

**CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana**

Financial Report

Year Ended June 30, 2017

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Elvin Fontenot, City Judge  
City Court of Leesville, Louisiana  
(Vernon Parish Ward One Court)  
Leesville, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the City Court of Leesville, Louisiana (City Court) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City Court's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

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

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of employer's share of net pension liability, and the schedule of employer contributions on pages 31 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report December 28, 2017, on our consideration of the City Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City Court's internal control over financial reporting and compliance.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
December 28, 2017

## **BASIC FINANCIAL STATEMENTS**

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Statement of Net Position  
June 30, 2017

ASSETS

Cash	\$ 23,449
Due from others	10,784
Capital assets, net	<u>677</u>
Total assets	<u>34,910</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources related to pensions	<u>16,997</u>
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LIABILITIES

Accounts and other payables	17,217
Net pension liability	<u>53,005</u>
Total liabilities	<u>70,222</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources related to pensions	<u>11,838</u>
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NET POSITION

Net investment in capital assets	677
Unrestricted (deficit)	<u>(30,830)</u>
Total net position	<u><u>\$(30,153)</u></u>

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Statement of Activities  
For the Year Ended June 30, 2017

Judiciary:	
Professional fees	\$ 15,915
Depreciation	595
Dues and seminars	1,500
Miscellaneous	27,386
Office supplies	16,082
Payroll taxes	15,018
Postage	2,990
Repairs and maintenance	18,202
Retirement	10,154
Salaries	193,199
State agency fees	5,411
Telephone	4,541
Uniforms	2,039
Total expenses	<u>313,032</u>
Program revenues:	
Court costs received	239,013
Intergovernmental	35,631
Probation income	15,219
Total program revenues	<u>289,863</u>
Net program revenue (expense)	(23,169)
Net position - July 1, 2016	<u>(6,984)</u>
Net position - June 30, 2017	<u>\$ (30,153)</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTION**

### **General Fund**

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Balance Sheet - Governmental Fund  
General Fund  
June 30, 2017

ASSETS

Cash	\$ 23,449
Due from other governmental units	<u>10,784</u>
Total assets	<u>\$ 34,233</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts and other payables	\$ 17,217
Fund balance:	
Unassigned	<u>17,016</u>
Total liabilities and fund balance	<u>\$ 34,233</u>

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2017

Total fund balance for the governmental fund at June 30, 2017	\$ 17,016
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:	
Equipment, net of \$120,221 accumulated depreciation	677
Deferred outflows of resources related to net pension liability	16,997
Net pension liability	(53,005)
Deferred inflows of resources related to net pension liability	<u>(11,838)</u>
Total net position of governmental activities at June 30, 2017	<u>\$ (30,153)</u>

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
General Fund  
For the Year Ended June 30, 2017

Revenues:	
Court costs received	\$ 239,013
Intergovernmental	35,631
Probation income	<u>15,219</u>
Total revenues	<u>289,863</u>
Expenditures:	
Current -	
Professional fees	15,915
Dues and seminars	1,500
Miscellaneous	27,386
Office supplies	16,082
Payroll taxes	15,018
Postage	2,990
Repairs & maintenance	18,202
Retirement	8,826
Salaries	193,199
State agency fees	5,411
Telephone	4,541
Uniforms	<u>2,039</u>
Total expenditures	<u>311,109</u>
Deficiency of revenues over expenditures	(21,246)
Fund balance, beginning	<u>38,262</u>
Fund balance, ending	<u>\$ 17,016</u>

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended June 30, 2017

Net change in fund balance for the year ended June 30, 2017 per the statement of revenues, expenditures and changes in fund balance			\$ (21,246)
The change in net position reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered an expenditure on the statement of revenues, expenditures and changes in fund balance		\$ -	
Depreciation expense for the year ended June 30, 2017		<u>(595)</u>	(595)
Net change in pension expense			<u>(1,328)</u>
Total change in net position for the year ended June 30, 2017 per the statement of activities			<u>\$ (23,169)</u>

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

## **FUND DESCRIPTIONS**

### **FIDUCIARY FUNDS - AGENCY FUNDS**

An agency fund is used to account for assets held by the City Court in a trustee capacity or as an agent for individuals, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

#### **Civil Fund -**

The Civil Fund is used to account for advanced court costs on suits filed by litigants which are accounted for on the computer system. The advances are refundable to the litigants after all costs have been paid.

#### **Traffic Fund -**

The Traffic Fund is used to account for funds received from traffic violations and distributes the funds to various government agencies which receive a designated portion of each traffic ticket.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Statement of Fiduciary Assets and Liabilities - Agency Funds  
June 30, 2017

ASSETS

Cash	<u>\$27,453</u>
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LIABILITIES

Advanced court costs payable	\$ 9,373
Due to others	<u>18,080</u>
Total liabilities	<u>\$27,453</u>

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City Court of Leesville, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The City Court of Leesville, Louisiana (City Court) was created under Louisiana Revised Statute 13:2485 as a political subdivision of the State of Louisiana. The City Court's territorial jurisdiction extends throughout Ward one of Vernon Parish in which the City of Leesville is located. The Court operates under the control of the City Judge, an elected official serving a term of six years.

This report includes all funds which are controlled by, or dependent on the City Court Judge. Control by or dependence on the City Court of Leesville, Louisiana was determined on the basis of general oversight responsibility. The City Court of Leesville, Louisiana (City Court) is fiscally dependent on the City of Leesville since the City Court offices and Courtroom are located in City Hall, the upkeep and maintenance of City Hall is paid by the City of Leesville, and certain operating expenditures of the City Court are paid by the City of Leesville.

As an independently elected official, the City Court Judge is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the City Court as an economic unit. The government-wide financial statements report the City Court's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and business-type activities of the City Court. The City Court does not have any business-type activities. Fiduciary funds are omitted from the government-wide financial statements.

Fund Financial Statements (FFS)

The accounts of the City Court are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, and transfers.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

The funds of the City Court are classified as governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. Major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources or liabilities and deferred inflows of resources are at least ten percent of the totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental and enterprise funds for the same item or funds designated as major at the discretion of the City Court. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The City Court uses the following funds, grouped by fund type.

Governmental Fund –

Governmental Funds are those through which most governmental functions of the City Court are financed. The acquisition, use and balances of the City Court's expendable financial resources and the related liabilities are accounted for through governmental funds.

General Fund

The General Fund is the general operating fund of the City Court. It is used to account for all financial resources except those required to be accounted for in the Fiduciary Funds and appropriations by other governmental bodies on behalf of the City Court.

The Parish of Vernon and the City of Leesville maintain individual accounting records for City Court expenditures financed by their individual appropriations and report such expenditures in their respective financial statements.

Fiduciary Funds –

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the City Court. The funds accounted for in this category by the City Court are agency funds. The agency funds of the City Court are as follows:

Civil Fund – accounts for advanced court costs on suits filed by litigants.

Traffic Fund – accounts for funds received from traffic violations.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows

Governmental fund financial statements use the current financial resources measurement focus. The measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income.

The accrual basis of accounting is used throughout the government-wide statements; conversely, the financial statements of the governmental funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the City Court considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City Court accrues intergovernmental revenue based upon this concept. Expenditures generally are recognized when the related fund liabilities are incurred and become payable in the current period. However, debt service expenditures are recorded only when payment is due.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City Court, which are stated at cost.

Receivables

Receivables consist of all revenues earned at year-end and not yet received.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Court maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Furniture, fixtures and equipment	5-10 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City Court has only one item that qualifies for reporting in this category, the deferred outflow of resources attributable to its pension plan. The City Court reported deferred outflows of resources totaling \$16,997 at June 30, 2017.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City Court has only one item that qualifies for reporting in this category, the deferred inflow of resources attributable to its pension plan. The City Court reported deferred inflows of resources totaling \$11,838 at June 30, 2017.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

Equity Classifications

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

- a. Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, and contributors, laws or regulations of other governments; or law through constitutional provisions or enabling legislation. It is the City Court's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.
- c. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the City Court is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- a. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact.
- b. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, grantors, contributors or amounts constrained due to constitutional provisions or enabling legislation or the laws or regulations of other governments.
- c. Committed includes fund balance amounts that can be used only for specific purposes that are internally imposed through a formal decision of the Judge. The Judge is the highest level of decision-making authority for the City Court's office.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

- d. Assigned includes fund balance amounts that are constrained by the Judge's intent to be used for specific purposes that are neither restricted nor committed. The assignment of fund balance is authorized by a directive of the Court Clerk and approved by the Judge.
- e. Unassigned includes fund balance amounts which have not been classified within the above-mentioned categories.

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

E. Revenues, Expenditures, and Expenses

Revenues

The City Court considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The City Court generally defines the availability period for revenue recognition as received within sixty (60) days of year end. The City Court's major revenue source that meets this criterion is intergovernmental revenue.

There is one classification of programmatic revenues for the City Court - program revenue. Program revenues are derived directly from the program itself or from parties outside the City Court's taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from the City Court's general revenues. The primary sources of program revenue are court costs received, intergovernmental revenues, and probation income.

Substantially all other revenues are recorded when received.

Operating Revenues and Expenses

Operating revenues are those revenues produced as a result of providing services and producing and delivering goods and/or services. Nonoperating revenues are funds primarily provided by investing activities, such as financial institution interest income, gains on disposal of assets and insurance recoveries on property loss. Operating expenses are those expenses related to the production of revenue. Nonoperating expenses are those expenses not directly related to the production of revenue and include items such as interest expense and losses on disposal of assets.

CITY COURT OF LEESVILLE, LOUISIANA  
 (VERNON PARISH WARD ONE COURT)  
 Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

Expenditures/Expenses

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

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. These estimates include assessing the collectability of accounts receivable and the useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the City Court may deposit funds within a bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City Court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2017, the City Court had cash (book balances) totaling \$50,902 as follows:

	Governmental Activities	Fiduciary Funds	Total
Demand deposits	\$ 23,449	\$ 27,453	\$ 50,902

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, Leesville City Court's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. These deposits are stated at cost, which approximates fair value. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) of \$79,683 at June 30, 2017 are fully secured by federal deposit insurance. The City Court does not have a policy for custodial credit risk.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset balances and activity for the year ended June 30, 2017 is as follows:

	<u>Balance</u> <u>7/1/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2017</u>
Equipment	\$ 120,898	\$ -	\$ -	\$ 120,898
Less: Accumulated depreciation	<u>(119,626)</u>	<u>(595)</u>	<u>-</u>	<u>(120,221)</u>
Net capital assets	<u>\$ 1,272</u>	<u>\$ (595)</u>	<u>\$ -</u>	<u>\$ 677</u>

(4) Expenditures of the Leesville City Court paid by the City of Leesville

The City Court is located in the City of Leesville City Hall. The City of Leesville, as required by statute, pays the cost of maintaining and operating the City Court facilities in City Hall as well as certain other costs for the operation of the City Court. The City Court also has two elected officials, the Judge and City Marshal, whose salaries are paid by the City of Leesville. These expenditures are not included in the accompanying financial statements.

(5) Pension Plans

The City Court participates in one cost-sharing defined benefit plan, which is administered by a separate public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by public employee retirement systems to the State Legislature.

Plan Description: Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

LASERS' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Benefits Provided: The following provides a brief summary of eligibility and benefits of the plan and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

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 credible 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 throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirement, 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.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

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

**Survivor Benefits:** Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have 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, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
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Notes to the Basic Financial Statements (Continued)

Contributions: Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. Contribution rates of employees and employers for the year ended June 30, 2017 were as follows:

Plan	Plan Status ORP	Employee Contribution Rate	Employer Contribution Rate
LASERS -			
Judges hired before 1/1/2011	Closed	11.5%	38.0%

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, the City Court reported a liability of \$53,005 for its proportionate share of the net pension liability. 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 City Court's proportion of the net pension liability was based on a projection of the City Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the City Court's proportion was 0.00068%, which was a decrease of 0.00015% from its proportion measured as of June 30, 2015. Since the measurement date of the net pension liability was June 30, 2016, the net pension liability is based upon fiduciary net position as of that date. Detailed information about the plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City Court's net pension liability is available in the separately issued plan financial reports for that fiscal year on the LASERS website as the following address: <http://www.lasersonline.org/>.

For the year ended June 30, 2017, the City Court recognized pension expense of \$8,709 which includes employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

Contributions – 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. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

CITY COURT OF LEESVILLE, LOUISIANA  
 (VERNON PARISH WARD ONE COURT)  
 Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

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

A summary of actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 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		
Mortality Rates	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.		
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five year (2009-2013) experience study of the System's members.		
Salary Increases	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:		
	Member Type	Lower Range	Upper Range
	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	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.		

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

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 and an adjustment for the effect of rebalancing/diversification. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Expected Long-Term Real Rate of Return
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 Asset Allocation	<u>2.92%</u>
Total	<u>5.30%</u>

**Discount Rate:** 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 contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the 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 period of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:** The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	1.0% Decrease 6.75%	Current Discount Rate 7.75%	1.0% Increase 8.75%
Employer's proportionate share of the net pension liability	\$ 65,121	\$ 53,005	\$ 42,710

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 31	\$ 492
Net difference between projected and actual earnings on pension plan investments	6,602	-
Change in proportion and differences between Employer contributions and proportionate share of contributions	2,983	11,346
Employer contributions subsequent to the measurement date	7,381	-
Total	\$ 16,997	\$ 11,838

Deferred outflows of resources related to pensions of \$7,271 resulting from City Court contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2018	\$(4,811)
2019	(1,552)
2020	2,566
2021	1,575
	\$(2,222)

Payables to Pension Plan: At June 30, 2017 the City Court has no payable due to LASERS.

(6) Employee Retirement

The City Court also has a Simple IRA Plan available to full-time employees through American Funds. Eligible employees may direct the City Court to contribute a percentage of the employee's compensation on a pre-tax basis to his or her Simple IRA. The employer must match pre-tax deferrals on a dollar-for-dollar basis up to 3% of compensation. There were no contributions made to this plan in the previous three fiscal years.

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Basic Financial Statements (Continued)

(7) Changes in Agency Fund Balances

A summary of changes in agency fund due to litigants and unsettled deposits for the year ended June 30, 2017 follows:

	Civil Court Fund	Traffic Fund	Total
Balance, July 1, 2016	\$ 7,166	\$ 23,411	\$ 30,577
Additions	60,821	384,147	444,968
Deletions	(59,801)	(388,291)	(448,092)
Balance, June 30, 2017	\$ 8,186	\$ 19,267	\$ 27,453

(8) Risk Management

The City Court is exposed to risks of loss in the areas of general liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. The City Court is covered under the City of Leesville, Louisiana's insurance policies. There have been no significant reductions in insurance coverage during the current fiscal year, nor have settlements exceeded insurance coverage for the current or prior three fiscal years.

(9) Compensation, Benefits and Other Payments to Judge

A detail of compensation, benefits, and other payments made to Judge Elvin Fontenot for the year ended June 30, 2017 follows:

Purpose	Amount
Salary	\$ 19,462
Benefits - retirement	7,381
Reimbursements	4,566
Total	\$ 31,409

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Budgetary Comparison Schedule  
For the Year Ended June 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Court costs received	\$ 230,000	\$ 240,000	\$ 239,013	\$ (987)
Intergovernmental	27,265	37,500	35,631	(1,869)
Probation income	50,735	15,000	15,219	219
Total revenues	308,000	292,500	289,863	(2,637)
Expenditures:				
Current -				
Professional fees	15,000	16,000	15,915	85
Dues and seminars	3,000	1,500	1,500	-
Miscellaneous	35,000	30,000	27,386	2,614
Office supplies	22,000	18,000	16,082	1,918
Payroll taxes	14,000	15,000	15,018	(18)
Postage	4,000	3,000	2,990	10
Repairs & maintenance	18,000	18,000	18,202	(202)
Retirement	9,000	9,000	8,826	174
Salaries	184,000	195,000	193,199	1,801
State agency fees	15,000	5,500	5,411	89
Telephone	6,000	5,000	4,541	459
Travel	2,000	-	-	-
Uniforms	-	2,000	2,039	(39)
Total expenditures	327,000	318,000	311,109	6,891
Deficiency of revenues over expenditures	(19,000)	(25,500)	(21,246)	4,254
Fund balance, beginning	38,262	38,262	38,262	-
Fund balance, ending	\$ 19,262	\$ 12,762	\$ 17,016	\$ 4,254

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Schedule of Employer's 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	0.00068%	\$ 53,005	\$ 21,167	250.4%	57.70%
2016	0.00083%	56,657	20,626	274.7%	62.70%
2015	0.00101%	62,904	18,099	347.6%	65.00%

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

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

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	\$ 7,396	\$ 7,381	\$ 15	\$ 19,462	37.93%
2016	8,065	8,072	(7)	21,167	38.13%
2015	8,560	8,560	(0)	20,626	41.50%

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

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Notes to the Required Supplementary Information

(1) Retirement System

The Louisiana State Employees' Retirement System reported no changes of benefits terms or changes of benefit assumptions for the year ended June 30, 2017.

(2) Budget Practices

A budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally prepared or as amended by the City Court. All budgetary appropriations lapse at the end of each fiscal year.

**INTERNAL CONTROL,  
COMPLIANCE, AND  
OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Elvin Fontenot, City Judge  
City Court of Leesville, Louisiana  
(Vernon Parish Ward One Court)  
Leesville, Louisiana

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, the major fund, and the aggregate remaining fund information of the City Court of Leesville, Louisiana (City Court) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City Court's basic financial statements, and have issued our report thereon dated December 28, 2017.

### Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as 2017-003 to be a material weakness.

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. We consider the deficiencies described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as 2017-001 and 2017-002 to be significant deficiencies.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

The City Court's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The City Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
December 28, 2017

CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)  
Leesville, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
CURRENT YEAR (06/30/17) --						
<u>Internal Control:</u>						
2017-001	2010	Leesville City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	Elvin Fontenot, Judge, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of City Court to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.		Elvin Fontenot, Judge	N/A
2017-002	2010	Due to few employees, Leesville City Court does not have adequate segregation of functions within the accounting system.	Elvin Fontenot, Judge, has evaluated the cost vs. benefit of establishing segregation of accounting duties and has determined that it is not cost effective to achieve complete segregation of duties within the accounting system.		Elvin Fontenot, Judge	N/A
2017-003	2016	When preparing bank reconciliations during the year, the Leesville City Court failed to adequately account for reconciling items resulting in unidentified costs totaling \$9,737 at June 30, 2017.	The Leesville City Court will implement procedures to ensure that all reconciling items are properly accounted for when preparing monthly bank reconciliations.		Elvin Fontenot, Judge	6/30/2018

(continued)

CITY COURT OF LEESVILLE, LOUISIANA  
 (VERNON PARISH WARD ONE COURT)  
 Leesville, Louisiana

Summary Schedule of Current and Prior Year Audit Findings  
 and Management's Corrective Action Plan (Continued)  
 For the Year Ended June 30, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
PRIOR YEAR (06/30/16) --						
<u>Internal Control:</u>						
2016-001	2010	Leesville City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No	See current year finding 2017-001		
2016-002	2010	Due to few employees, Leesville City Court does not have adequate segregation of functions within the accounting system.	No	See current year finding 2017-002		
2016-003	2016	When preparing bank reconciliations during the year, the Leesville City Court failed to adequately account for reconciling items resulting in unidentified costs totaling \$3,449 at June 30, 2016.	No	See current year finding 2017-003		
2016-004	2016	During the year, the Leesville City Court did not maintain proper supporting documentation for travel expenditures and credit card purchases. Good controls over purchasing and disbursements should ensure that purchases are reasonable and necessary; budgeted; documented and approved; received and safeguarded; and used solely for the public purpose/functions of the Leesville City Court.	Yes			

**CITY COURT OF LEESVILLE, LOUISIANA  
(VERNON PARISH WARD ONE COURT)**

**Statewide Agreed-Upon Procedures Report**

Year Ended June 30, 2017

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the City  
Court of Leesville, Louisiana and  
The Louisiana Legislative Auditor

Retired

Conrad O. Chapman, CPA\* 2006

We have performed the procedures enumerated below, which were agreed to by the management of the City Court of Leesville, Louisiana (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 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 and procedures were obtained and did not 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 and procedures were obtained and did not address the functions noted above.*

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

*Written policies and procedures were obtained and did not address the functions noted above.*

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

*Written policies and procedures were obtained and did not address the functions noted above.*

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

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

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

*Written policies and procedures were obtained and did not 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 and procedures were obtained and did not 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 and procedures were obtained and did not 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. Note: Ethics requirements are not applicable to nonprofits.

*Written policies and procedures were obtained and did not address the functions noted above.*

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

*Written policies and procedures were obtained and did not address the functions noted above.*

**Board (or Finance Committee, if applicable)**

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- 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.

*Not applicable.*

- 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).

*Not applicable.*

- 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.

*Not applicable.*

- 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.)

*Not applicable.*

### ***Bank Reconciliations***

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

*Obtained listing of client bank accounts from management and management's representation that 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. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* 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 noting that reconciliations have been prepared for all months on the accounts tested.*

- 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

*There was no evidence that management reviewed each bank reconciliation.*

- 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.

*There were no exceptions noted.*

### ***Collections***

---

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

*Obtained listing of cash collection locations and management's representation that 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). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **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.

*There were no exceptions noted.*

- 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 address the functions noted above.*

- 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 addressed the functions noted above.*

- 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.

*Collection documentation was obtained and addressed the functions noted above.*

- 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.

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

**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 were initiated using a purchase order system.*

- 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 appropriate approval of purchase orders.*

- 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 were processed with proper approval, receiving report and approved invoice.*

- 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.

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

- 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.

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

- 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.

*There were no exceptions noted.*

- 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.

*There were no exception noted.*

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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- 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.

*Listing of active credit cards, bank debit cards, fuel cards and name of person who maintain possession of 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. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

*Listing was obtained and randomly selected 2 cards.*

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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

*Monthly statements were obtained and addressed the functions noted above.*

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

*There was finance charges noted on both of the cards tested.*

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)

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

- 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.

*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.

*No exceptions noted.*

### ***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](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

*Policies 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.

*There were no exceptions noted.*

- 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.

*No exceptions noted.*

## ***Contracts***

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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.

*Obtained management's representation that the City Court did not have any contracts in place for the fiscal year.*

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***

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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 exceptions noted.*

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.

*No exceptions noted.*

- 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.

*No exceptions noted.*

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.

*No exceptions noted.*

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)***

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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.

*Of the five (5) employees tested, two (2) of them did not have ethics compliance documentation.*

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 ethics allegations during the fiscal period.*

### ***Debt Service (excluding nonprofits)***

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

*No debt was 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.

*The City Court had no outstanding debt during the fiscal period.*

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***

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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 City Court did not have any misappropriations 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](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Required notices were posted on the entity’s premises. The City Court does not maintain a website.*

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

*No exceptions noted.*

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 results 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.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin Louisiana  
December 28, 2017