

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

FINANCIAL STATEMENTS
(Audited)

JUNE 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of Net Position	6
Statement of Activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Major Fund Description-General Fund	9
Balance Sheet – Governmental Fund	10
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities	13
Statement of Fiduciary Net Position	14
Notes to Financial Statements	15-35
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund-Budgetary Comparison Schedule	37
Schedule of Employer's Share of Net Pension Liability	38
Schedule of Employer Contributions	39
COMPLIANCE AND INTERNAL CONTROL	
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 <u>Government Auditing Standards</u>	41-42
Schedule of Audit Findings and Management's Corrective Action Plan	43
Schedule of Prior Audit Findings and Management's Corrective Action Plan	44

R. PERRY TEMPLETON
CERTIFIED PUBLIC ACCOUNTANT
(A PROFESSIONAL ACCOUNTING CORPORATION)

Phone 337/365-5546
Facsimile 337/365-5547
E-Mail: perry@ptempletoncpa.com

124 Washington Street
Suite A
New Iberia, Louisiana 70560-3885

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Cameron Simmons, Judge
Third Ward Court, Iberia Parish, Louisiana
Jeanerette City Court
Jeanerette, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Third Ward Court, Iberia Parish, Louisiana (Jeanerette City Court), a component unit of the City of Jeanerette, Louisiana, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Jeanerette 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 the financial statements in accordance with accounting principles generally accepted in United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Court's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Court as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the budgetary comparison information on page 37 because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

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

The Honorable Cameron Simmons, Judge
Third Ward Court, Iberia Parish, Louisiana
Jeanerette City Court
Jeanerette, Louisiana
Page 3

Other Reporting Requirements Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have issued my report dated December 20, 2019, on my consideration of the Court's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Court's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "R. Perry Templeton". The signature is written in a cursive style with a large, sweeping "R" and a long, horizontal stroke for the "y".

New Iberia, Louisiana
December 20, 2019

BASIC FINANCIAL STATEMENTS

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

STATEMENT OF NET POSITION
June 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 417,915
Accounts Receivable	34,578

Non Current Assets:

Capital Assets, Net	<u>97,680</u>
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Total Assets	<u>550,173</u>
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DEFERRED OUTFLOWS OF RESOURCES	<u>3,842</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	7,612
Other Current Liabilities	26,500

Long Term Liabilities

Pension Plan Payable	<u>55,105</u>
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Total Liabilities	<u>89,217</u>
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DEFERRED INFLOWS OF RESOURCES	<u>618</u>
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NET POSITION

Investment in Capital Assets	97,680
Unrestricted	<u>366,500</u>

Total Net Position	<u>\$ 464,180</u>
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The accompanying notes are an integral part of the basic financial statements.

THIRD WARD COURT
 IBERIA PARISH, LOUISIANA
 (JEANERETTE CITY COURT)

STATEMENT OF ACTIVITIES
 Year Ended June 30, 2019

Governmental Activities

Expenditures:

Judiciary

Payments to City of Jeanerette	\$ 344,500
Payments to Jeanerette City Marshal	65,307
Salaries	98,466
Judge's Salary	89,287
Office Supplies & Printing	9,141
Legal & Accounting Costs	5,100
Judge & Employees Retirement and Benefits	86,530
Other Miscellaneous Costs	35,295
Outside Services	10,998
Depreciation	26,026
Utilities and Telephones	<u>9,839</u>
Total Expenditures	<u>780,489</u>

Program Revenues

Revenues:

Fees, Charges and Commissions	<u>486,217</u>
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Net Program (Expense) Revenue (294,272)

General Revenue

Intergovernmental

On Behalf Payments	275,304
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Change in Net Position (Deficit) (18,968)

Net Position, Beginning of Year 483,148

Net Position, End of Year \$ 464,180

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

FUND FINANCIAL STATEMENTS (FFS)

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

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.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

BALANCE SHEET – GOVERNMENTAL FUND
June 30, 2019

	<u>General Fund</u>
ASSETS	
Assets:	
Cash and Cash Equivalents	\$ 417,915
Accounts Receivable	<u>34,578</u>
Total Assets	<u>\$ 452,493</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts Payable	\$ 7,612
Other Current Liabilities	<u>26,500</u>
Total Liabilities	<u>\$ 34,112</u>
Fund Balances:	
Unassigned	<u>\$ 418,381</u>
Total Liabilities and Fund Balance	<u>\$ 452,493</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF
NET POSITION
June 30, 2019

Total Fund Balance for the Governmental Fund at June 30, 2019		\$ 418,381
Cost of Capital Assets at June 30, 2019	\$ 263,774	
Less: Accumulated Depreciation	<u>(166,094)</u>	
		97,680
Noncurrent liabilities at June 30, 2019		
Net pension payable		(55,105)
Deferred outflows of Resources Related to Pensions		
Payable from current expendable resources and, therefore, are not reported in the funds		3,842
Deferred inflows of Resources Related to Pensions Payable from current expendable resources and, therefore, are not reported in the funds		<u>(618)</u>
Total Net Position of Governmental Activities at June 30, 2019		<u>\$ 464,180</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
Year Ended June 30, 2019

	<u>General Fund</u>
Revenues:	
Fees, Charges and Commissions –	
Fees and Fines	\$ 486,217
Intergovernmental	
On Behalf Payments	<u>275,304</u>
Total Revenues	<u>761,521</u>
Expenditures:	
Current-	
General Government –	
Payments to City of Jeanerette	344,500
Payment to Jeanerette City Marshal	65,307
Salaries	98,466
Judge’s Salary	89,287
Office Supplies & Printing	9,141
Legal & Accounting Costs	5,100
Judge & Employees Retirement and Benefits	90,117
Other Miscellaneous Costs	35,295
Outside Services	10,998
Utilities and Telephone	9,839
Capital Outlay	<u>44,823</u>
Total Expenditures	<u>802,873</u>
Excess (Deficiency) of Revenues Over Expenditures	(41,352)
Fund Balance, Beginning of Year	<u>459,733</u>
Fund Balance, End of Year	<u>\$ 418,381</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

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

For the Year Ended June 30, 2019

Total Net Change in Fund Balance for the Year Ended June 30, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (41,352)
Less: Depreciation Expense for Year Ended June 30, 2019	(26,026)
Add: Net Change In Pension Expense	3,587
Add: Capital Outlay for Year Ended June 30, 2019	<u>44,823</u>
Total Change in Net Position for the Year Ended June 30, 2019 per Statement of Activities	<u>\$ (18,968)</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2019

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 14,830	\$ 58,648	\$ 73,478
Total Assets	<u>\$ -</u>	<u>\$ 14,830</u>	<u>\$ 58,648</u>	<u>\$ 73,478</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 58,648	\$ 58,648
Held for Other Pending Court Action	<u>-</u>	<u>14,830</u>	<u>-</u>	<u>14,830</u>
Total Liabilities	<u>\$ -</u>	<u>\$ 14,830</u>	<u>\$ 58,648</u>	<u>\$ 73,478</u>
NET POSITION				
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

The Third Ward Court, Iberia Parish, Louisiana (Jeanerette City Court) was created under Louisiana Revised Statute 13:1872 as a political subdivision of the State of Louisiana. The Court operates under the control of the City Judge, an elected Official serving a term of six years. The population of the third ward is approximately 7,000. The court and its staff of 5 employees handle approximately 150 civil cases a year plus misdemeanor, criminal offenses, and traffic violations within the city of Jeanerette.

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the City of Jeanerette for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity are financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

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

B. Basis of Presentation

The accompanying basic financial statements of the Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Court as a whole. These statements include all the financial activities of the Court. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

Fund-Financial Statements (FFS)

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

Governmental Funds –

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

Fiduciary Funds –

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

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

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

Bond Fund – accounts for the collection of bonds.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

Basis of Accounting

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

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

D. Budgets and Budgetary Accounting

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

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

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

Cash and Interest-Bearing Deposits

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

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

Investments

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

Short-Term Interfund Receivables/Payables

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

Capital Assets

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

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

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office furniture	7 years
Equipment	5 years
Building Improvements	20 years

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 further 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.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

Equity Classifications

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

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

In the fund statements, governmental fund equity is classified as fund balance. The Third Ward Court adopted GASB Statement 54 for the year ended June 30, 2011. As such, fund balances of the government funds are classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Judge, which is the highest level of decision-making authority for the Third Ward Court.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

F. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

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

Expenditures/Expenses

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

Government Funds – By Character

G. Estimates

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

H. Vacation and Sick Leave

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2019, the Court has cash and cash equivalents (book balances) totaling \$494,458 as follows:

THIRD WARD COURT
 IBERIA PARISH, LOUISIANA
 (JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
 (continued)

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Total</u>
Demand Deposits	<u>417,915</u>	<u>76,543</u>	<u>494,458</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2019, totaled \$553,841 and are secured from risk by federal deposit insurance of \$250,000 and \$303,841 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Custodial credit risk is the risk that in the event of a bank failure, the Court's deposits will not be returned to it. As of June 30, 2019, no collateral held by the custodial bank's trust department not in the Court's name was exposed to custodial credit risk. However, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Court that the fiscal agent has failed to pay deposited funds upon demand.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

(3) Capital Assets

Capital asset activity for the year ended June 30, 2019 is as follows:

	<u>Balance 7/1/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2019</u>
Governmental Activities:				
Furniture, Fixtures and Equipment	\$ 218,951	\$ 44,823	\$ -	\$ 263,774
Less: Accumulated Depreciation	<u>(140,068)</u>	<u>(26,026)</u>	<u>-</u>	<u>(166,094)</u>
Net Capital Assets	<u>\$ 78,883</u>	<u>\$ (18,797)</u>	<u>\$ -</u>	<u>\$ 97,680</u>

Depreciation expense of \$26,026 was charged to the general government function.

(4) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	<u>Fines Agency Fund</u>	<u>Civil Court Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Beginning Balance, July 1, 2018	\$ -	\$ 16,965	\$ 56,340	\$ 73,305
Additions	750,559	26,402	44,398	821,359
Reductions	<u>(750,559)</u>	<u>(28,537)</u>	<u>(39,025)</u>	<u>(818,121)</u>
Ending Balance, June 30, 2019	<u>\$ -</u>	<u>\$ 14,830</u>	<u>\$ 61,713</u>	<u>\$ 76,543</u>

(5) On Behalf Payments for Salaries and Benefits

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

Supplementary salary payments are made by the State and Iberia Parish directly to the City Court Judge and from the City to the Judge and the Court's employees. The Court is not legally responsible for these salary supplements. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the State, the Parish, and the City. For the fiscal year ended June 30, 2018, the State, the Parish and City paid \$136,425 in supplemental salary and benefits payments to the City Court Judge and the City made supplementary salary and benefit payments of \$138,879 to the City Court's employees.

(6) ACT 706 – SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS TO ENTITY HEAD

Under Act 706, Jeanerette City Court is required to disclose the compensation, reimbursements, benefits, and other payments made to the judge, in which the payments are related to the position. The following is a schedule of payments made to the Judge as of June 30, 2019:

Agency Head Name: Honorable Cameron Simmons, Judge

Base salary	\$ 89,287
Additional salary: Civil	5,495
Benefits - insurance	11,334
Benefits – retirement	<u>38,370</u>
Total	<u>\$ 144,486</u>

(7) Pending Litigation

At June 30, 2019, the Court was not involved in any litigation.

(8) Other Postretirement Benefits

The Jeanerette City Court provides no postretirement benefits.

(9) Risk Management

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

(10) Pension Plans

General Information about the Pensions Plans

Plan Descriptions:

Municipal Employees' Retirement System (MERS)

Employees of the Court are eligible for participation in the Municipal Employees' Retirement System of Louisiana (the "System") – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Act 356 of the 1954 Regular Session of the Louisiana Legislature. The System issues a publicly available financial report that can be obtained at www.mersla.com/annual-reports. The report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809, or by calling (225) 925-4810. The employees are employees of the City of Jeanerette, which pays their retirement. Accordingly, no liability has been included on these financial statements.

Louisiana State Employees' Retirement System (LASERS)

The Judge is a member of the Louisiana State Employees' Retirement System (LASERS). LASERS is a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided:

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

Municipal Employees' Retirement System (MERS)

The system provides retirement, disability and death benefits. Retirement benefits are generally determined as 3.0% of the employee's final compensation multiplied by the employee's years of creditable service. Employees with 25 years of service are eligible for disability benefits under age 60 with 5 years or more of service. Survivor's Benefits are

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

available upon the death of a member who has credit for 5 or more years of service who is not eligible for normal retirement benefits. Under state law, cost of living increases to benefits are allowable only if sufficient funds are available from investment income in excess of normal requirements. Cost of living increases cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement.

Louisiana State Employees' Retirement System (LASERS)

(1) Retirement

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

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

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

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

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the members lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

(2) Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. As that time, the member must choose among available alternative for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

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

(3) Disability Benefits

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

(4) Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)
NOTES TO FINANCIAL STATEMENTS
(continued)

Contributions:

Municipal Employees' Retirement System (MERS)

Per Act 788 of the 1978 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 9.5% of their annual pay. The City's contractually required contribution rate for the year ended June 30, 2019 was 26.0% of annual payroll. There were no contributions to the System from the Court for the year ended June 30, 2019.

Louisiana State Employees' Retirement System

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislative, Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The contribution rates in effect during the year ended June 30, 2019 for the plan for judges hired before January 1, 2011 were 11.5% for the employee and 40.1% for the employer. The status of the plan for judges hired before January 1, 2011 is closed.

The Court's contractually required composite contribution rate for the year ended June 30, 2019 was 41.6% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$2,566 for the year ended June 30, 2019.

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

At June 30, 2019, the Court reported a liability of \$55,105 for its proportionate share of the net pension liability of LASERS. For LASERS, the net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Court's proportion of the net pension liability was based on a projection of the Court's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the Court's proportion was .000810% for LASERS which was a decrease of .000030% from its proportion measured as of June 30, 2017.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

For the year ended June 30, 2019, the Court recognized pension expense of \$(1,021).

At June 30, 2019, the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LASERS</u>
Deferred Outflows of Resources:	
Net difference between projected and actual earnings on pension plan investments	\$ 719
Changes in proportion and differences between employer contributions and proportionate share of contributions	561
Employer contributions subsequent to the measurement of date	2,566
Total Deferred Outflows of Resources	\$ 3,842

	<u>LASERS</u>
Deferred Inflows of Resources:	
Differences between expected and actual experience	\$ 618
Changes in Assumptions	-
Net difference between projected and actual earnings on pension plan investments	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-
Total Deferred Inflows of Resources	\$ 618

\$2,566 reported as deferred outflows of resources related to pensions resulting from the Court's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>MERS</u>	<u>LASERS</u>	<u>TOTAL</u>
2019	-	1,565	(1,565)
2020	-	641	641
2021	-	(1,347)	(1,347)
2022	-	(202)	(202)

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 for LASERS are as follows:

	<u>LASERS</u>
Inflation	2.75%
Salary increases	2.8 – 5.3%
Investment rate of return	7.65%

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

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

For LASERS the long-term expected rate of return on pension plan investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	-0.48%
Domestic Equity	4.31%
International Equity	5.26%
Domestic Fixed Income	1.49%
International Fixed Income	2.23%
Alternative Investments	7.67%
Risk Parity	4.96%
Total Fund	5.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.65% for LASERS. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers and non-employer contributing entities will be made at actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

THIRD WARD COURT
 IBERIA PARISH, LOUISIANA
 (JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
 (continued)

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

The following presents the Court’s proportionate share of the net pension liability calculated using the current discount rate, as well as what the Court’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate as of June 30, 2018 for LASERS:

LASERS

	Changes in Discount Rate		
	Plan A:		
	1% Decrease	Current Discount	1% Increase
	<u>6.15%</u>	<u>7.65%</u>	<u>8.65%</u>
Net pension liability (asset)	69,546	55,105	42,667

Pension Plans Fiduciary Net Position

MERS issued a stand-alone audit report on its financial statements for the year ended December 31, 2018. Access to the audit report can be found on the System’s website: www.persla.org or on the Office of Louisiana Legislative Auditor’s official website: www.la.state.la.us.

Detailed information about LASERS’ pension plan’s fiduciary net position is available in the separately issued LASERS 2018 Comprehensive Annual Financial Report at www.lasersonline.org or on the Office of Louisiana Legislative Auditor’s official website: www.la.state.la.us.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

NOTES TO FINANCIAL STATEMENTS
(continued)

(11) Subsequent Events

Subsequent events have been evaluated through December 20, 2019, the date of the financial statement issuance.

(12) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the fiscal years beginning after December 15, 2019. The effect of implementation on the Court's financial statements has not yet been determined.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*. The statement addresses the identification of fiduciary activities for accounting and financial reporting purposes and how activities should be reported. The requirements of GASB Statement No. 84 are effective for reporting periods beginning after December 15, 2018. The effect of implementation on the Court's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENT FUNDS
Year Ended June 30, 2019

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Fees, Charges and Commissions - Fees and Fines	\$ 528,000	\$ 508,000	\$ 486,217	\$ (21,783)
Intergovernmental				
On Behalf Payments	<u>280,000</u>	<u>280,000</u>	<u>275,304</u>	<u>(4,696)</u>
Total Revenues	<u>808,000</u>	<u>788,000</u>	<u>761,521</u>	<u>(26,479)</u>
Expenditures:				
Current –				
General Government:				
Payments to City of Jeanerette	300,000	344,500	344,500	-
Payments to Jeanerette City				
Marshal	70,000	70,000	65,307	4,693
Salaries	95,000	100,000	98,466	1,534
Judge's Salary	85,000	85,000	89,287	(4,287)
Office Supplies & Printing	6,000	6,000	9,141	(3,141)
Legal & Accounting Costs	6,000	6,000	5,100	900
Judge & Employees Retirement				
And Benefits	85,000	90,000	90,117	(117)
Other Miscellaneous Costs	50,000	47,400	35,295	12,105
Outside Services	7,500	8,300	10,998	(2,698)
Utilities and Telephone	12,000	10,000	9,839	161
Capital Outlay	<u>40,000</u>	<u>40,000</u>	<u>44,823</u>	<u>(4,823)</u>
Total Expenditures	<u>756,500</u>	<u>807,200</u>	<u>802,873</u>	<u>4,327</u>
Excess (Deficiency) of Revenues Over Expenditures	51,500	(19,200)	(41,352)	(22,152)
Fund Balance, Beginning of Year	<u>459,733</u>	<u>459,733</u>	<u>459,733</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 511,233</u>	<u>\$ 440,533</u>	<u>\$ 418,381</u>	<u>\$ (22,152)</u>

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

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
Year Ended June 30, 2019

Schedule of Employer's Share of Net Pension Liability

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll Obligation	Employer's Proportionate Share of the Net Pension Liability (Asset) as a % of its Covered Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2016	.00083	\$54,276	\$12,320	441.40%	62.7%
2017	.00083	\$65,490	\$14,781	443.06%	63.9%
2018	.00081	\$55,105	\$14,781	443.06%	63.9%
2019	.00084	\$59,096	\$14,267	414.42%	62.5%

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.

THIRD WARD COURT
 IBERIA PARISH, LOUISIANA
 (JEANERETTE CITY COURT)

SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Year Ended June 30, 2019

Schedule of Employer Contributions

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
2016	\$ 3,932	\$ 3,932	\$ -	\$ 12,320	31.92%
2017	\$ 5,617	\$ 5,617	\$ -	\$ 14,781	38.00%
2018	\$ 5,617	\$ 5,617	\$ -	\$ 14,781	38.00%
2019	\$ 5,927	\$ 5,927	\$ -	\$ 14,267	46.54%

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

**COMPLIANCE
AND
INTERNAL CONTROL**

R. PERRY TEMPLETON

CERTIFIED PUBLIC ACCOUNTANT
(A PROFESSIONAL ACCOUNTING CORPORATION)

Phone 337/365-5546
Facsimile 337/365-5547
E-Mail: perry@ptempletoncpa.com

124 Washington Street
Suite A
New Iberia, Louisiana 70560-3885

MEMBER
AMERICAN INSTITUTE OF
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SOCIETY OF LA CPA'S

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

The Honorable Cameron Simmons, Judge
Third Ward Court, Iberia Parish, Louisiana
Jeanerette City Court
Jeanerette, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Third Ward Court, Iberia Parish, Louisiana (Jeanerette City Court), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City Court of Jeanerette's basic financial statements, and have issued my report thereon dated December 20, 2019.

Internal Control Over Financial Reporting

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of prior and current audit findings and management's corrective action plan, I identified deficiencies in internal control that I consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the deficiencies described in the accompanying schedule of current audit findings and management's corrective action plan as items 2019-1 and 2019-2 to be material weaknesses.

Compliance and Other Matters

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

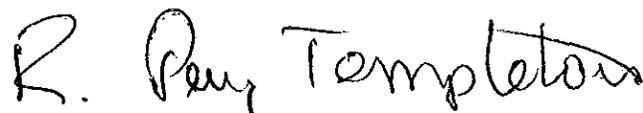
City Court of Jeanerette's Response to Finding

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

Purpose of this Report

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

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



THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

Schedule of Current Audit Findings and Management's Corrective Action Plan
For the Year Ended June 30, 2019

Internal Control Over Financial Reporting

2019-1 Inadequate Segregation of Accounting Functions

Finding:

An inadequate segregation of duties exists with respect to cash transactions that result in inadequate control over cash receipts and disbursements. Due to the limited number of personnel, an adequate segregation of duties may not be achievable and the cost of correcting the weakness would exceed the benefits derived.

Management's Corrective Action Plan:

The Court has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

2019-2 Inadequate Controls over Financial Statement Preparation

Finding:

The Third Ward Court does not have a staff member 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 related notes.

Management's Corrective Action Plan:

The Court has evaluated the costs of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them, and accepting responsibility for their contents and presentation.

Compliance

There are no findings that are required to be reported at June 30, 2019.

Management Letter Items

There are no management letter items at June 30, 2019.

THIRD WARD COURT
IBERIA PARISH, LOUISIANA
(JEANERETTE CITY COURT)

Schedule of Prior Audit Findings and Management's Corrective Action Plan
For the Year Ended June 30, 2019

Internal Control Over Financial Reporting

2018-1 Inadequate Segregation of Accounting Functions

Finding:

An inadequate segregation of duties exists with respect to cash transactions that result in inadequate control over cash receipts and disbursements. Due to the limited number of personnel, an adequate segregation of duties may not be achievable and the cost of correcting the weakness would exceed the benefits derived.

Status:

Unresolved. See item 2019-1

2018-2 Inadequate Controls over Financial Statement Preparation

Finding:

The Third Ward Court does not have a staff member 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 related notes.

Status:

Unresolved. See item 2019-2

Management Letter Items

There were no management letter items at June 30, 2018.

**THIRD WARD COURT
IBERIA PARISH, LOUISIANA
JEANERETTE CITY COURT**
Statewide Agreed-Upon Procedures Report

Year Ended June 30, 2019

R. PERRY TEMPLETON

CERTIFIED PUBLIC ACCOUNTANT
(A PROFESSIONAL ACCOUNTING CORPORATION)

Phone 337/365-5546
Facsimile 337/365-5547
E-Mail: perry@ptempletoncpa.com

124 Washington Street
Suite A
New Iberia, Louisiana 70560-3885

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

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

The Honorable Cameron Simmons, Judge
Third Ward Court, Iberia Parish, Louisiana
Jeanerette City Court
Jeanerette, Louisiana

I have performed the procedures enumerated below, which were agreed to by Jeanerette City Court of Jeanerette (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1) Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

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

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

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

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

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

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

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

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

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

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

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

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

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

Not applicable. Jeanerette City Court does not have any credit/debit cards.

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

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

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

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

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

Jeanerette City Court does not have any debt service, and therefore, no written policies and procedures.

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

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

Board (or Finance Committee, if applicable)

- 2) Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget- to actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public*

funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

- c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

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

Bank Reconciliations

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

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

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

No exceptions noted.

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

The bank reconciliations for all accounts examined indicated evidence of management review.

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

There was documentation reflecting that management researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

Collections

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

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

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

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

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

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

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

Deposits are made by different employees, however, at certain times, it is possible that the same employee collecting checks/money orders and preparing deposit slips is also making bank deposits.

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

A separate employee is responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general

ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Occasionally, the same employee collecting checks/money orders is reconciling daily reports to the deposit slips. However, an outside CPA firm reconciles collections to the general ledger for each bank account on a monthly basis.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

In both locations, the person responsible for collecting the cash is bonded.

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

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

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

For the four deposits selected, no exceptions were noted

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

For the four deposits selected, no exceptions were noted.

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

For the four deposits selected, no exceptions were noted.

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

For the four deposits selected, no exceptions were noted.

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

For the four deposits selected, no exceptions were noted.

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

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

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

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

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

Purchase orders are not used by the Jeanerette City Court's office.

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

The Jeanerette City Court processes payments to vendors and the Judge approves payments to vendors

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

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

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

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

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

Documentation for each transaction and:

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

For the five disbursements selected, no exceptions were noted.

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

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

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

- 11) Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Not Applicable

- 12) Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. (Note: requiring such approval may constrain the legal authority of certain public officials (e.g., major of a Lawrason Act municipality): these instances should not be reported.)

Not Applicable

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Not Applicable

- 13) Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions

(i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Not Applicable

Travel and Expense Reimbursement

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

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

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

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

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

For actual cost reimbursements, no exceptions were noted.

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

No exceptions were noted.

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

No exceptions were noted.

Contracts

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

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

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

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

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

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

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

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

None of the agreement/contracts were amended.

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

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

Payroll and Personnel

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

- 17) Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period; and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18) Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
- 19) Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Not applicable since Jeanerette City Court does not have any employees. All personnel are employees of the City of Jeanerette. All employees and employer portions of retirement contributions and required reporting forms were submitted to the applicable agencies by the required deadlines.

Ethics

- 20) Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions noted.

- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

No exceptions noted.

Debt Service

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

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

Other

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

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

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

Required notices were posted on the entity's premises and website.

Findings

Collections – Due to small staff, sometimes the individual who collects makes deposit.

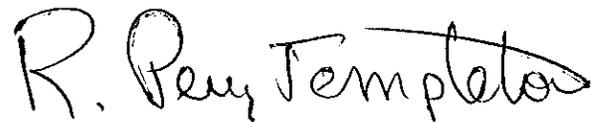
Non payroll disbursements – The individual who processes payments is not prohibited from adding vendor files and often mails payments.

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

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

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

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

A handwritten signature in black ink that reads "R. Perry Templeton". The signature is written in a cursive, flowing style.

New Iberia, Louisiana
December 20, 2019