

CITY COURT OF OPELOUSAS, LOUISIANA  
ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

Honorable Judge Vanessa Harris  
 City Court of Opelousas  
 Opelousas, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining funds of City Court of Opelousas, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise City Court of Opelousas' basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

Honorable Judge Vanessa Harris  
City Court of Opelousas  
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### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of City Court of Opelousas, as of December 31, 2018 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the schedule of net pension liability, and the schedule of employer contributions on pages 28-34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

#### Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise City Court of Opelousas' basis financial statements. The accompanying individual governmental fund financial statements on pages 35-42 are presented for purposes of additional analysis and are not a part of the financial statements. The schedule of compensation, benefits and other payments to agency head on page 43, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a part of the financial statements.

Honorable Judge Vanessa Harris  
City Court of Opelousas  
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This individual governmental fund financial statements and the schedule are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures 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 financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, individual governmental fund financial statements and the schedule of compensation, benefits and other payments are 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 June 27, 2019, on our consideration of City Court of Opelousas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City Court of Opelousas' 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 City Court of Opelousas' internal control over financial reporting and compliance.

#### **Report on Other Legal and Regulatory Matters**

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated June 27, 2019 on the results of our state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those controls and compliance areas identified in the Louisiana Legislative Auditor's state wide agreed-upon procedures, and the results of that testing and not to provide an opinion on control or compliance.

*John S. Dowling & Company*

Opelousas, Louisiana  
June 27, 2019

## BASIC FINANCIAL STATEMENTS

City Court of Opelousas' basic financial statements comprise the following three components:

Government-wide financial statements - provide readers with a broad overview of City Court of Opelousas' finances in a manner similar to a private sector business.

Fund financial statements - provide readers information with an emphasis on inflows and outflows of resources useful for making decisions in a budgetary context where the focus is on meeting the near-term financial needs.

Notes to basic financial statements - provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018

	<u>GOVERNMENTAL ACTIVITIES</u>
<u>ASSETS</u>	
Cash	\$ 27,359
Investments	29,970
Accounts receivable	1,764
Capital assets (net)	133,950
<u>Total assets</u>	<u>193,043</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources - pensions	<u>43,691</u>
 <u>LIABILITIES</u>	
Current liabilities	
Accounts payable	28,301
Salaries payable	7,474
Payroll taxes payable	415
Due to other governments	10,464
Compensated absences	2,150
Non-current liabilities	
Due in more than one year	
Accrued compensatory pay	57,177
Accrued compensated absences	13,523
Net pension liability	210,327
<u>Total liabilities</u>	<u>329,831</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources - pensions	<u>4,865</u>
 <u>NET POSITION</u>	
Net investment in capital assets	133,950
Restricted for:	
Juvenile docket	19,090
Judicial Building Fund	4,739
Unrestricted	<u>(255,741)</u>
<u>Total net position</u>	<u>(97,962)</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>			<u>NET (EXPENSES)</u>
		<u>FEES, FINES AND CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>	<u>REVENUES AND CHANGES IN NET POSITION</u>
					<u>TOTAL GOVERNMENTAL ACTIVITIES</u>
Governmental Activities					
General government	\$ 1,295,471	\$ 574,304	\$ -	\$ -	\$ (721,167)
Judicial Building Fund	59,873	33,536	-	-	(26,337)
Juvenile Fund	35,922	7,412	21,500	-	(7,010)
<u>Total governmental activities</u>	<u>1,391,266</u>	<u>615,252</u>	<u>21,500</u>	<u>-</u>	<u>(754,514)</u>
General Revenues					
Intergovernmental					492,597
Civil reimbursements					156,554
Interest earned					304
Miscellaneous					8,627
<u>Total general revenues</u>					<u>658,082</u>
					<u>Change in net position</u>
					(96,432)
					<u>Net position – January 1, 2018</u>
					(1,530)
					<u>Net position – December 31, 2018</u>
					<u>(97,962)</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CITY COURT OF OPELOUSAS, LOUISIANA  
BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2018

	<u>GENERAL</u>	<u>JUDICIAL BUILDING</u>	<u>JUVENILE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>				
Cash	\$ 1,030	\$ 8,482	\$ 17,847	\$ 27,359
Investments	29,970	-	-	29,970
Accounts receivable	41	-	-	41
Due from other funds	2,978	-	1,249	4,227
Due from agency fund	1,723	-	-	1,723
<u>Total assets</u>	<u>35,742</u>	<u>8,482</u>	<u>19,096</u>	<u>63,320</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts payable	\$ 27,530	\$ 765	\$ 6	\$ 28,301
Salaries payable	7,474	-	-	7,474
Payroll taxes payable	415	-	-	415
Due to other funds	1,249	2,978	-	4,227
Accrued compensated absences	2,150	-	-	2,150
Due to others	10,464	-	-	10,464
<u>Total liabilities</u>	<u>49,282</u>	<u>3,743</u>	<u>6</u>	<u>53,031</u>
<u>FUND BALANCES</u>				
Fund balances				
Restricted	-	4,739	19,090	23,829
Unassigned	(13,540)	-	-	(13,540)
<u>Total fund balances</u>	<u>(13,540)</u>	<u>4,739</u>	<u>19,090</u>	<u>10,289</u>
<u>Total liabilities and fund balances</u>	<u>35,742</u>	<u>8,482</u>	<u>19,096</u>	<u>63,320</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2018

Total fund balances of governmental funds at December 31, 2018		\$ 10,289
Cost of capital assets at December 31, 2018	\$ 378,069	
Less: Accumulated depreciation as of December 31, 2018	<u>(244,119)</u>	133,950
Long-term liabilities at December 31, 2018		
Compensated absences	(13,523)	
Compensatory pay	(57,177)	
Net pension liability	<u>(210,327)</u>	(281,027)
Deferred outflows of resources related to net pension liability		43,691
Deferred inflows of resources related to net pension liability		<u>(4,865)</u>
Total net position of governmental funds at December 31, 2018		<u><u>(97,962)</u></u>

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>GENERAL</u>	<u>JUDICIAL BUILDING</u>	<u>JUVENILE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>REVENUES</u>				
Fines and fees	\$ 574,304	\$ 33,536	\$ 7,412	\$ 615,252
Intergovernmental	480,975	11,622	-	492,597
Interest earned	304	-	-	304
Civil Reimbursements	136,579	19,975	-	156,554
Miscellaneous	6,864	-	23,263	30,127
<u>Total revenues</u>	<u>1,199,026</u>	<u>65,133</u>	<u>30,675</u>	<u>1,294,834</u>
<u>EXPENDITURES</u>				
Current				
General government - judiciary	1,271,380	59,873	35,922	1,367,175
<u>Total expenditures</u>	<u>1,271,380</u>	<u>59,873</u>	<u>35,922</u>	<u>1,367,175</u>
<u>NET CHANGE IN FUND BALANCES</u>	(72,354)	5,260	(5,247)	(72,341)
<u>FUND BALANCES, beginning of year</u>	<u>58,814</u>	<u>(521)</u>	<u>24,337</u>	<u>82,630</u>
<u>FUND BALANCES, end of year</u>	<u>(13,540)</u>	<u>4,739</u>	<u>19,090</u>	<u>10,289</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Total net change in fund balances for the year ended December 31, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (72,341)
Depreciation expense for year ended December 31, 2018	(31,299)
The effect of recording net pension liability, deferred outflows and deferred inflows of resources as it relates to net pension liability:	
Increase in pension expense	(8,639)
Change in Long-term debt - Compensated absences	<u>15,847</u>
Total change in net position for the year ended December 31, 2018 per Statement of Activities	<u><u>(96,432)</u></u>

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUND  
DECEMBER 31, 2018

ASSETS

Cash	\$ 81,499
Investments	106,497
Due from others	1,437
Accrued interest receivable	<u>79</u>
<u>Total assets</u>	<u><u>189,512</u></u>

LIABILITIES

Due to General Fund	\$ 1,723
Due to others	<u>187,789</u>
<u>Total liabilities</u>	<u><u>189,512</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the City Court of Opelousas, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

A. FINANCIAL REPORTING ENTITY

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish 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 criteria for determining whether an entity is a primary government are as follows:

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

City Court of Opelousas, Louisiana is considered to be a primary government because:

- a. The City Judge is an independently elected official.
- b. City Court of Opelousas possesses the corporate powers that would distinguish it as being legally separate from any other government.
- c. City Court of Opelousas can determine its budget without approval of any other government and it can issue bonded debt without approval of any other government.

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

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the City Court as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FUND FINANCIAL STATEMENTS

Fund financial statements of City Court are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements report detailed information about City Court. As a general rule, interfund eliminations are not made in the fund financial statements.

The various funds of City Court of Opelousas, Louisiana are classified as governmental funds. The emphasis on fund financial statements is on major funds, each displayed in a separate column.

The City Court of Opelousas, Louisiana reports the following major governmental funds:

General Fund. The general fund is the general operating fund of City Court of Opelousas, Louisiana. It is used to account for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds.

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

The Judicial Building Fund shall be used exclusively for the acquisition, leasing, construction, equipping, and maintenance of a new and/or existing city court building and for the maintenance and payment of any bond indebtedness on any such existing facilities.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

The Juvenile Fund shall be used to account for the juvenile fines and fees assessed, for the purpose of providing after-school training programs to equip youth with life skills and to address academic performance and delinquent behavior. The Juvenile Fund also accounts for the proceeds from the Community Based Family Resources Grant, which provides for an after-school training program to equip youth with vital decision making, conflict resolution, social, anger management, and goal setting skills along with promoting academic performance.

Fiduciary Fund (not included in government-wide statements).

The agency fund type is used to account for assets held by a government as a trustee or agent capacity for others. Agency funds generally serve as clearing accounts. City Court's Agency Fund is the Civil Docket Fund. It is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on the balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

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

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

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

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Revenues

Court cost and fine revenue is recorded when received. Substantially all other revenues are recorded when received.

Expenditures

Expenditures for insurance and similar services, which extend over more than one accounting period, are accounted for as expenditures in the period of acquisition.

Purchases of operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of year-end unless significant.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

D. ENCUMBRANCES

City Court does not employ the encumbrance system of accounting.

E. BUDGET

City Court legally adopted a budget for the General Fund and Special Revenue Fund for the year ended December 31, 2018. The budget for the General Fund is prepared on a modified accrual basis. At year-end all appropriations lapse. The budget presented in the Budgetary Comparison Schedule shows the original and final amended budget for the year.

F. CASH AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits and time deposits. Under state law, City Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana RS 33:2955 and City Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash. City Court's policy is to invest in 6 month and 1 year certificates of deposit. The certificates of deposit are stated at cost, which approximates market value.

G. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds" in the fund financial statements. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. RECEIVABLES AND PAYABLES (Continued)

In the fund financial statements, receivables consist of revenues that are both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

H. CAPITAL ASSETS

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.

Capital assets are recorded in the government-wide financial statements. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Land improvements	40 years
Building and improvements	40 years
Furniture and equipment	5 – 40 years
Vehicles	10 – 12 years

In the fund financial statements, capital assets used in governmental fund activities are accounted for as capital outlay expenditures. City Court maintains a threshold level of \$500 or more for capitalized assets.

I. COMPENSATED ABSENCES

Annual and sick leave shall be simultaneously earned by full time employees based on a continuous service schedule. Upon death of the employee, annual leave at time of death shall be paid to the beneficiary of the employee. Upon separation of service, the Court shall pay for up to 240 hours of annual leave based on the regular rate of pay at time of separation.

J. COMPENSATORY TIME

Compensatory time not used accumulates and is paid upon termination, retirement or death. The Judicial Administrator is considered the department head and therefore, cannot be paid for overtime worked. The Judicial Administrator earns compensatory time for overtime worked. The entire amount of accrued compensatory pay is reported on the government-wide financial statements. Since none of the compensatory time is considered current, no accrual is included in the fund financial statements. Judge Harris has requested an Attorney General's opinion as to the validity of this liability. As of the statement date, no reply has been received. Suit was filed on April 27, 2010 with an answer timely filed shortly thereafter. No further activity after that date. Counsel believes that the liability recorded is sufficient.

K. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The City Court of Opelousas, Louisiana does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

L. BAD DEBTS

City Court of Opelousas, Louisiana, does not record bad debts and has not established an allowance for bad debts because it is their policy to record fines and court costs as collected.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. EQUITY CLASSIFICATIONS

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

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

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

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

1. Restricted fund balance – Reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – Consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the city judge – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the judge removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – Reflects the amounts constrained by the judge's "intent" to be used for specific purposes, but are neither restricted nor committed. The judge and the Clerk have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. ESTIMATES

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

NOTE 2 - CASH AND INVESTMENTS

Cash consists of cash on hand, demand deposits, and passbook savings accounts. At December 31, 2018, the carrying amount of City Court's cash was \$108,858 (\$27,359 in governmental funds and \$81,499 in fiduciary funds) and the carrying amounts of investments, which consisted of certificates of deposit, \$136,467 (\$29,970 in governmental funds and \$106,497 in fiduciary funds).

Under state law, the bank balances of cash and investments (certificates of deposit) must be secured by federal deposit insurance or the pledge of securities owned by the bank(s). The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank(s). These securities are held in the name of the pledging bank(s) in a holding or custodial bank(s).

At December 31, 2018, City Court had \$251,155 (\$60,472 in governmental funds and \$190,683 in fiduciary funds) in bank deposits. These deposits are secured from risk by \$251,155 of federal deposit insurance.

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

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 3 – CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2018 for the City Court of Opelousas, Louisiana are as follows:

	Balances 1/1/2018	Additions	Disposals	Balances 12/31/2018
Governmental activities				
Land improvements	\$ 4,000	\$ -	\$ -	\$ 4,000
Building improvements	10,490	-	-	10,490
Furniture and equipment	283,593	-	-	283,593
Vehicles	79,986	-	-	79,986
<u>Total</u>	<u>378,069</u>	<u>-</u>	<u>-</u>	<u>378,069</u>
Less accumulated depreciation				
Land improvements	(2,508)	(100)	-	(2,608)
Building improvements	(5,519)	(765)	-	(6,284)
Furniture and equipment	(157,171)	(22,435)	-	(179,606)
Vehicles	(47,622)	(7,999)	-	(55,621)
<u>Total</u>	<u>(212,820)</u>	<u>(31,299)</u>	<u>-</u>	<u>(244,119)</u>
	<u>165,249</u>	<u>(31,299)</u>	<u>-</u>	<u>133,950</u>

The land and building in which City Court of Opelousas, Louisiana operates are provided by and currently owned by the City of Opelousas, Louisiana and are not included in the capital assets of City Court of Opelousas.

**NOTE 4 – RESTRICTED NET POSITION**

Restricted net position described in Note 1 as of December 31, 2018 is as follows:

Cash:	
Juvenile Docket	\$19,090
Judicial Building Fund	<u>4,739</u>
	<u>23,829</u>

**NOTE 5 – RETIREMENT PLANS**

Municipal Employees' Retirement System of Louisiana (MERS)

General

City Court of Opelousas participates in funding a retirement plan under the City of Opelousas because the majority of salaries and benefits are paid by the City of Opelousas.

Plan Description

Substantially all of City Court's full time employees are provided pension benefits under the City of Opelousas through the Municipal Employees' Retirement System of Louisiana, Plan A. This plan is a cost-sharing, multiple-employer, statewide funded plan. In addition to employee payroll deductions, the funds are remitted to the retirement system and are recorded expenditures. The retirement system is administered and controlled by a separate board of trustees. Contributions of participating agencies are pooled with the system to fund accrued benefits, with contribution rates approved by the Louisiana Legislature. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and Required Supplementary Information. The report may be obtained at <http://www.mersla.com>.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 5 – RETIREMENT PLANS (Continued)**

Funding Policy

Plan A members of the Municipal Employees' Retirement System are required by state statute to contribute 9.5 % of their annual covered salary and City Court (as the employer) is required to contribute at an actuarially determined rate. The rate for the year ending December 31, 2018 was 24.75% of annual covered payroll.

The contribution requirements of plan members and the employer are established by, and may be amended by state law. As required by state law, 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 employer contribution is additionally funded by the State of Louisiana through the annual Legislative appropriation. City Court employer contributions to Municipal Employees' Retirement System for the year ended December 31, 2018 was \$67,337 and was equal to the required contribution for the year.

At December 31, 2018 City Court did not have a proportionate share of the net pension liability since it is under the City of Opelousas' retirement plan. At December 31, 2018 City Court reported deferred outflows of resources related to pensions from employer contributions subsequent to the measurement date of \$24,200. Deferred outflows of resources of \$24,200 related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending December 31, 2019.

Payables to the Pension Plan

At December 31, 2018, City Court reported a payable to the Municipal Employee's Retirement System of Louisiana of \$4,824.

LASERS

Plan Description

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

Benefits Provided

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

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. Our 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 or 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.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 5 – RETIREMENT PLANS (Continued)**

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

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

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 members average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service retirements, becomes eligible for a benefit provided the member lives to the minimum service requirement 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 Retirement Benefits**

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

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 5 – RETIREMENT PLANS (Continued)**

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

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.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship with 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.

Permanent Benefit Increases / Cost-of-Living Adjustments

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

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2018 for the various plans follow:

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 5 – RETIREMENT PLANS (Continued)**

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Appellate Law Clerks	Closed	7.50%	37.90%
Appellate Law Clerks hired on or after 7/1/06	Open	8.00%	37.90%
Alcohol Tobacco Control	Closed	9.00%	32.70%
Bridge Police	Closed	8.50%	36.50%
Bridge Police hired on or after 7/1/06	Closed	8.50%	36.50%
Corrections Primary	Closed	9.00%	33.20%
Corrections Secondary	Closed	9.00%	37.60%
Harbor Police	Closed	9.00%	6.10%
Hazardous Duty	Open	9.50%	38.30%
Judges hired before 1/1/11	Closed	11.50%	40.10%
Judges hired after 12/31/10	Closed	13.00%	39.60%
Judges hired on or after 7/1/15	Open	13.00%	39.60%
Legislators	Closed	11.50%	41.70%
Optional Retirement Plan (ORP) before 7/1/06	Closed	7.50%	33.80%
Optional Retirement Plan (ORP) on or after 7/1/06	Closed	8.00%	33.80%
Peace Officers	Closed	9.00%	36.70%
Regular Employees hired before 7/1/06	Closed	7.50%	37.90%
Regular Employees hired on or after 7/1/06	Closed	8.00%	37.90%
Regular Employees hired on or after 1/1/11	Closed	8.00%	37.90%
Regular Employees hired on or after 7/1/15	Open	8.00%	37.90%
Special Legislative Employees	Closed	9.50%	43.70%
Wildlife Agents	Closed	9.50%	46.60%

City Court's contractually required composite contribution rate for the year ended December 31, 2018 was 40.1% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from City Court were \$22,576 for the year ended December 31, 2018.

Payable to the Pension Plan

At December 31, 2018, City Court reported a payable to LASERS of \$2,425.

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

At December 31, 2018 the Employer reported a liability of \$210,327 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2018 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. City Court's proportion of the Net Pension Liability was based on a projection of City Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, City Court's proportion was .003083% which was an increase of .000050% from its proportion measured as of June 30, 2017.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 5 – RETIREMENT PLANS (Continued)

For the year ended December 31, 2018, City Court recognized pension expense of \$17,171 plus employer's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions of \$(18,083) for a total of \$(952).

At December 31, 2018, City Court reported deferred outflows of resources and deferred inflows of resources as related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 2,359
Changes in assumptions	2,140	-
Net difference between projected and actual earnings on pension plan investments	2,727	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	3,316	2,506
Employer contributions subsequent to the measurement date	<u>11,308</u>	<u>-</u>
Total	<u><u>19,491</u></u>	<u><u>4,865</u></u>

\$11,308 reported as deferred outflows of resources related to pensions resulting from City Court contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>For year ended December 31:</u>	
2018	\$ 7,882
2019	1,344
2020	(5,140)
2021	<u>(770)</u>
Total	<u><u>3,316</u></u>

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 5 – RETIREMENT PLANS (Continued)**

**Actuarial Assumptions**

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

<b>Valuation Date</b>	June 30, 2018																				
<b>Actuarial Cost Method</b>	Entry Age Normal																				
<b>Actuarial Assumptions:</b>																					
<b>Expected Remaining Service Lives</b>	3 years																				
<b>Investment Rate of Return</b>	7.75% per annum																				
<b>Inflation Rate</b>	2.75% per annum																				
<b>Mortality</b>	<p>Non-disabled members: Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.</p> <p>Disabled members: Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>																				
<b>Termination, Disability, &amp; Retirement</b>	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.																				
<b>Salary Increases</b>	<p>Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Member Type</th> <th style="text-align: center;">Lower Range</th> <th style="text-align: center;">Upper Range</th> </tr> </thead> <tbody> <tr> <td>Regular</td> <td style="text-align: center;">3.8%</td> <td style="text-align: center;">12.8%</td> </tr> <tr> <td>Judges</td> <td style="text-align: center;">2.8%</td> <td style="text-align: center;">5.3%</td> </tr> <tr> <td>Corrections</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> <tr> <td>Hazardous Duty</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> <tr> <td>Wildlife</td> <td style="text-align: center;">3.4%</td> <td style="text-align: center;">14.3%</td> </tr> </tbody> </table>			Member Type	Lower Range	Upper Range	Regular	3.8%	12.8%	Judges	2.8%	5.3%	Corrections	3.4%	14.3%	Hazardous Duty	3.4%	14.3%	Wildlife	3.4%	14.3%
Member Type	Lower Range	Upper Range																			
Regular	3.8%	12.8%																			
Judges	2.8%	5.3%																			
Corrections	3.4%	14.3%																			
Hazardous Duty	3.4%	14.3%																			
Wildlife	3.4%	14.3%																			
<b>Cost of Living Adjustments</b>	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.																				

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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NOTE 5 – RETIREMENT PLANS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.69% for 2017. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	0%	-0.24%
Domestic equity	25%	4.31%
International equity	32%	5.35%
Domestic Fixed Income	8%	1.73%
International Fixed Income	6%	2.49%
Alternative Investments	22%	7.41%
Global Asset Allocation	7%	2.84%
Total	<u>100%</u>	<u>5.26%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>(6.75%)</u>	<u>Rate (7.75%)</u>	<u>(8.75%)</u>
Employer's proportionate share of the net pension liability	\$ 265,446	\$ 210,327	\$ 162,855

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued current LASERS Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6 – OPERATING LEASES**

On December 28, 2007, City Court, along with the City Marshal's office, entered into an operating lease for a telephone system. The operating lease was for 60 months. On December 4, 2012, City Court, along with the City Marshal's office, renewed the operating lease for 36 months. At the end of the lease, City Court does not have the option to purchase the equipment, but may upgrade the equipment and/or renew the lease. Since that time phones have been added to the lease and monthly payments have continued on a month-to-month basis.

Telephone rental expense for 2018 was \$2,223.

In June 2013, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$82.17. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

In July 2014, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$39.06. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

In August 2014, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$101.24. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

In February 2017, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$131.53. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

In February 2017, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$165.22. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

In June 2018, City Court entered into an operating lease for a copier machine. The operating lease is for 60 months with monthly payments of \$88.30. At the end of the lease, City Court has the option to purchase the equipment at fair market value, may upgrade the equipment, and / or renew the lease.

Copier rental expense for 2018 was \$9,848.

Following is a summary of future minimum rental payments required by the equipment leases:

2019	\$5,564
2020	4,621
2021	4,621
2022	1,653
2023	530

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 7 – LONG-TERM OBLIGATIONS**

A summary of changes in long-term obligations is as follows:

<u>Description of Debt</u>	<u>Balance</u> <u>1/1/2018</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Balance</u> <u>12/31/2018</u>
Accrued compensatory pay	\$ 57,177	\$ -	\$ 57,177
Accrued compensated absences	29,370	(15,847)	13,523
	<u>86,547</u>	<u>(15,847)</u>	<u>70,700</u>

**NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES**

During the course of operations, transactions occur between funds that may result in amounts owed between funds. Those related goods and services type transactions are classified as "due to and from other funds" in the fund financial statements. In the government-wide financial statements, interfund receivables and payables are eliminated within the governmental activities. All of these accounts are expected to be repaid within one year from the date of the financial statements.

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 4,701	\$ 1,249
Agency Fund	-	1,723
Special Revenue Fund	1,249	2,978
	<u>5,950</u>	<u>5,950</u>

**NOTE 9 – INTERFUND TRANSFERS**

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. There were no interfund transfer balances at December 31, 2018.

**NOTE 10 – ON BEHALF PAYMENTS**

Several employees and the City Judge of City Court of Opelousas receive payments directly from the City of Opelousas and St. Landry Parish Government. Salaries paid to these employees and the City Judge includes \$304,861 from the City of Opelousas and \$11,627 from St. Landry Parish Government. The City of Opelousas and St. Landry Parish Government also pay for fringe benefits, retirement and payroll taxes. Payments made on behalf of City Court amounted to \$47,211 for group health insurance, \$63,811 for retirement and \$6,513 for payroll taxes by the City of Opelousas and \$4,662 for retirement and \$169 for payroll taxes by St. Landry Parish Government. These expenditures have been recorded on the books of City Court and are presented in their appropriate accounts.

In addition to the expenditures recorded on the books of City Court as noted above, the City of Opelousas also made expenditures on behalf of City Court in the amount of \$42,121 for office supplies and expenses, insurance, maintenance and repairs, and detention center cost. City Court also occupies a building owned by the City of Opelousas.

**NOTE 11 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through June 27, 2019 which is the date the financial statements were available to be issued. As of June 27, 2019, there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<b><u>REVENUES</u></b>				
Fines and fees				
Civil court fees	\$ 10,000	\$ 8,235	\$ 8,207	\$ (28)
Court costs and fines earned	480,000	389,761	375,446	(14,315)
Criminal Court Fees	50,000	41,463	40,785	(678)
Probation Evaluation fees	5,000	2,267	2,250	(17)
Driver's school	4,500	1,045	1,075	30
Community service	3,000	933	919	(14)
Drug testing	2,000	2,151	2,325	174
Subpoena fees	5,400	3,701	4,734	1,033
Court costs - bond forfeiture	5,000	-	-	-
JEU Application income	2,000	587	570	(17)
Criminal & Traffic Record Income	-	22,448	22,396	(52)
Department of Public Safety fees	5,000	2,533	2,250	(283)
District Court - DWI and probation fees	130,000	62,388	60,494	(1,894)
Administrative cost fees	50,000	58,572	52,853	(5,719)
Intergovernmental				
On behalf payments				
City of Opelousas	534,000	464,000	464,517	517
St. Landry Parish Government	16,460	16,289	16,458	169
Investment earnings	700	232	304	72
Reimbursed expense for Judge from Civil	75,000	80,182	79,163	(1,019)
Reimbursed expense from Civil	26,000	66,480	57,416	(9,064)
Other	10,500	6,725	6,864	139
<b>Total Revenues</b>	<b>1,414,560</b>	<b>1,229,992</b>	<b>1,199,026</b>	<b>(30,966)</b>
<b><u>EXPENDITURES</u></b>				
General Government				
Current				
Accounting and auditing	50,000	38,482	46,622	(8,140)
Contract services - juveniles	6,700	1,560	2,425	(865)
Contract labor	-	-	445	(445)
Computer maintenance contracts	800	5,932	5,932	-
Refunds	300	-	203	(203)
Dues and subscriptions	2,600	2,240	2,551	(311)
Fuel cost	2,000	1,413	1,327	86
Insurance	12,000	16,925	16,837	88
Lease of equipment	11,000	12,106	12,071	35
Marshal's operating expenses	6,000	6,000	6,000	-
Mileage reimbursement	300	-	-	-
Miscellaneous	1,000	1,061	938	123
Office supplies	13,700	11,453	11,649	(196)
Printing jobs	800	144	362	(218)
Document storage	-	4,253	3,190	1,063
Payroll taxes	10,000	5,649	4,981	668
Salaries	338,400	314,817	306,029	8,788
Compensated absences	-	-	2,150	(2,150)
Subpoenas	3,600	3,648	1,740	1,908
On behalf expenses				
City of Opelousas	534,000	464,000	464,517	(517)
St. Landry Parish Government	16,460	16,289	16,458	(169)
Travel and conventions	12,000	8,961	8,554	407
Telephone and internet	5,000	5,517	5,162	355
Auto repairs and maintenance	3,000	325	548	(223)
Uniforms	450	48	60	(12)

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
Utilities	\$ 9,100	\$ 9,941	\$ 7,757	\$ 2,184
Bank charges	4,000	3,280	2,802	478
Restitution expense	-	1,063	798	265
Employees' meals	750	584	376	208
Legal books	12,000	15,524	13,827	1,697
Retirement expense	82,000	79,178	80,363	(1,185)
Allocation of court cost				
City Marshal	40,000	29,412	27,178	2,234
St. Landry Parish Indigent Fund	68,500	67,269	63,298	3,971
Acadiana Criminalistics Laboratory	38,700	38,633	35,966	2,667
District Attorney	12,700	12,401	11,546	855
City Treasurer	28,900	29,697	29,266	431
St. Landry Parish Government	60,000	57,899	54,969	2,930
LA Commission of Law Enforcement	5,000	4,673	4,162	511
District Attorney - 12% Fund	8,100	7,895	7,496	399
Crime Victims	2,300	2,347	2,164	183
State DWI machine fee	1,000	1,107	1,071	36
City test fee	600	414	467	(53)
Supreme Court CMIS cost	3,700	3,610	3,396	214
Act 654	2,400	-	-	-
Officer subpoenas	2,700	1,294	540	754
Act 508 - P.T.	100	267	200	67
Act 832 - Drug Abuse Ed & Tx	500	134	100	34
Act 405 - Supreme Court - juv ed	500	684	641	43
ACT 895.4 - Crime Stoppers	-	2,382	2,246	136
City Marshall - bond forfeiture	1,600	-	-	-
District Attorney - bond forfeiture	1,600	-	-	-
IDB - bond forfeiture	1,600	-	-	-
<u>Total Expenditures</u>	<u>1,418,460</u>	<u>1,290,511</u>	<u>1,271,380</u>	<u>19,131</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(3,900)</u>	<u>(60,519)</u>	<u>(72,354)</u>	<u>(11,835)</u>
<u>FUND BALANCE, beginning of year</u>			<u>58,814</u>	
<u>FUND BALANCE, end of year</u>			<u>(13,540)</u>	

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND - JUDICIAL BUILDING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
Fines and Fees	\$ 50,000	\$ 34,788	\$ 33,536	\$ (1,252)
St. Landry Parish Government Reimbursement	13,600	8,570	11,622	3,052
Reimbursement from Civil	-	19,975	19,975	-
<u>Total Revenues</u>	<u>63,600</u>	<u>63,333</u>	<u>65,133</u>	<u>1,800</u>
<u>EXPENDITURES</u>				
Bank service charges	150	200	199	1
Repairs and maintenance	55,050	59,336	56,547	2,789
Document Storage	3,500	387	580	(193)
Supplies	1,250	2,627	1,970	657
Utilities	-	-	577	(577)
<u>Total Expenditures</u>	<u>59,950</u>	<u>62,550</u>	<u>59,873</u>	<u>2,677</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>3,650</u>	<u>783</u>	5,260	<u>4,477</u>
<u>FUND BALANCE, beginning of year</u>			(521)	
<u>FUND BALANCE, end of year</u>			<u>4,739</u>	

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND - JUVENILE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Reimbursements from other governments	\$ 1,300	\$ -	\$ -	\$ -
Juvenile Fines	12,000	7,976	7,412	(564)
Youth Blast income	10,000	21,500	21,500	-
Miscellaneous	6,000	1,763	1,763	-
<u>Total Revenues</u>	<u>29,300</u>	<u>31,239</u>	<u>30,675</u>	<u>(564)</u>
<u>EXPENDITURES</u>				
Juvenile upkeep & expense	12,800	9,463	9,530	(67)
Accounting fees	-	8,131	6,098	2,033
Computer expense	2,750	-	-	-
Contract services	2,000	2,000	1,500	500
Dues & subscriptions	-	-	99	(99)
FINS - 27th Judicial Expense Fund	5,400	5,400	5,400	-
Marshall subpoenas	40	70	75	(5)
Miscellaneous	200	163	-	163
Office supplies	-	-	23	(23)
Youth Blast expense	5,000	12,597	13,197	(600)
<u>Total Expenditures</u>	<u>28,190</u>	<u>37,824</u>	<u>35,922</u>	<u>1,902</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>1,110</u>	<u>(6,585)</u>	<u>(5,247)</u>	<u>1,338</u>
<u>FUND BALANCE</u> , beginning of year			<u>24,337</u>	
<u>FUND BALANCE</u> , end of year			<u>19,090</u>	

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY  
LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM  
FOR THE YEAR ENDED DECEMBER 31, 2018\*

<u>Year ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2018	0.00308%	\$ 210,327	\$ 56,300	374%	64.3%
2017	0.00313%	\$ 220,527	\$ 53,733	410%	62.5%
2016	0.00299%	\$ 234,948	\$ 53,000	443%	57.7%
2015	0.00286%	\$ 194,523	\$ 53,000	367%	62.7%

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

\*The amounts presented have a measurement date of June 30.

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM  
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Year ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2018	\$ 25,576	\$ 22,576	\$ -	\$ 56,300	40.1%
2017	\$ 20,415	\$ 20,415	\$ -	\$ 53,733	38.0%
2016	\$ 20,148	\$ 20,148	\$ -	\$ 53,000	38.0%
2015	\$ 21,094	\$ 21,094	\$ -	\$ 53,000	39.8%

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

\*The amounts presented have a measurement date of June 30.

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2018

**BUDGET**

**NOTE (1) BASIS OF ACCOUNTING**

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

**NOTE (2) BUDGETARY PRACTICES**

The Court prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

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

**PENSION PLAN**

There were no changes of benefit terms for the plan year ended June 30, 2018. Changes in actuarial assumptions related to inflation and salary factors in the measurement of the total pension liability were recognized in pension expense using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability and various other factors that have an impact on the cost of the plans.

OTHER SUPPLEMENTARY INFORMATION

## GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
GENERAL FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 1,030	\$ 21,469
Investments	29,970	80,000
Due from other funds	4,701	2,859
Due from agency fund	41	141
	<u>35,742</u>	<u>104,469</u>
<u>Total Assets</u>	<u>35,742</u>	<u>104,469</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 27,530	\$ 18,237
Salaries payable	7,474	11,210
Payroll taxes payable	415	422
Due to other funds	1,249	-
Due to others	10,464	15,786
Accrued compensated absences	2,150	-
	<u>49,282</u>	<u>45,655</u>
<u>Total Liabilities</u>	<u>49,282</u>	<u>45,655</u>
 <u>FUND BALANCE</u>		
Unassigned	(13,540)	58,814
	<u>(13,540)</u>	<u>58,814</u>
<u>Total Fund Balance</u>	<u>(13,540)</u>	<u>58,814</u>
 <u>Total Liabilities and Fund Balance</u>	 <u>35,742</u>	 <u>104,469</u>

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENTS OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Fines and Fees		
Civil court fees	\$ 8,207	\$ 8,768
Court costs and fines earned	375,446	402,329
Probation Evaluation fees	2,250	4,151
Criminal Court Funds	40,785	48,769
Driver's school	1,075	3,193
Community service income	919	1,768
Drug testing	2,325	1,850
Subpoena fees	4,734	5,683
Court cost - bond forfeiture	-	1,305
JEU Application income	570	750
Criminal & Traffic Record Income	22,396	-
Department of Public Safety fees	2,250	3,788
District Court - DWI and probation fees	60,494	83,794
Administrative cost fees	52,853	45,708
Intergovernmental		
On behalf payments		
City of Opelousas	464,517	522,092
St. Landry Parish Government	16,458	16,336
Investment earnings	304	579
Reimbursed expense for Judge from Civil	79,163	89,108
Reimbursed expense from Civil	57,416	40,441
Other	6,864	1,697
<u>Total Revenues</u>	<u>1,199,026</u>	<u>1,282,109</u>
<u>EXPENDITURES</u>		
General Government		
Current		
Accounting and auditing	46,622	49,754
Contract services -probation	2,425	5,275
Contract labor	445	1,019
Computer expense	5,932	2,027
Refunds	203	197
Repairs and maintenance	-	34
Dues and subscriptions	2,551	3,485
Fuel cost	1,327	1,979
Insurance	16,837	12,449
Lease of equipment	12,071	12,933
Marshal's operating expenses	6,000	6,000
Miscellaneous	938	236
Office supplies	11,649	12,916
Printing jobs	362	618

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENTS OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Document storage	\$ 3,190	\$ -
Payroll taxes	4,981	8,461
Salaries	306,029	359,346
Compensated absences	2,150	-
On behalf expenses		
City of Opelousas	464,517	522,092
St. Landry Parish Government	16,458	16,336
City Marshal subpoenas	1,740	3,398
Travel and conventions	8,554	11,442
Telephone and internet	5,162	5,342
Auto repairs and maintenance	548	4,024
Uniforms	60	339
Utilities	7,757	9,634
Bank charges	2,802	3,802
Restitution expense	798	-
Employees' meals	376	677
Legal books	13,827	16,261
Retirement expense	80,363	82,328
Allocation of court cost		
City Marshal	27,178	34,902
St. Landry Parish Indigent Fund	63,298	61,452
Acadiana Criminalistics Laboratory	35,966	35,171
District Attorney	11,546	11,400
City Treasurer	29,266	26,311
St. Landry Parish Government	54,969	53,762
LA Commission of Law Enforcement	4,162	4,393
District Attorney - 12% Fund	7,496	7,331
Crime Victims	2,164	2,062
State DWI machine fee	1,071	1,016
City test fee	467	532
Supreme Court CMIS cost	3,396	3,362
District Attorney - worthless check fee	-	20
Officer subpoenas	540	2,745
Act 508 - P.T.	200	75
Act 832 - Drug Abuse Ed & Tx	100	430
Act 405 - Supreme Court - juv ed	641	515
ACT 895.4 - Crime Stoppers	2,246	2,219
City Marshall - bond forfeiture	-	1,215
District Attorney - bond forfeiture	-	1,215
IDB - bond forfeiture	-	1,215
<u>Total Expenditures</u>	<u>1,271,380</u>	<u>1,403,747</u>

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENTS OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>NET CHANGE IN FUND BALANCE</u>	\$ (72,354)	\$ (121,638)
<u>FUND BALANCE</u> , beginning of year	<u>58,814</u>	<u>180,452</u>
<u>FUND BALANCE</u> , end of year	<u>(13,540)</u>	<u>58,814</u>

See independent auditor's report.

## SPECIAL REVENUE FUND

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

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
JUDICIAL BUILDING FUND  
DECEMBER 31, 2018 AND 2017

	2018	2017
<u>ASSETS</u>		
Cash	\$ 8,482	\$ 2,528
<u>Total Assets</u>	8,482	2,528
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 765	\$ 1,236
Due to General Fund	2,978	1,813
<u>Total Liabilities</u>	3,743	3,049
 <u>FUND BALANCE</u>		
Unassigned Fund Balance	-	(521)
Restricted Fund Balance	4,739	-
<u>Total Fund Balance</u>	4,739	(521)
<u>Total liabilities and fund balance</u>	8,482	2,528

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
JUDICIAL BUILDING FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Fines and Fees	\$ 33,536	\$ 21,291
St. Landry Parish Government Reimbursement	11,622	12,284
Reimbursement from Civil for expenses	19,975	-
<u>Total Revenues</u>	<u>65,133</u>	<u>33,575</u>
<u>EXPENDITURES</u>		
Bank service charges	199	160
Repairs and maintenance	56,547	57,960
Supplies	1,970	882
Document storage	580	3,480
Utilities	577	-
Capital outlay	-	6,000
<u>Total Expenditures</u>	<u>59,873</u>	<u>68,482</u>
<u>NET CHANGE IN FUND BALANCE</u>	5,260	(34,907)
<u>FUND BALANCE, beginning of year</u>	<u>(521)</u>	<u>34,386</u>
<u>FUND BALANCE, end of year</u>	<u>4,739</u>	<u>(521)</u>

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE BALANCE SHEET  
JUVENILE FUND  
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash	\$ 17,847	\$ 26,351
Due from General Fund	1,249	-
	<u>19,096</u>	<u>26,351</u>
<u>Total Assets</u>	<u>19,096</u>	<u>26,351</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 6	\$ 968
Due to General Fund	-	1,046
<u>Total Liabilities</u>	<u>6</u>	<u>2,014</u>
 <u>FUND BALANCES</u>		
Restricted	19,090	24,337
<u>Total Fund Balances</u>	<u>19,090</u>	<u>24,337</u>
 <u>Total liabilities and fund balances</u>	 <u>19,096</u>	 <u>26,351</u>

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
JUVENILE FUND  
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>REVENUES</u>		
Reimbursements from other governments	\$ -	\$ 728
Juvenile Fines	7,412	8,567
Youth Blast Income	21,500	-
Miscellaneous	1,763	11,961
<u>Total Revenues</u>	<u>30,675</u>	<u>21,256</u>
<u>EXPENDITURES</u>		
Juvenile upkeep & expense	9,530	17,155
Accounting fees	6,098	-
Computer expense	-	2,750
Contract services	1,500	3,000
Dues & subscriptions	99	-
FINS - 27th Judicial Expense Fund	5,400	5,400
Marshall subpoenas	75	74
Miscellaneous	-	357
Office Supplies	23	223
Youth Blast expense	13,197	-
<u>Total Expenditures</u>	<u>35,922</u>	<u>28,959</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(5,247)</u>	<u>(7,703)</u>
<u>FUND BALANCE, beginning of year</u>	<u>24,337</u>	<u>32,040</u>
<u>FUND BALANCE, end of year</u>	<u>19,090</u>	<u>24,337</u>

See independent auditor's report.

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2018

Agency Head Name: Vanessa Harris, Judge  
 Service Period: 12 Months

<u>Purpose:</u>	<u>Amount</u>
Salary	\$ 56,412
Retirement	29,102
Insurance	2,616
Per diem	590
Reimbursements	40
Travel	605
Registration Fees	1,270
Convention Travel	2,119
Other (dues/memberships)	845
	<u>93,599</u>

See independent auditor's report.

RELATED REPORTS

James L. Nicholson, Jr., CPA  
 G. Kenneth Pavy, II, CPA  
 Michael A. Roy, CPA  
 Lisa Trouille Manuel, CPA  
 Dana D. Quebedeaux, CPA



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

Honorable Judge Vanessa Harris  
 City Court of Opelousas  
 Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City Court of Opelousas, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise City Court of Opelousas' basic financial statements and have issued our report thereon dated June 27, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City Court of Opelousas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City Court of Opelousas' internal control. Accordingly, we do not express an opinion on the effectiveness of City Court of Opelousas' 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 certain deficiency in internal control that we consider to be a significant deficiency which is described in the accompanying schedule of findings and responses as 2018-1.

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Honorable Judge Vanessa Harris  
City Court of Opelousas  
Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City Court of Opelousas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and responses as 2018-2.

### **Responses to Findings**

City Court of Opelousas' responses to the findings identified in our audit is described in the accompanying schedule of findings and responses. City Court of Opelousas' responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*John S. Dowling & Company*

Opelousas, Louisiana  
June 27, 2019

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Section I - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of City Court of Opelousas.
2. One significant deficiency relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and on Other Matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. One instance of noncompliance relating to the audit of the financial statements was reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
4. No management letter was issued for City Court of Opelousas as of and for the year ended December 31, 2018.
5. There was no single audit required under 2CFR 200.516(a) (Uniform Guidance).

Section II - FINDINGS - FINANCIAL STATEMENT AUDIT

INTERNAL CONTROL

2018-1 Deficit Fund Balance in General Fund

Condition: City Court's General Fund has a deficit fund balance at year end.

Criteria: The General Fund should have a positive fund balance.

Cause: Due to expenditures exceeding revenues for several years, a deficit fund balance was created.

Effect: City Court has a deficit fund balance in the General Fund which creates instability.

Recommendation: We recommend a plan be implemented to reduce expenditures in order to create income to reduce the current deficit fund balance.

Response: As with many courts of jurisdictions within the state of Louisiana, the general fund is primarily sustained by revenue collected from court costs, fines, and fees. Over the past four years, City Court has received a decreased number of citations filed for processing, disposition, and distribution; consequently, the collection rate declined in correlation to the decreased filings. During the fiscal year of 2018, the Court implemented a reduction in staff to curtail anticipated decline in revenue which continued through year end in December. However, since the City of Opelousas' Police Department's new administration began in January 2019, the Court is experiencing an increase in citation filings which we anticipate will positively impact overall collection rate. The Court will seek to maintain expenses below actual revenue by closely monitoring expenditures.

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Section II – FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

Contact Person: LaVonya Malveaux, Judicial Administrator

COMPLIANCE

2018-2 Amended Budget Adopted with Deficit Fund Balance in General Fund

Condition: The amended budget for the General Fund was adopted with a deficit fund balance of \$1,705.

Criteria: Louisiana Local Government Budget Act RS 39:1310 states that in no event shall a budget amendment be adopted proposing expenditures which exceed the total of estimated funds available for the year.

Cause: *The budget was not properly amended as required by Louisiana Local Government Budget Act for the General Fund.*

Effect: The amended budget was adopted with a deficit fund balance of \$1,705 in violation of the Louisiana Local Government Budget Act for the General Fund.

Recommendation: We recommend City Court consult and follow the Louisiana Local Government Budget Act when amending the budget.

Response: *The adoption of the deficit fund balance within the amended budget was performed in error and was an oversight resulting from various draft versions submitted to the Court's fee accountant. The Court has always and will continue following the Louisiana Local Government Budget Act when amending the budget.*

Contact Person: LaVonya Malveaux, Judicial Administrator

Section III - FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

N/A

CITY COURT OF OPELOUSAS, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Compliance

2017-1 Actual Expenses Exceeded Budgeted Expenses by More Than 5 Percent

RESOLVED

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

No findings.

James L. Nicholson, Jr., CPA  
 G. Kenneth Pavy, II, CPA  
 Michael A. Roy, CPA  
 Lisa Trouille Manuel, CPA  
 Dana D. Quebedeaux, CPA



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 2005

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

Honorable Judge Vanessa Harris  
 of City Court of Opelousas  
 and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by City Court of Opelousas (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

**Written Policies and Procedures**

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget  
*Written policies and procedures were obtained for budgeting and address all of the above functions.*
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.  
*Written policies and procedures were obtained for purchasing and address all of the above functions.*
  - c) **Disbursements**, including processing, reviewing, and approving  
*Written policies and procedures were obtained for disbursements and address all of the above functions.*

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

*Written policies and procedures were obtained for receipts and address all of the above functions.*

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

*Written policies and procedures were obtained for payroll/personnel and address all of the above functions.*

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

*Written policies and procedures were obtained for contracting and address all of the above functions.*

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

*Written policies and procedures were obtained for credit cards and address all of the above functions.*

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

*Written policies and procedures were obtained for travel and expense reimbursement and address all of the above functions.*

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

*Written policies and procedures were obtained for ethics and address all of the above functions.*

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

*City Court does not have debt service, therefore, there are no written policies and procedures addressing debt service.*

### **Board or Finance Committee**

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

*The Judge is independently elected and as such does not have meetings.*

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

*The Judge is independently elected and as such does not have meetings.*

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

*The Judge is independently elected and as such does not have meetings.*

### **Bank Reconciliations**

---

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

*We were provided with a listing from management and management's representation that the listing was complete.*

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

*No exceptions noted.*

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

*Bank reconciliations include evidence that the Judicial Administrator reviewed each bank reconciliation.*

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

*The only cash account with outstanding items for more than 12 months from the statement closing date is the criminal docket account. There is no evidence that management has researched the reconciling items.*

## **Collections**

---

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

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

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

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

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

*Each employee has a separate cash drawer.*

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

*Employees responsible for preparing/making deposits do not reconcile the collections. An outside CPA firm reconciles the bank accounts on a monthly basis.*

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

*No exceptions noted.*

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

*An outside CPA firm reconciles each bank account on a monthly basis, and they are not responsible for collecting cash.*

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

*Per management, all employees who have access to cash are covered by a bond.*

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

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*Of the 10 deposits selected, 2 deposits were not made within one business day of receipt.*

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

*No exceptions noted.*

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

---

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

*Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.*

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

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

*The Administrative Assistant initiates purchases, and the Judicial Administrator approves purchases.*

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

*The Administrative Assistant prepares the checks and the Judicial Administrator approves payments to vendors.*

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

*The Judicial Administrator does not add/modify vendor files. These files are kept by the Administrative Assistant.*

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

*The signed checks are given to an employee in the Criminal Department, who is not responsible for processing payments, to mail to vendors.*

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

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

*No exceptions noted.*

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

*No exceptions noted.*

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

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

*Obtained a listing of all active credit cards from management for the fiscal period, including card numbers and names of the persons who maintained possession of the cards, and management's representation that the listing is complete.*

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

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

*Obtained the combined monthly statement and observed supporting documentation for reviewal and approval, in writing, by someone other than the cardholder. No exceptions noted.*

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

*No finance charges or late fees were assessed on the selected statement.*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

*Obtained the combined monthly statement and supporting documentation for selected transactions. No exceptions noted.*

**Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

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

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

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

*Reimbursements made using a per diem did not exceed rates established by the State of Louisiana.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

**Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

*Obtained a listing of all agreements/contracts from management and management's representation that the listing was complete.*

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

*The contracts did not require bids in accordance with the Louisiana Public Bid Law.*

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

*All selected contracts were approved by the Judge and/or the Judicial Administrator.*

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

*The contracts were not amended during the fiscal period.*

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

*No exceptions noted.*

### ***Payroll and Personnel***

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

*Obtained a listing of employees/elected official with their related salaries/pay rates from management and management's representation that the listing was complete.*

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

*No exceptions noted.*

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

*No exceptions noted.*

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*No exceptions noted.*

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

*Per management, two employees were terminated during the fiscal period and received termination payments were cumulative leave. Payments for vacation and sick leave were made in strict accordance with policy and approved by management.*

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*No exceptions noted with regards to employer and employee portions of payroll taxes, retirement contributions and workers' compensation premiums. City Court does not pay health insurance premiums.*

### **Ethics**

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*Obtained ethics certificates from management noting that each employee completed one hour of ethics training during the fiscal period.*

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

*Obtained ethics documentation noting employees signed the ethics policy during the fiscal period.*

### **Debt Service**

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21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

*City Court did not have any bonds/notes issued during the fiscal period.*

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

*City Court did not have any bonds/notes outstanding at the end of the fiscal period.*

### **Other**

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

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

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

*No exceptions noted.*

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

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

*John S. Dowling & Company*

Opelousas, Louisiana

June 27, 2019

CITY COURT OF OPELOUSAS, LOUISIANA  
MANAGEMENT RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

Management responses to the following statewide agreed-upon procedure exceptions:

**Bank Reconciliations**

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

**Management Response:** Management will work with its fee accountant to insure all items are reconciled within its main operating account.

**Collections**

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

**Management Response:** The 2 deposits that were not made within one business day of receipt were for the Court's escrow account established to receive revenue from the Louisiana Tax Offset and Garnishment (LaTOGA) program which requires the court to hold funds for 45 days prior to depositing into the Court's general criminal account. As the Court receives LaTOGA checks in advance of necessary documentation to identify and verify monies intercepted, all checks are held until receipt of such supporting documentation to insure accurate accounting and application of funds. On these 2 noted occasions, the court did not receive the awaited documents within the necessary timeframe to make deposit within one business day.