and reconciliations for all months in the fiscal period and there is no evidence of management's documentation of research for items that have been outstanding for more than 6 months.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Obtained a listing of cash collection locations and management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Written documentation was obtained and addresses the functions note above; however, the persons responsible for collecting cash are also responsible for depositing the cash, recording the related transaction, and reconciling the bank account, and shares a cash drawer with another employee. All employees are bonded.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Written documentation was obtained and addresses the functions noted above; however, this process is not performed by a person independent of the cash collections process.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Collection documentation was obtained and deposits were not made within one day of collection.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Daily cash collections are completely supported by collection documentation.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

The Court does not have these specific policies and procedures. The person who collects cash also determines completeness.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

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

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Examined supporting documentation for each of the 25 disbursements selected and found that purchases are not initiated using a requisition or purchase order system. The initiation and approval functions are not always separate.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Examined supporting documentation for each of the 25 disbursements selected and found that purchases are not initiated using a requisition or purchase order system. The initiation and approval functions are not always separate.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Examined supporting documentation for each of the 25 disbursements and found all payments processed included an invoice; however, not all invoices are approved by a person who did not initiate the purchase. The Court does not use a purchase order system.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

The person responsible for processing payments can also add vendors.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

The person with signatory authority also can initiate and record purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Inquiry and observation noted no exceptions. The persons with signatory authority have system access to print checks.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

No signature stamp or signature machine is utilized.

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

A listing of active credit cards and management's representation that the listing is complete was obtained.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Monthly statements were obtained and supporting documentation was reviewed and approved by someone other than the authorized card holder.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

There were no finance charges on the monthly statement selected.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

Each transaction was supported by an itemized receipt.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

Each transaction was supported by an itemized receipt and a business purpose was documented.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

Not applicable.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

There were no exceptions noted.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

We compared the entity's documentation for each transaction and noted no exceptions to the requirements of Article 7, Section 14.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Prescribed forms for expense reimbursement were obtained. No amounts listed exceed GSA rates.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Expenses were paid in accordance with policy.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

No exceptions noted.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

No exceptions noted.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No exceptions noted.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Expenses are approved in writing by someone other than the person receiving the reimbursement.

Contracts

- 20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Management has stated that there were no formal contracts during the fiscal year and we have obtained management's representation agreeing with this statement.

- 21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

Not applicable.

- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

Not applicable.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Not applicable.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

Not applicable.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

Not applicable.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Not applicable.

Payroll and Personnel

- 22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

Listing of employees with their related salaries and management's representation that the listing is complete was obtained.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

No exceptions noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

No changes were made to hourly pay rates/salaries of those employees selected for testing during the fiscal year.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether 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.)

No exceptions noted.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

We obtained written documentation that supervisors approved, in writing, the attendance and leave of the selected employees, with one exception, in which the employee is the department head.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

We obtained written documentation of the entities written leave records on selected employees.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

A listing of employees/officials terminated during the fiscal year and management's representation that the listing is complete was obtained. Termination payments were made in strict accordance with policy and approved by management.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

No exceptions noted.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report

whether the entity maintained documentation to demonstrate that required ethics training was completed.

We obtained ethics compliance documentation maintained by management to demonstrate that required ethics training was completed for employees in the testing sample.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Management asserted that they have received no allegations during the fiscal year.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

There was no debt issued during the fiscal period.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Not applicable.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriation of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Required notice was posted on the entity's premises.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

We noted no exceptions.

We were 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, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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.

Vige, Tujague & Noel

Vige, Tujague & Noel

Eunice, Louisiana

December 7, 2017

EUNICE CITY COURT

Management's Response to Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2017

Management Response to Item:

- 4c Management will research reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period and document the procedure and findings.
- 6a, 6b, 7, 9a
9b, 9c, 10, 11,
12, 23b Efforts will be made to segregate duties in these areas as much as possible with the limited number of employees involved.
- 6c Deposits will be made on a daily basis in the future.



Honorable Terry Hoychick, Judge