

CITY COURT OF KAPLAN

Financial Report

Year Ended June 30, 2019

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KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Honorable F. Stanton Hardee, III, City Judge
City Court of Kaplan, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the City Court of Kaplan, Louisiana (City Court), as of and for the year ended June 30, 2019, which collectively comprise the City Court's basic financial statements, as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of City Court. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in Government Auditing Standards, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be 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 on page 22-23 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. The information is the representation of management. We have not audited, such information, and do not express an opinion, on such information.

Management has omitted the 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 required 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 20, 2019

BASIC FINANCIAL STATEMENTS

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

CITY COURT OF KAPLAN, LOUISIANA

Statement of Net Position

June 30, 2019

ASSETS

Current assets:

Cash \$100,979

Noncurrent assets:

Capital assets, net 2,058

TOTAL ASSETS 103,037

LIABILITIES

Accounts payable 309

NET POSITION

Net investment in capital assets 2,058

Restricted:

Witness Fees 24,533

Unrestricted 76,137

TOTAL NET POSITION \$102,728

See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Statement of Activities
Year Ended June 30, 2019

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Revenue (Expense) And Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:				
General government	<u>\$ (23,211)</u>	<u>\$ 41,429</u>	<u>\$ 4,500</u>	\$ 22,718
	Miscellaneous			<u>1,255</u>
	Change in net position			23,973
	Net position - beginning			<u>78,755</u>
	Net position - ending			<u>\$ 102,728</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

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.

Witness Fee Special Revenue Fund

To account for the proceeds of revenue from fines that are legally restricted to expenditures for the specific purpose of witness payments.

CITY COURT OF KAPLAN, LOUISIANA

Balance Sheet
 Governmental Funds
 June 30, 2019

	<u>General Fund</u>	<u>Witness Fee Special Revenue Fund</u>	<u>Total</u>
ASSETS			
Cash	<u>\$ 76,446</u>	<u>\$ 24,533</u>	<u>\$ 100,979</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	<u>309</u>	<u>-</u>	<u>309</u>
Fund balances:			
Restricted	-	24,533	24,533
Unassigned	<u>76,137</u>	<u>-</u>	<u>76,137</u>
Total fund balances	<u>76,137</u>	<u>24,533</u>	<u>100,670</u>
Total liabilities and fund balances	<u>\$ 76,446</u>	<u>\$ 24,533</u>	<u>\$ 100,979</u>

See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balance for governmental funds	\$ 100,670
Capital assets, net	<u> 2,058</u>
Total net position of governmental activities	<u>\$ 102,728</u>

See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2019

	General Fund	Witness Fee Special Revenue Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Court costs - city fines	\$ 37,835	\$ 2,544	\$ 40,379
Court costs - state fines	1,000	50	1,050
Miscellaneous	1,255	-	1,255
Federal grant	<u>4,500</u>	<u>-</u>	<u>4,500</u>
Total revenues	44,590	2,594	47,184
Expenditures:			
General government	<u>20,115</u>	<u>450</u>	<u>20,565</u>
Excess of revenues over expenditures	24,475	2,144	26,619
Fund balances, beginning	<u>51,662</u>	<u>22,389</u>	<u>74,051</u>
Fund balances, ending	<u>\$ 76,137</u>	<u>\$ 24,533</u>	<u>\$ 100,670</u>

See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2019

Change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 26,619
Depreciation expense	<u>(2,646)</u>
Change in net position per Statement of Activities	<u>\$ 23,973</u>

See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Statement of Fiduciary Net Position
Fiduciary Funds - Agency Funds
June 30, 2019

ASSETS

Cash and cash equivalents	<u>\$ 78,930</u>
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LIABILITIES

Due to agencies and others	<u>\$ 78,930</u>
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See accompanying notes and independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The City Court of Kaplan (City Court) accounts for the operations of the City Court in Kaplan, Louisiana. The salaries of City Court employees are funded by the State of Louisiana, the Vermilion Parish Police Jury, and the City of Kaplan.

The following is a summary of certain significant accounting policies:

A. Basis of Presentation

The accompanying basic financial statements of the City Court 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 the subsequent subsection of this note.

Government-Wide Financial Statements (GWFS)

The Statement of net position and the statement of activities display information about the City Court as a whole. These statements include all the financial activities of the City Court. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB.

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

Fund Financial Statements (FFS)

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

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

governmental funds. The General and Special Revenue funds of the City Court are considered to be major funds. The funds of the City Court are described below:

Governmental Funds –

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

Special Revenue Fund—Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Fiduciary Funds—

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the City Court are agency funds. The agency funds account for assets held by the City Court as an agent for individuals and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

B. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on the balance sheet. The operating statement presents sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the City Court operations.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after the fiscal period, with the exception of state revenue sharing funds. For state revenue sharing funds, the period is extended to 150 days after the fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Revenues

Intergovernmental revenues and fees, charges and commissions for services are recorded when the City Court is entitled to the funds.

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

Expenditures

Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the City Court.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

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

Cash and cash equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the City Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Capital Assets

Capital assets, which include furniture, fixtures, and equipment, are reported in the governmental activities columns 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 \$1,000 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 allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	5-10

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There are no deferred inflows or deferred outflows as of the fiscal year end.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

Equity classifications

In the government-wide statements, net position is displayed in three components:

- a. Net investment in capital assets – Consists of net capital assets reduced by the outstanding balances of any debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance as follows.

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

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

Committed – amounts that can be used only for specific purposes determined by a formal action of the Judge. The Judge is the highest level of decision-making authority for the City Court. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Judge.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Judge's adopted policy, only he may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

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

D. Estimates

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

(2) Cash

Under state law, the City Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

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

Bank balances	<u>\$ 181,673</u>
Federal Deposit Insurance	<u>\$ 181,673</u>

CITY COURT OF KAPLAN, LOUISIANA

Notes to Basic Financial Statements

(3) Capital Assets

A summary of changes in capital assets follows:

	<u>7/1/2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>6/30/2019</u>
Equipment	\$ 22,934	\$ -	\$ -	\$ 22,934
Less: accumulated depreciation	<u>(18,230)</u>	<u>(2,646)</u>	<u>-</u>	<u>(20,876)</u>
Net capital assets	<u>\$ 4,704</u>	<u>\$ (2,646)</u>	<u>\$ -</u>	<u>\$ 2,058</u>

Depreciation expense in the amount of \$2,646 was charged to the general government.

(4) Compensation, Benefits and Other Payments to Agency Head

A detail compensation, benefits, and other payments paid to Judge Stanton Hardee is as follows:

Supplemental pay	\$ 2,797
Dues	500
Conference Travel	294
Per Diem	59
Registration fees	<u>425</u>
Total	<u>\$ 4,075</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY COURT OF KAPLAN, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Court costs - city fines	\$ 25,000	\$ 37,750	\$ 37,835	\$ 85
Court costs - state fines	2,000	1,000	1,000	-
Grant	-	4,500	4,500	-
Miscellaneous	<u>1,500</u>	<u>1,275</u>	<u>1,255</u>	<u>(20)</u>
Total revenues	28,500	44,525	44,590	65
Expenditures:				
General government	<u>19,400</u>	<u>20,065</u>	<u>20,115</u>	<u>(50)</u>
Excess of revenues over expenditures	9,100	24,460	24,475	15
Fund balance, beginning	<u>51,662</u>	<u>51,662</u>	<u>51,662</u>	<u>-</u>
Fund balance, ending	<u>\$ 60,762</u>	<u>\$ 76,122</u>	<u>\$ 76,137</u>	<u>\$ 15</u>

See independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA
Witness Fee Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
Court costs - city fines	\$ 1,500	\$ 2,560	\$ 2,544	\$ (16)
Court costs - state fines	-	-	50	50
Total revenues	1,500	2,560	2,594	34
Expenditures:				
General government	600	450	450	-
Excess of revenues over expenditures	900	2,110	2,144	34
Fund balance, beginning	22,389	22,389	22,389	-
Fund balance, ending	\$23,289	\$24,499	\$24,533	\$ 34

See independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA

Notes to Budgetary Comparison Schedule

(1) Budgets and Budgetary Accounting

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

- a. A proposed budget is prepared and submitted to the Judge of the City Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- b. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the City Court. Such amendments were not material in relation to the original appropriations.

OTHER SUPPLEMENTARY INFORMATION

AGENCY FUNDS

Civil Fund

The Civil Fund is used to account for the advance costs on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

State Fines Fund

The State Fines Fund is used to account for the receipt and disbursement of state fines and court costs.

City Fines Fund

The City Fines Fund is used to account for the receipt and disbursement of city fines and court costs.

Bond Fund

The Bond Fund is used to account for the receipt and disbursement of bonds.

CITY COURT OF KAPLAN, LOUISIANA
Agency Funds

Combining Balance Sheet
June 30, 2019

	Civil Fund	State Fines Fund	City Fines Fund	Bond Fund	Total
ASSETS					
Cash and cash equivalents	<u>\$ 46,232</u>	<u>\$ 297</u>	<u>\$ 18,105</u>	<u>\$ 14,296</u>	<u>\$ 78,930</u>
LIABILITIES					
Due to agencies and others	<u>\$ 46,232</u>	<u>\$ 297</u>	<u>\$ 18,105</u>	<u>\$ 14,296</u>	<u>\$ 78,930</u>

See independent accountant's review report.

CITY COURT OF KAPLAN, LOUISIANA
Agency Funds

Combining Schedule of Collections, Distributions, and Unsettled Balances
For the Year Ended June 30, 2019

	Civil Fund	State Fines Fund	City Fines Fund	Bond Fund	Total
Balances, July 1, 2018	<u>\$49,127</u>	<u>\$ -</u>	<u>\$ 5,725</u>	<u>\$18,445</u>	<u>\$ 73,297</u>
Additions:					
Deposits in civil suits	27,291	-	-	-	27,291
Fines	-	8,631	237,941	22,191	268,763
Bonds	-	-	-	258	258
Total collections	<u>27,291</u>	<u>8,631</u>	<u>237,941</u>	<u>22,449</u>	<u>296,312</u>
Reductions:					
Refund of deposits	736	-	-	9,020	9,756
Fees transferred to General Fund	-	1,072	40,997	-	42,069
Fines transferred to other funds	-	-	-	17,578	17,578
District Attorney	-	480	260	-	740
City Marshal	725	720	31,620	-	33,065
Sheriff	1,189	-	-	-	1,189
Other fees	424	152	4,135	-	4,711
Indigent defender board	-	1,080	47,378	-	48,458
Crime lab	-	880	32,630	-	33,510
LA commission on law enforcement	-	78	2,183	-	2,261
Witness fees	-	50	2,544	-	2,594
Judges support compensation fee	20,577	-	-	-	20,577
Clerk of Court	6,535	24	1,054	-	7,613
City of Kaplan	-	-	62,760	-	62,760
Vermilion Parish Police Jury	-	3,798	-	-	3,798
Total distributions	<u>30,186</u>	<u>8,334</u>	<u>225,561</u>	<u>26,598</u>	<u>290,679</u>
Unsettled balances, June 30, 2019	<u>\$46,232</u>	<u>\$ 297</u>	<u>\$ 18,105</u>	<u>\$14,296</u>	<u>\$ 78,930</u>

See independent accountant's review report.

**ATTESTATION REPORT AND
QUESTIONNAIRE**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Stanton Hardee, City Judge
City Court of Kaplan, Louisiana

We have performed the procedures enumerated below, which were agreed to by the City Court of Kaplan, (City Court) and the Louisiana Legislative Auditor (the specified parties), on the City Court's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended June 30, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The City Court's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. 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 are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year which exceeded \$30,000 for materials and supplies or \$152,550 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees' names appeared on both lists.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of the judge, employees, and the judges' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and all amendments made during the year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

City Court of Kaplan is not required to have meetings as required by LSA-RS 42:11 through 42:28; therefore, there is no minute book.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% and actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) report whether the six disbursements agree to the amount and payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- (b) report whether the six disbursements are coded to the correct fund and general ledger account.

All six payments were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the proper authorities.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

City Court of Kaplan is not required to have meetings as required by LSA-RS 42:11 through 42:28; therefore, there is no agendas.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year and noted no deposits which appeared to be proceeds of bank loans, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

The salaries of City Court employees are funded by the State of Louisiana, the Vermilion Parish Police Jury, and the City of Kaplan. We noted no payments to employees which would constitute bonuses, advances, or gifts in our work performed on expenditures and through inquiry of the client.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The City Court's report was due on December 31, 2018 and was submitted on October 26, 2018.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the entity was not on the noncompliance list at any times during the fiscal year.

Prior-Year Comments and recommendations

15. Obtain and report management's representation as to whether any prior-year suggestions, recommendations, and/or comments have been resolved.

Our prior year report dated October 1, 2018, did not include any suggestions, exceptions, recommendations, and/or comments have been resolved.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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 the City Court's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we preformed 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 the City Court's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Compliance Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 20, 2019