

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**

**Oakdale, Louisiana**

**Annual Financial Report and Independent  
Auditors' Report**

**Year Ended December 31, 2020**

*Royce T. Scimemi, CPA, APAC  
Oberlin, Louisiana*

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Annual Financial Report for Year Ended December 31, 2020**

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# ROYCE T. SCIMEMI, CPA, APAC



## CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210  
Oberlin, LA 70655  
Tele (337) 639-4334, Fax (337) 639-4068

Member  
American Institute of  
Certified Public Accountants

Member  
Society of Louisiana  
Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

HONORABLE LUKE ABRUSLEY  
CITY JUDGE  
CITY COURT OF OAKDALE  
AND WARD 5 OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana

August 11, 2021

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the major fund, and each fiduciary fund of the City Court of Oakdale and Ward 5 of Allen Parish, Louisiana (the "City Court") as of and for the year ended December 31, 2020, and the related notes to the basic financial statements, which collectively comprise the City Court's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

Independent Auditors' Report  
Honorable Judge Luke Abrusley  
City Court of Oakdale and Ward 5 of Allen Parish, LA  
August 11, 2021  
Page 2

## Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and each fiduciary fund of the City Court as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-9, the budgetary comparison information on page 38, the schedule of the City Court's proportionate share of net pension liability on page 39, the schedule of the City Court's contributions on page 40, and the related notes to the required supplementary information on page 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

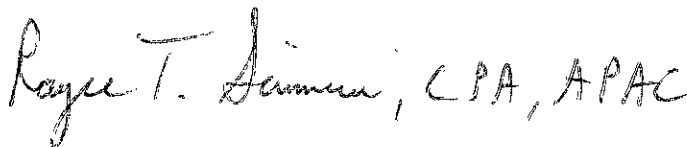
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City Court's basic financial statements. The other information on pages 44-47 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2021, on our consideration of the City Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City Court's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City Court's internal control over financial reporting and compliance.

Royce T. Scimemi, CPA, APAC  
Oberlin, Louisiana



**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Management's Discussion and Analysis**

December 31, 2020

Within this section of the annual financial report of the City Court of Oakdale and Ward 5 of Allen Parish, Louisiana, the City Court's management is pleased to provide this narrative discussion and analysis of the financial activities of the City Court for the fiscal year ended December 31, 2020. The City Court's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**Financial Highlights**

- The City Court's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$51,825 and \$65,527 (net position) for the fiscal years ended December 31, 2020 and 2019, respectively.
- Total revenues of \$265,978 were exceeded by total expenses of \$279,680 which resulted in a 2020 deficit of \$13,702. In the prior year, total revenues of \$303,843 were exceeded by total expenses of \$310,545, which resulted in a 2019 deficit of \$6,702.
- Total net position is comprised of the following:
  - (1) Invested in capital assets of \$15,190 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt, if any, related to the purchase of capital assets. In comparison, as of December 31, 2019, the City Court's net investment in capital assets was \$20,259.
  - (2) Unrestricted net position, representing the portion of net position available to maintain the City Court's continuing obligations to citizens and creditors, amounted to \$36,635 and \$45,268 for the fiscal years ended December 31, 2020 and 2019, respectively.
- The City Court's governmental fund reported a total ending fund balance of \$99,551 this year. This compares to the prior year ending fund balance of \$110,117, reflecting a decrease of \$10,566 during 2020. For the prior year ended December 31, 2019, a decrease of \$3,237 was reported in the total ending fund balance.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$99,551, or 36% of total General Fund expenditures and 37% of total General Fund revenues.
- Overall, the City Court financial position has declined but is stable as a result of the required funding of the City Court's operational expenses by the City of Oakdale. The unassigned governmental fund balance decreased by \$10,566 during the current year.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the City Court's basic financial statements, which include: (1) the government-wide financial statements, (2) the fund financial statements, and (3) the notes to the basic financial statements. The City Court also includes in this report additional information to supplement the basic financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Management's Discussion and Analysis - Continued**

December 31, 2020

**Government-Wide Financial Statements**

The City Court's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City Court's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City Court's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City Court as a whole is improving or deteriorating. Evaluation of the overall health of the City Court would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City Court's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City Court's distinct activities or functions on revenues provided.

The government-wide financial statements are presented on pages 12 and 13 of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City Court uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City Court's most significant funds rather than the City Court as a whole.

The City Court uses governmental funds and fiduciary funds as follows:

*Governmental funds* are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City Court's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15 through 19 of this report.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Management's Discussion and Analysis - Continued**

December 31, 2020

**Notes to the Basic Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the management's discussion and analysis (beginning on page 5), the general fund budgetary comparison schedule (on page 38) which demonstrates compliance with the City Court's adopted and final budget, and the pension-related schedules (beginning on page 39), as well as notes to the required supplemental information (on page 41).

In addition, this report also presents certain other information concerning the City Court's fiduciary funds, a schedule of compensation, benefits and other payments to the Chief Executive Officer/Judge, and the justice system funding schedule – collecting/dispersing entity as required by Act 87 of the 2020 regular legislative session. These statements reflect greater detail on the activity in the City Court's fiduciary funds. Other information regarding the fiduciary funds can be found on pages 44 and 47 of this report. The schedule of compensation, benefits and other payments to the chief executive officer is on page 46 of this report and is required by Louisiana Revised Statutes 24:513(A)(3). The justice system funding schedule – collecting/dispersing entity as required by Act 87 of the 2020 regular legislative session is on page 47.

**Financial Analysis of the City Court as a Whole**

The City Court's net position at December 31, 2020 and 2019 was \$51,825 and \$65,527, respectively. The following table provides a summary of the City Court's net position:

	2020		2019	
Assets and Deferred Outflows of Resources:				
Current assets	\$113,881	88%	\$120,800	86%
Capital assets	<u>15,190</u>	<u>12</u>	<u>20,259</u>	<u>14</u>
Total assets	<u>129,071</u>	<u>100%</u>	<u>141,059</u>	<u>100%</u>
Deferred outflows of resources	<u>15,231</u>	<u>100%</u>	<u>15,728</u>	<u>100%</u>
Liabilities and Deferred Inflows of Resources:				
Current liabilities	14,330	16%	10,683	13%
Long-term liabilities	<u>73,609</u>	<u>84</u>	<u>72,522</u>	<u>87</u>
Total liabilities	<u>87,939</u>	<u>100%</u>	<u>83,205</u>	<u>100%</u>
Deferred inflows of resources	<u>4,538</u>	<u>100%</u>	<u>8,055</u>	<u>100%</u>
Net Position:				
Investment in capital assets, net of debt	15,190	29%	20,259	31%

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Management's Discussion and Analysis - Continued**

December 31, 2020

Unrestricted	<u>36,635</u>	<u>71</u>	<u>45,268</u>	<u>69</u>
Total Net Position	<u>\$ 51,825</u>	<u>100%</u>	<u>\$ 65,527</u>	<u>100%</u>

The City Court continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio was 7.95 to 1 and 11.31 to 1 in 2020 and 2019, respectively.

The following table provides a summary of the City Court's changes in net position:

	2020		2019	
Revenues:				
Program:				
Charges for services/court costs	\$ 26,698	10%	\$ 66,400	22%
Operating grants and contributions	238,029	90	237,418	78
General:				
Interest	25	-	25	-
Miscellaneous income	<u>1,226</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	265,978	<u>100%</u>	303,843	<u>100%</u>
Program expenses:				
Court administration	<u>279,680</u>	<u>100%</u>	<u>310,545</u>	<u>100%</u>
Change in net position	(13,702)		(6,702)	
Beginning net position	<u>65,527</u>		<u>72,229</u>	
Ending net position	\$ <u>51,825</u>		\$ <u>65,527</u>	

**Governmental Revenues**

Note that program revenues covered 95% and 98% of governmental operating expenses in 2020 and 2019, respectively.

**Governmental Functional Expenses**

The total function of the City Court is court administration. Of the total cost, depreciation on the furniture and equipment was \$5,069 or 2% and \$6,547 or 2% of total expenses in 2020 and 2019, respectively.

**Financial Analysis of the City Court's Funds**

***Governmental Funds***

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. The sole governmental fund reported ending fund balances of \$99,551 and \$110,117 in 2020 and 2019, respectively.

The unassigned fund balance decreased by \$10,566 during the current year.



**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Management’s Discussion and Analysis - Continued**

December 31, 2020

**Budgetary Highlights**

*The General Fund* – When the original budget was adopted, it was anticipated that the total revenues were going to decrease mainly due to a decrease in court costs and fine revenues in relation to the prior year final budget. It was also anticipated that the total expenditures were going to decrease mainly due to a decrease in salaries in relation to the prior year final budget. The budget was not amended during the year. *Variances were positive overall.*

**Capital Assets and Debt Administration**

***Capital Assets***

The City Court’s investment in capital assets, net of accumulated depreciation as of December 31, 2020 and 2019, were \$15,190 and \$20,259, respectively. See Note D for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

	<u>2020</u>	<u>2019</u>
Depreciable assets:		
Furniture, fixtures, and equipment	\$ 76,457	\$ 76,904
Less: accumulated depreciation	<u>61,267</u>	<u>56,645</u>
Book value-depreciable assets	\$ <u>15,190</u>	\$ <u>20,259</u>
Percentage depreciated	<u>80%</u>	<u>74%</u>
Book value-all capital assets	\$ <u>15,190</u>	\$ <u>20,259</u>

The depreciable capital assets for governmental activities were 80% and 74% depreciated for the fiscal years ended June 30, 2020 and June 30, 2019, respectively. This comparison indicates that the City is replacing its governmental assets slower than they are depreciating.

The major asset additions included:

- None

***Long-Term Debt***

The City Court had no long-term debt during 2020 other than its net pension liability.

**Contacting the City Court’s Financial Management**

This financial report is designed to provide a general overview of the City Court’s finances, comply with finance-related laws and regulations, and demonstrate the City Court’s commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the City Court’s office, Judge Luke Abrusley, at (318) 335-1121.

**BASIC FINANCIAL STATEMENTS**

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

City Court of Oakdale and Ward 5 of Allen Parish, Louisiana

Oakdale, Louisiana

Statement of Net Position

December 31, 2020

	<u>Primary Government</u>
	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and certificates of deposit	\$ 101,223
Accounts receivable - intergovernmental	12,658
Capital assets, net	<u>15,190</u>
<b>Total Assets</b>	<u><u>129,071</u></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pension plan	<u>15,231</u>
<b>Total Deferred Outflows of Resources</b>	<u><u>15,231</u></u>
<b>LIABILITIES</b>	
Accounts payable	13,336
Accrued payroll liabilities	994
Net pension liability	<u>73,609</u>
<b>Total Liabilities</b>	<u><u>87,939</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pension plan	<u>4,538</u>
<b>Total Deferred Inflows of Resources</b>	<u><u>4,538</u></u>
<b>NET POSITION</b>	
<i>Invested in capital assets, net of related debt</i>	15,190
<i>Unrestricted</i>	<u>36,635</u>
<b>Total Net Position</b>	<u><u>\$ 51,825</u></u>

The accompanying notes are an integral part of these financial statements.

**City Court of Oakdale and Ward 5 of Allen Parish, Louisiana**

Oakdale, Louisiana

**Statement of Activities**

**For the Year Ended December 31, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Government</u>
			<u>Contribution</u>	<u>Contribution</u>	<u>Governmental</u>
			<u>s</u>	<u>s</u>	<u>Activities</u>
<b>Primary Government</b>					
<b>Governmental Activities:</b>					
Court administration	\$ 279,680	\$ 26,698	\$ 238,029	\$ --	\$ (14,953)
<b>Total Primary Government</b>	<u>\$ 279,680</u>	<u>\$ 26,698</u>	<u>\$ 238,029</u>	<u>\$ --</u>	<u>\$ (14,953)</u>
		<b>General Revenues:</b>			
		Interest			25
		Miscellaneous income			1,226
		<b>Total General Revenues</b>			<u>1,251</u>
		<b>Change in Net Position</b>			<u>(13,702)</u>
		<i>Net Position at Beginning of Period</i>			65,527
		<b>Net Position at End of Period</b>			<u><u>\$ 51,825</u></u>

The accompanying notes are an integral part of these financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

City Court of Oakdale and Ward 5 of Allen Parish, Louisiana

Oakdale, Louisiana

Balance Sheet

Governmental Fund

December 31, 2020

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and certificates of deposit	\$ 101,223
Accounts receivable - intergovernmental	12,658
<b>Total Assets</b>	<u>113,881</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Aggregated deferred outflows	--
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 113,881</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 13,336
Accrued payroll liabilities	994
<b>Total Liabilities</b>	<u>14,330</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Aggregated deferred inflows	--
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>14,330</u>
<b>FUND BALANCE</b>	
Unassigned	99,551
<b>Total Fund Balance</b>	<u>99,551</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 113,881</u>

The accompanying notes are an integral part of these financial statements.

City Court of Oakdale and Ward 5 of Allen Parish, Louisiana

Oakdale, Louisiana

Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position

December 31, 2020

Total Fund Balance - Governmental Fund	\$	99,551
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.		15,190
Pension related changes in net pension liability that are only reported in the Statement of Net Position as deferred inflows of resources.		(4,538)
Pension related changes in net pension liability that are only reported in the Statement of Net Position as deferred outflows of resources.		15,231
Net pension liability reflected in the Statement of Net Position not in governmental fund balance sheet.		(73,609)
<b>Total Net Position - Governmental Activities</b>	\$	<b><u>51,825</u></b>

The accompanying notes are an integral part of these financial statements.



**City Court of Oakdale and Ward 5 of Allen Parish, Louisiana**  
 Oakdale, Louisiana  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended December 31, 2020**

	<b>General Fund</b>
<b>Revenues</b>	
Court costs and fine revenue	\$ 26,698
Interest	25
Intergovernmental	238,029
Miscellaneous	1,226
<b><i>Total Revenues</i></b>	<b>265,978</b>
<b>Expenditures</b>	
Current:	
Contract service	3,438
Computer	5,018
Dues and subscriptions	4,470
Insurance	287
Office	2,950
Payroll taxes	9,645
Postage	3,435
Professional fees	12,843
Repairs and maintenance	200
Retirement	57,526
Salaries	167,180
Telephone	9,552
<b><i>Total Expenditures</i></b>	<b>276,544</b>
<b><i>Net Change in Fund Balance</i></b>	<b>(10,566)</b>
<i>Fund Balance at Beginning of Period</i>	110,117
<b><i>Fund Balance at End of Period</i></b>	<b>\$ 99,551</b>

The accompanying notes are an integral part of these financial statements.

**City Court of Oakdale and Ward 5 of Allen Parish, Louisiana**

Oakdale, Louisiana

**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and  
Changes in Fund Balance to Statement of Activities**

**For the Year Ended December 31, 2020**

Total Net Change in Fund Balance - Governmental Fund	\$	(10,566)
Depreciation expense reflected in entity-wide statements, but not reflected in governmental fund statements.		(5,069)
Pension expense is based on employer contributions in the government fund Statement of Revenues, Expenditures, and Changes in Net Position but actuarial calculated expense on the Statement of Activities.		1,933
<b>Changes in Net Position - Governmental Activities</b>	<b>\$</b>	<b><u>(13,702)</u></b>

The accompanying notes are an integral part of these financial statements.

CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana

Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2020

	<u>Agency Funds</u>
ASSETS	
Cash	\$ <u>84,494</u>
LIABILITIES	
Advanced costs/bond deposits	\$ <u>84,494</u>

The accompanying notes are an integral part of these financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Notes to the Basic Financial Statements**

December 31, 2020

(A) Summary of Significant Accounting Policies

The City Court of Oakdale and Ward 5 of Allen Parish, Louisiana was established under Louisiana Revised Statutes 13:1870 et seq. Its territorial jurisdiction extends throughout Ward 5 of Allen Parish in which the City of Oakdale is located. The City Court officials include the City Court Judge (elected for a term of six years) and the City Clerk (appointed by the City Court Judge). The City Court Judge assesses court costs in civil and criminal matters including traffic violations. These costs are utilized in the operation of the City Court. Costs are deposited into separate special accounts for the City Court.

The accounting and reporting policies of the City Court conform to generally accepted accounting principles as applied to governments and to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The following is a summary of certain significant accounting policies:

1. Basis of Presentation

The accompanying basic financial statements of the City Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have also 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 City Court as a whole. These statements include all the financial activities of the City Court except for fiduciary funds. The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the City Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include court cost income and intergovernmental revenues that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including any taxes and interest, are presented as general revenues.

Fund Financial Statements (FFS)

The City Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the City Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City Court or if

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its total assets, liabilities, revenues or expenditures are at least 10% of the corresponding total for all governmental funds. The funds of the City Court are described below:

**Governmental Fund -**

The General Fund is the principal fund of the City Court and is used to account for the operations of the City Court. The various fees and charges due to the City Court are accounted for in this fund. General operation expenditures are paid from this fund.

**Fiduciary Funds -**

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the City Court are agency funds. The agency funds (Civil Court Fund, Cash Bond Fund, and Fines and Restitution Fund) account for assets held by the City Court as an agent for outside parties, including other governments, or on behalf of other funds within the government.

**2. Financial Reporting Entity**

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component unit should be considered part of the reporting entity for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, including the following:

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

The City Court Judge and the Ward Marshal are independently elected officials and each represents a separate reporting entity. The Ward Marshal executes orders of the City Court Judge including making arrests and preserving the peace.

The accompanying financial statements present information only on the funds maintained by the City Court and do not present information on the Ward Marshal, the City of Oakdale, or the Allen Parish Police Jury, the general government services provided by those governmental units, or any other governmental units.

**3. Measurement Focus/Basis of Accounting**

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

**Measurement Focus**

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

All governmental funds utilize a “current financial resources” measurement focus. Under this measurement focus, only current financial assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. These funds use fund balances as their measure of available spendable financial resources at the end of the period. This approach is then reconciled, through adjustment, to a government-wide view of City Court operations.

**Basis of Accounting**

In the government-wide statement of net position and statement of activities, 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 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 governmental funds utilize the modified accrual basis of accounting, under which revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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 outlays) are recorded when the related fund liability is incurred, as under accrual accounting, except interest and principal payments on general long-term debt are recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Court costs, penalties, fines, and miscellaneous revenues are recorded in the year in which they are received in cash because they are generally not measurable until actually received. Intergovernmental

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revenue and interest income are accrued when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Capital expenditures are regarded as expenditures at the time of purchase.

Agency 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.

**4. Budgetary Accounting**

A general fund budget is adopted on a basis consistent with generally accepted accounting principles. On or before December 15 of each year, the budget is prepared by function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. The proposed budget for a particular fiscal year is presented to the City Court Judge for review and adoption by the end of the preceding year. Any changes in the budget must be within the revenues and reserves estimated. Expenditures may not legally exceed budgeted appropriations at the activity level. The original budget for 2020 was not amended during the year.

**5. 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 or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The City Court maintains a threshold level of \$750 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend 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	5-7 Years
Equipment	5-10 Years
Improvements	10-20 Years

**6. Compensated Absences**

The City Court has the following policy relating to vacation and sick leave:

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Employees of the City Court earn two to three weeks of vacation and 10 days of sick leave each year, depending on length of service. Vacation is cumulative and sick leave must be used in the year earned. The City Court's recognition and measurement criteria for compensated absences include:

- a. The employee's rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.
- c. The accrued compensated absences at December 31, 2020 amounted to \$0.

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City Court as an extension of formal budgetary integration in the funds.

8. Equity Classification

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 – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does fall within the above classifications.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City Court's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified 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 for specific purposes determined by a formal action of the City Court Judge. The City Court Judge is the highest level of decision-making authority for the



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City Court. Commitments may be established, modified, or rescinded only by the City Court Judge.

- 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. Under the City Court’s adopted policy, only the City Court Judge may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

It is the Court’s policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Court uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made that can properly be attributed to the earlier listed classifications.

9. Use of Estimates

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

10. Advanced Costs

Advanced costs represent money received in connection with civil suits that is accounted for in the Civil Court Fund. The parties in each civil suit are required to make advance payments to cover the costs charged by the City Court in processing the suit. These cash advances remain in the advance costs account until earned, at which time they are disbursed to the proper entities, or until the case has been dismissed or closed and the remaining amount is refunded.

11. Cash and Certificates of Deposit

Cash includes amounts in demand deposits and time deposits. Under state law (LA. R. S. 33:2955), the City Court may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having an office in Louisiana. These deposits are stated at cost, which approximates market.

12. Revenues, Expenditures, and Expenses

Operating revenues

Operating revenues and expenses are those that result from the services performed by the City Court. Court costs and fine revenues are recorded when the City Court is entitled to the funds.

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

Expenditures/Expenses

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

13. Pensions

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

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

15. Subsequent Events

Management has evaluated subsequent events through August 11, 2021, the date the financial statements were available to be issued.

(B) City Court Operations

Fines collected by the City Court are required to be remitted to the City of Oakdale, LA, when the prosecutions are on behalf of the City, to the Allen Parish Police Jury when the prosecutions are on behalf of the state or parish, and to other various state agencies as required by law.

The City Court Judge assesses court costs in both criminal and civil cases under the authority of Louisiana Revised Statutes 13:2110, 13:841 and 13:1899. Costs collected in criminal matters (including traffic violations) are used to pay the operational expenses of the City Court. Court costs collected in civil cases are paid to the City Court Judge, the Ward Marshal and other agencies.

The City of Oakdale, LA and the Allen Parish Police Jury pay salary payments directly to the City Court Judge and the City Court's employees. The City Court supplements the City Court employees' salaries. The City Court is provided office and courtroom space by the City of Oakdale without charge.

(C) Cash and Certificates of Deposit

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Under state law, the City Court may deposit funds with a fiscal agent bank located in the parish or congressional district that is organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City Court may also invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having an office in Louisiana. At December 31, 2020, the City Court has cash and certificates of deposit (book balances) totaling \$185,717.

	Governmental Fund	Fiduciary Funds	Total
Demand deposits	\$50,560	\$ 84,494	\$135,054
Certificates of deposit	<u>50,663</u>	<u>-</u>	<u>50,663</u>
Total	<u>\$101,223</u>	<u>\$ 84,494</u>	<u>\$185,717</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City Court will not recover amounts held on deposit with the institution or the collateral securities pledged to protect such deposits. Under state law, 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 or exceed the amount on deposit with the fiscal agent bank. 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 December 31, 2020 totaled \$187,563 and are fully insured by federal deposit insurance and therefore not exposed to custodial credit risk.

**(D) Capital Assets**

A summary of changes in capital assets follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Furniture, fixtures and equipment	\$ 76,904	-	447	\$ 76,457
Less: Accumulated depreciation	<u>56,645</u>	<u>5,069</u>	<u>447</u>	<u>61,267</u>
Capital assets, net	<u>\$ 20,259</u>	<u>\$ (5,069)</u>	<u>\$ -</u>	<u>\$ 15,190</u>

Depreciation expense in the amount of \$5,069 was charged to court administration.

**(E) Pension Plan**

*Louisiana State Employees' Retirement System*

On behalf of the City Court Judge, the City Court civil fund contributes to the Louisiana State Employees' Retirement System (the System or LASERS), a cost sharing multiple-employer, public employee retirement system controlled and administered by a separate board of trustees. All state employees except certain classes excluded by statute become members of the System as a condition of employment unless they elect to continue as a contribution member in any other retirement system for which they are eligible for membership. Elected officials and officials appointed by the governor may, at their option, become members of the System.

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The System also provides retirement, death and disability benefits to plan members and beneficiaries. Benefits are established by state statute. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213 or by calling (800) 256-3000 or online at <https://lasersonline.org>.

Judges first elected prior to January 1, 2011 contribute 11.5 percent of their salaries to the plan. For the City Court Judge the City Court is required by statute to contribute 42.4 percent from January 1, 2020 to June 30, 2020 and 42.5 percent from July 1, 2020 to December 31, 2020 of covered salaries. The City Court contributions to the System for the years ended December 31, 2020, 2019 and 2018 were \$8,077, \$8,136 and \$9,058, respectively. The amount of legally required contributions payable to the plan at December 31, 2020 was \$729. This balance is expected to be paid by January 15, 2020.

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

At December 31, 2020, the City Court reported a liability of \$73,609 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City Court's proportion of the net pension liability was based on a projection of the City Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental agencies, actuarially determined. At June 30, 2020, the City Court's proportion was 0.00089%, which was a decrease of 0.00011% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the City Court recognized pension expense of \$6,144. At December 31, 2020, the City Court recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 707
Net difference between projected and actual earnings on pension plan investments	10,760	-
Changes in assumptions	236	-
Changes in proportion	-	-
Changes in proportion and differences between City Court contributions and proportionate share of contributions	684	3,831
City Court contributions subsequent to the measurement date	<u>3,551</u>	<u>-</u>
Total	<u>\$15,231</u>	<u>\$ 4,538</u>

The \$3,551 reported as deferred outflows of resources related to pensions resulting from the City Court contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year ended December 31:	
2021	\$ (1,778)
2022	3,103
2023	3,325
2024	2,492
2025	-
Thereafter	-
Total	<u>\$ 7,142</u>

*Actuarial assumptions.* The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.55%, per annum, net of investment expense
Expected Remaining Service Lives	2 years
Inflation Rate	2.3%
Salary Increases, including inflation and merit	2.6% to 5.1% for Judges

**Plan Description**

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

**Retirement Benefits**

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. Rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. 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. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. For special classes of employees, such as judges, separate eligibility provisions and benefits may apply.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected

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officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

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

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

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

#### Deferred Benefits

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

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allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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

For members who are in the Harbor Police Plan, the annual DROP interest rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if a member does not cease employment after DROP participation.

#### Disability Benefits

Generally, active 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.

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service. If the disability benefit retiree is permanently confined to a wheelchair, or is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

#### Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 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.

*The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.*

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Notes to the Basic Financial Statements-Continued**

December 31, 2020

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the members final average compensation.

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivor benefits paid to a surviving spouse without children are equal to 40% of final average compensation and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation, and cease upon remarriage, and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, regardless of children. Line of duty survivor benefits cease upon remarriage, and then the benefit is paid to the participant's children under 18.

*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.

*Cost of Living Adjustments*

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic. The investment rate of return used in the actuarial valuation for funding purposes was 7.9%, recognizing an additional 35 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.55%, which is the same as the discount rate. Therefore, the 7.55% discount was deemed to be reasonable.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.25% for 2020. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2020 are summarized in the following table:

<b>Expected Long-Term Real Rates of Return</b>	
<u>Asset Class</u>	<u>2020</u>
Cash	-0.59%
Domestic Equity	4.79%
International Equity	5.83%
Domestic Fixed Income	1.76%
International Fixed Income	3.98%
Alternative Investments	6.69%
Risk Parity	4.20%
Total Fund	5.81%



**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Notes to the Basic Financial Statements-Continued**

December 31, 2020

*Mortality rate.* The mortality rate assumption for non-disabled members used was set based upon the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2019 Mortality Improvement Scale, applied on a fully generational basis. The mortality rate assumption for disabled members used was set based upon the RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement. Termination, disability and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members for 2020. The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provision for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

*Discount rate.* The discount rate used to measure the total pension liability was 7.55%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City Court's proportionate share of pension liability to changes in the discount rate.* The following presents the City Court's proportionate share of the net pension liability calculated using the discount rate (7.55%) as well as what the City 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 (6.55%) and one percentage point higher (8.55%) than the current rate:

	<b>1% Decrease (6.55%)</b>	<b>Discount Rate (7.55%)</b>	<b>1% Increase (8.55%)</b>
City Court's proportionate share of the net pension liability	\$90,454	\$73,609	\$59,314

Changes in Net Pension Liability – The changes in net pension liability for the year ended December 31, 2020 were recognized in the current reporting period as pension expense except as follows:

*Differences Between Expected and Actual Experience:*

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources of \$707 for the year ended December 31, 2020.

*Net Difference between Projected and Actual Earnings on Pension Plan Investments:*

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed four-year period. The difference

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Notes to the Basic Financial Statements-Continued**

December 31, 2020

between projected and actual earnings on pension plan investments resulted in a deferred outflow of resources of \$10,760 for the year ended December 31, 2020.

*Changes in Assumptions or Other Inputs:*

Changes in assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes in assumptions or other inputs resulted in a deferred outflow of resources of \$236 for the year ended December 31, 2020.

*Change in Proportion:*

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Changes in employer's portion of the beginning net pension liability resulted in a deferred outflow of resources of \$684 and a deferred inflow of resources of \$3,831 for the year ended December, 2020.

*Municipal Employees' Retirement System of Louisiana*

On behalf of eligible employees, other than the City Court Judge, the City Court contributes to the Municipal Employees' Retirement System of Louisiana (*the System*), a cost sharing multiple-employer, defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans (Plan A and Plan B). Employees are members of Plan A.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination.

The System also provides death and disability benefits to plan members and beneficiaries. Benefits are established by state statute. The Municipal Employees' Retirement System issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Blvd., Baton Rouge, LA 70809 or by calling (225) 925-4810 or on-line at [www.mersla.com](http://www.mersla.com).

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary from January 1, 2020 to June 30, 2020 and 10 percent from July 1, 2020 to December 31, 2020. The City Court is required by the same statute to contribute an actuarially determined rate. The rate was 27.75 percent from January 1, 2020 to June 30, 2020 and 29.50 percent from July 1, 2020 to December 31, 2020. In addition, contributions to the System include ¼ of one percent of the taxes shown to be collectible by the tax rolls of each respective parish, except Orleans Parish. The tax dollars are divided between Plan A and Plan B based proportionately on the salaries of active members of each plan. The contribution requirements of plan members

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Notes to the Basic Financial Statements-Continued**

December 31, 2020

and the City Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City Court's contributions to Plan A of the System for the years ended December 31, 2020, 2019 and 2018 were \$1,012, \$950, and \$1,050, respectively. The amount of legally required contributions payable to the plan at December 31, 2020 was \$145. This balance is expected to be paid by January 15, 2020.

(F) Agency Fund Activity

A summary of changes in agency fund unsettled deposits is as follows:

	Unsettled Deposits <u>12/31/19</u>	<u>Additions</u>	<u>Reductions</u>	Unsettled Deposits <u>12/31/20</u>
Agency funds:				
Civil Court Fund	\$ 68,914	\$ 40,253	\$ 45,805	\$ 63,362
Cash Bond Fund	21,636	-	504	21,132
Fines and Restitution Fund	<u>-</u>	<u>166,557</u>	<u>166,557</u>	<u>-</u>
Total	<u>\$ 90,550</u>	<u>\$ 206,810</u>	<u>\$ 212,866</u>	<u>\$ 84,494</u>

(G) Risk Management

The City Court is exposed to various risks of loss related to torts, damage to, theft of and destruction of assets; errors and omissions; injuries to employees and the public; and natural disasters. The City Court is covered by the City of Oakdale's commercial insurance, including workers' compensation and employee health and accident insurance. No claims from these risks have exceeded commercial insurance coverage in any of the past three years.

(H) Expenditures of the City Court Paid by the City of Oakdale, LA

The City Court is located in Oakdale City Hall. The City of Oakdale, LA, as required by statute, pays the cost of maintaining and operating the City Court. These expenditures, except those noted in Note I are not included in the accompanying basic financial statements.

(I) On-Behalf Payments of Fringe Benefits and Salaries

GASB Statement No. 24 establishes accounting and financial reporting for on-behalf payments for fringe benefits and salaries. The following amounts were paid by the listed government entities on-behalf of the City Court for employee salaries and fringe benefits during 2020:

Allen Parish Police Jury	\$ 17,346
City of Oakdale	129,852
Judicial Branch of Louisiana	<u>77,160</u>
Total	<u>\$224,358</u>

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Notes to the Basic Financial Statements-Continued**

December 31, 2020

In accordance with GASB Statement No. 24, these on-behalf payments are included as intergovernmental revenues and expenditures in the accompanying financial statements. Included in the above on-behalf payments are \$56,515 in employer pension contributions to pension plans for which the City Court is not legally responsible. Those plans include the Louisiana State Employees Retirement System (\$33,646 in employer contributions) and the Municipal Employees Retirement System (\$22,869 in employer contributions).

**REQUIRED SUPPLEMENTARY INFORMATION**

City Court of Oakdale and Ward 5 of Allen Parish, Louisiana

Oakdale, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual  
General Fund

For the Year Ended December 31, 2020

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable (Unfavorable) Final to Actual</b>
<b>Revenues</b>				
Court cost and fine revenue	\$ 70,000	\$ 70,000	\$ 26,698	\$ (43,302)
Interest	25	25	25	--
Intergovernmental	200,000	200,000	238,029	38,029
Miscellaneous	--	--	1,226	1,226
<b>Total Revenues</b>	<b>270,025</b>	<b>270,025</b>	<b>265,978</b>	<b>(4,047)</b>
<b>Expenditures</b>				
Current:				
Contract service	4,500	4,500	3,438	1,062
Computer	9,500	9,500	5,018	4,482
Dues and subscriptions	5,000	5,000	4,470	530
Education	7,300	7,300	--	7,300
Insurance	350	350	287	63
Office	4,500	4,500	2,950	1,550
Payroll taxes	13,000	13,000	9,645	3,355
Postage	3,000	3,000	3,435	(435)
Professional fees	14,000	14,000	12,843	1,157
Repairs and maintenance	500	500	200	300
Retirement	60,000	60,000	57,526	2,474
Salaries	200,000	200,000	167,180	32,820
Telephone	9,800	9,800	9,552	248
Travel	7,000	7,000	--	7,000
Uniforms	250	250	--	250
Capital outlay	3,500	3,500	--	3,500
<b>Total Expenditures</b>	<b>342,200</b>	<b>342,200</b>	<b>276,544</b>	<b>65,656</b>
<b>Net Change in Fund Balance</b>	<b>(72,175)</b>	<b>(72,175)</b>	<b>(10,566)</b>	<b>61,609</b>
<i>Fund Balance at Beginning of Period</i>	110,117	110,117	110,117	--
<b>Fund Balance at End of Period</b>	<b>\$ 37,942</b>	<b>\$ 37,942</b>	<b>\$ 99,551</b>	<b>\$ 61,609</b>

The accompanying notes are an integral part of these financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**General Fund**

**Schedule of City Court's Proportionate Share of  
Net Pension Liability**

**Louisiana State Employee's Retirement System (LASERS)**

**Last 10 Fiscal Years**

<b>*Fiscal Year Ended June 30:</b>	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
City Court's proportion of the net pension liability (asset)	.00089%	.00100%	.00123%	.00090%	.00099%	.00079%	Unavailable	Unavailable	Unavailable	Unavailable
City Court's proportionate share of the net pension liability (asset)	\$73,609	\$72,522	\$84,226	\$63,420	\$77,348	\$53,460	Unavailable	Unavailable	Unavailable	Unavailable
City Court's covered-employee payroll	\$17,604	\$19,113	\$22,589	\$19,005	\$17,456	\$18,449	Unavailable	Unavailable	Unavailable	Unavailable
City Court's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	418.14%	379.44%	372.86%	333.70%	443.10%	289.77%	Unavailable	Unavailable	Unavailable	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	58.00%	62.90%	64.30%	62.54%	57.70%	62.70%	Unavailable	Unavailable	Unavailable	Unavailable

*\*Amounts presented were determined as of the measurement date (year ending June 30 of each year).*

**CITY COURT OF OAKDALE, AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**General Fund**

**Schedule of City Court's Contributions**

**Louisiana State Employee's Retirement System (LASERS)**

**Last 10 Fiscal Years**

<b>*Fiscal Year Ended December 31:</b>	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$8,077	\$8,136	\$9,058	\$7,616	\$6,370	\$6,997	Unavailable	Unavailable	Unavailable	Unavailable
Contributions in relation to the contractually required contribution	<u>\$8,077</u>	<u>\$8,136</u>	<u>\$9,058</u>	<u>\$7,616</u>	<u>\$6,370</u>	<u>\$6,997</u>	Unavailable	Unavailable	Unavailable	Unavailable
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Unavailable	Unavailable	Unavailable	Unavailable
City Court's covered-employee payroll	\$19,029	\$19,689	\$22,589	\$19,577	\$16,740	\$18,665	Unavailable	Unavailable	Unavailable	Unavailable
Contribution as a percentage of covered-employee payroll	42.44%	41.32%	40.10%	38.90%	38.05%	37.49%	Unavailable	Unavailable	Unavailable	Unavailable

*\*Amounts presented were determined as of the end of the Court's fiscal year.*



**CITY COURT OF OAKDALE, AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**General Fund**

**Notes to Required Supplementary Information  
for the Year Ended December 31, 2020**

(A) Budget and Budgetary Accounting

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

- a. The Clerk of Court prepares a proposed budget and presents it to the Judge prior to ninety days before the beginning of each fiscal year.
- b. After the proposed budget is presented to the Judge, if the budgeted expenditures equal or exceed \$500,000, the Judge publishes the proposed budget and notifies the public that the proposed budget is available for public inspection.
- c. Any changes in the proposed annual operating budget require the Judge's approval.
- d. No later than the end of the fiscal year, the Judge adopts the annual operating budget for the ensuing fiscal year.
- e. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- f. Budget appropriations lapse at year-end.

(B) Excess of Expenditures Over Appropriations

Formal budgetary integration is employed as a management control device during the year, and encumbrance accounting is not used by the Court. Budgeted amounts included in the accompanying financial statements include the original adopted and final budget amounts. The budget for the general fund was not amended during the year.

(C) Pension Information

The schedule of the City Court's proportionate share of the net pension liability and the schedule of the City Court's pension contributions are intended to show information for 10 years. Additional years will be displayed as they become available.

**OTHER INFORMATION**

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**FIDUCIARY FUNDS  
Agency Funds**

**Fines and Restitution Fund -**

To account for the receipt and disbursement of fines and costs from criminal proceedings to the appropriate governmental entity.

**Civil Court Fund -**

To account for advance deposits in civil suits and the receipt and disbursement of civil docket fees, small claims fees, and garnishments.

**Cash Bond Fund -**

To account for the collection and disbursement of bonds in criminal proceedings.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Combining Statement of Fiduciary Net Position  
Fiduciary Fund Type – Agency Funds  
December 31, 2020**

	Civil Court Fund	Cash Bond Fund	Fines and Restitution Fund	Totals
<b>ASSETS</b>				
Cash	\$ <u>63,362</u>	\$ <u>21,132</u>	\$ _____ -	\$ <u>84,494</u>
Total Assets	<u>63,362</u>	<u>21,132</u>	_____ -	<u>84,494</u>
<b>LIABILITIES</b>				
Advanced costs	63,362	-	-	63,362
Bond deposits	_____ -	<u>21,132</u>	_____ -	<u>21,132</u>
Total Liabilities	\$ <u>63,362</u>	\$ <u>21,132</u>	\$ _____ -	\$ <u>84,494</u>

The accompanying notes are an integral part of these financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Fund Type – Agency Funds  
Year Ended December 31, 2020**

	<u>Civil Court Fund</u>	<u>Cash Bond Fund</u>	<u>Fines and Restitution Fund</u>	<u>Totals</u>
Balances, beginning of year	\$ 68,914	\$ 21,636	\$ -	\$ 90,550
Additions:				
Deposits –				
Civil suits and garnishments	40,253	-	-	40,253
Fines and court costs	-	-	166,557	166,557
Cash bonds	-	-	-	-
Total additions	<u>40,253</u>	<u>-</u>	<u>166,557</u>	<u>206,810</u>
Subtotal	109,167	21,636	166,557	297,360
Reductions:				
Deposits settled to –				
Allen Parish Clerk of Court	8,345	-	-	8,345
Allen Parish Police Jury	-	-	29,524	29,524
Allen Parish District Attorney	-	-	11,151	11,151
City of Oakdale	-	-	18,963	18,963
Indigent Defender Fund	-	-	27,477	27,477
Miscellaneous	2,469	504	974	3,947
Oakdale City Court	307	-	42,802	43,109
Oakdale City Court – Judge	30,148	-	-	30,148
Other State Agencies	546	-	13,345	13,891
Ward Marshal	<u>3,990</u>	<u>-</u>	<u>22,321</u>	<u>26,311</u>
Total reductions	<u>45,805</u>	<u>504</u>	<u>166,557</u>	<u>212,866</u>
Balances, end of year	<u>\$ 63,362</u>	<u>\$ 21,132</u>	<u>\$ -</u>	<u>\$ 84,494</u>

The accompanying notes are an integral part of these financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**Schedule of Compensation, Benefits and Other Payments to  
Chief Executive Officer/Judge  
Year Ended December 31, 2020**

Chief Executive Officer: Judge Judi Abrusley

<u>Purpose</u>	<u>Amount</u>
<b>Paid by City Court of Oakdale and Ward 5 of Allen Parish:</b>	
Salary	19,029
Benefits – Retirement	8,077
Benefits – Payroll Taxes	276
Benefits – Cell Phone	1,096
Per Diem	-
Reimbursements	-
Conference Travel	-
Continuing Education	-
<b>Paid by the City of Oakdale:</b>	
Salary	18,083
Benefits – Retirement	7,676
Benefits – Payroll Taxes	262
<b>Paid by the Allen Parish Police Jury:</b>	
Salary	12,000
Benefits – Retirement	5,172
Benefits – Payroll Taxes	174
<b>Paid by Judicial Branch of Louisiana:</b>	
Salary	48,995
Benefits – Retirement	20,798
Benefits – Insurance	6,691
Benefits – Payroll Taxes	676

The accompanying notes are an integral part of these financial statements.

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**Justice System Funding Schedule - Collecting/Disbursing Entity  
City Court of Oakdale  
Year Ended December 31, 2020**

	First 6 Month Period Ended Jan - June 2020	Second 6 Month Period Ended July - Dec 2020	
Beginning Balances of Amounts Collected			
Amounts Collected but not disbursed (PY Payable)	90,550	79,131	
<b>Add Collections:</b>			
Civil Fees	23,190	17,064	
Bond Fees	0		
Criminal Court Costs/Fees	61,125	41,040	
Criminal Fines - Contempt	8,408	3,368	
Criminal Fines - Other	29,018	21,393	
Restitution	360	1,845	
Other			
Subtotal Collections	122,101	84,710	
<b>Less: Disbursements to Governments &amp; Nonprofits:</b>			
Allen Parish Police Jury	Criminal Fines - Other	16,489	12,885
Allen Parish Police Jury	Criminal Court Costs/Fees	150	
Allen Parish District Attorney	Criminal Court Costs/Fees	4,040	3,080
Allen Parish District Attorney	Criminal Fines - Other	2,439	1,593
City of Oakdale	Criminal Fines - Other	10,589	8,174
City of Oakdale	Other	200	0
Court Management Information System (CMIS)	Criminal Court Costs/Fees	797	190
Louisiana Supreme Court	Criminal Court Costs/Fees	175	115
Allen Parish Crime Stoppers	Criminal Court Costs/Fees	436	202
Crime Victims - LLE	Criminal Court Costs/Fees	450	210
Indigent Defender Board	Criminal Court Costs/Fees	16,780	10,697
LA Rehab Service	Criminal Court Costs/Fees	1,045	540
Ward Marshal of Allen Parish Ward Five	Criminal Court Costs/Fees	13,591	8,730
SW Louisiana Crime Lab	Criminal Court Costs/Fees	3,170	2,000
Louisiana Supreme Court Judicial College Collection	Criminal Court Costs/Fees	2,324	1,691
United States Treasury	Civil Fees	7,733	2,711
LA State Treasurer	Civil Fees	1,559	910
Allen Parish Clerk of Court	Civil Fees	5,755	2,590
Ward Marshal of Allen Parish Ward Five	Civil Fees	2,580	1,410
Sheriff East Baton Rouge	Civil Fees	141	405
Louisiana State Employees' Retirement System	Civil Fees	207	69
<b>Less Amounts Retained by Collecting Agency</b>			
<b>Self-Disbursed:</b>			
Oakdale City Court	Criminal Fines - Contempt	11,400	5,400
Oakdale City Court	Criminal Court Costs/Fees	16,333	9,976
Oakdale City Court	Bond Fees	426	76
<b>Less Disbursements to Individuals/3rd Party Collection or Processing Agencies</b>			
LA Comm on Law Enforcement	Other	196	65
Bank Service Charges Fine Fund	Other	243	270
Miscellaneous Ded/Refunds	Other	0	600
Judge Judi Abrusley	Civil Fees	14,272	4,757
Subtotal Disbursement/Retainage:		133,520	79,346
Total Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on han		79,131	84,495
Ending Balance of Total Amount Assessed but not yet Collected		103,301	104,278

The accompanying notes are an integral part of these financial statements.

# ROYCE T. SCIMEMI, CPA, APAC



## CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210  
Oberlin, LA 70655  
Tele (337) 639-4334, Fax (337) 639-4068

Member  
American Institute of  
Certified Public Accountants

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Certified Public Accountants

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

August 11, 2021

Honorable Judge Luke Abrusley  
City Judge  
City Court of Oakdale  
and Ward 5 of Allen Parish, Louisiana  
Oakdale, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, the major fund, and each fiduciary fund of the City Court of Oakdale and Ward 5 of Allen Parish, Louisiana (the "City Court"), as of and for the year ended December 31, 2020, and the related notes to the basic financial statements, which collectively comprise the City Court's basic financial statements and have issued our report thereon dated August 11, 2021.

#### ***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses, as finding 2020-1 I/C, that we consider to be a significant deficiency.



Honorable Judge Luke Abrusley  
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***Compliance and Other Matters***

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

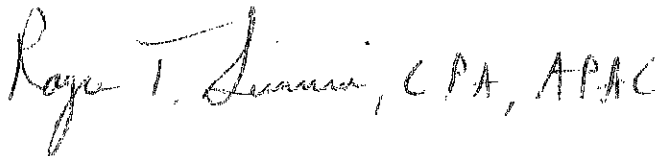
***City Court's Response to Findings***

The City Court's response to the findings identified in our audit is described in the accompanying management's corrective action plan to the current year audit findings and responses. The City Court's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

This 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 for the information and use of the City Court, others within the entity, federal awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

Royce T. Scimemi, CPA, APAC



**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA**  
Oakdale, Louisiana

**SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended December 31, 2020**

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Control deficiencies(s) identified that are not considered to be material weakness(es)?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Findings – Financial Statement Audit**

Finding #2020-1 I/C:  
Significant deficiency

Inadequate Segregation of Duties

Because of the lack of a large staff for entities of this type and size, more specifically accounting personnel, there is insufficient segregation of duties necessary for proper controls. We do note that this situation is inherent in most entities of this type and is difficult to solve due to the funding limitations of the City Court. We recommend that the City Court Judge take an active interest in the review of all of the financial information.

**Federal Award Findings and Questioned Costs**

-None

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**MANAGEMENT'S CORRECTIVE ACTION PLAN FOR  
AUDIT FINDINGS AND RESPONSES (UNAUDITED)  
Year Ended December 31, 2020**

Finding #2020-1 I/C:

Segregation of Duties:

This is an ongoing finding that cannot be corrected due to lack of financial resources and the size of the entity.

Contact Person: Honorable Judge Luke Abrusley

**CITY COURT OF OAKDALE AND WARD 5  
OF ALLEN PARISH, LOUISIANA  
Oakdale, Louisiana**

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended December 31, 2020**

Finding #2019-1 I/C:

Segregation of Duties:

Contact Person: Honorable Judge Luke Abrusley

Corrective Action Taken: This is an ongoing finding that cannot be corrected due to lack of financial resources and the size of the entity.