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CITY COURT OF OPELOUSAS, LOUISIANA
ANNUAL FINANCIAL REPORT
DECEMBER 31, 1998

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Release Date ~~AUG 18 1999~~

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JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
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Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
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 1998

INDEPENDENT AUDITOR'S REPORT

To the Honorable Judge Kenneth Boagni, Jr.
 City Court of Opelousas, Louisiana

We have audited the accompanying general purpose financial statements of City Court of Opelousas, Louisiana, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of City Court's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of City Court of Opelousas, Louisiana, as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated August 6, 1999 on our consideration of City Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

John S. Dowling & Company

Opelousas, Louisiana
 August 6, 1999

FINANCIAL SECTION

CITY COURT OF OPELOUSAS, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1998

| ASSETS | GOVERNMENTAL FUND TYPES | | | | ACCOUNT GROUPS | | TOTALS | |
|-------------------------------------------|-------------------------|----------------------|---------------------|-------------|----------------|-----------------------------|-----------|--------|
| | GENERAL FUND | SPECIAL REVENUE FUND | FIDUCIARY FUND TYPE | AGENCY FUND | GENERAL | FIXED ASSETS LONG-TERM DEBT | 1998 | 1997 |
| | GENERAL FUND | SPECIAL REVENUE FUND | FIDUCIARY FUND TYPE | AGENCY FUND | GENERAL | FIXED ASSETS LONG-TERM DEBT | ACTUAL | ACTUAL |
| Cash | \$54,888 | \$16,777 | \$64,309 | | | \$135,974 | \$151,101 | |
| Investments | 224,827 | | 97,488 | | | 322,315 | 301,480 | |
| NSF checks | 3,190 | | | | | 3,190 | 3,714 | |
| Due from other funds | 37,387 | | | | | 37,387 | 32,996 | |
| Accounts receivable | 13,522 | | 26,407 | | | 39,929 | 35,799 | |
| Accrued interest receivable | 1,865 | | | | | 1,865 | 1,847 | |
| Parking lot and building improvements | | | | \$6,258 | | 6,258 | 6,258 | |
| Office furniture and equipment | | | | 110,848 | | 110,848 | 102,333 | |
| Automobiles | | | | 27,706 | | 27,706 | 18,728 | |
| Mobile radio system | | | | 12,543 | | 12,543 | 12,543 | |
| Mobile phones | | | | 912 | | 912 | 912 | |
| Amount to be provided by general revenues | | | | | | 48,899 | 46,582 | |
| | 335,679 | 16,777 | 188,204 | 158,267 | 48,899 | 747,826 | 714,293 | |
| <u>Total assets</u> | | | | | | | | |

This statement continued on next page.

CITY COURT OF OPELOUSAS, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)
DECEMBER 31, 1998

| <u>LIABILITIES AND FUND EQUITY</u> | <u>GOVERNMENTAL FUND TYPES</u> | <u>FIDUCIARY FUND TYPE</u> | <u>ACCOUNT GROUPS</u> | <u>TOTALS</u> |
|---------------------------------------------|--------------------------------|----------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------|
| | <u>SPECIAL REVENUE FUND</u> | <u>AGENCY FUND</u> | <u>GENERAL</u> <u>FIXED ASSETS</u> <u>LONG-TERM DEBT</u> | <u>(MEMORANDUM ONLY)</u> <u>1998</u> <u>1997</u> <u>ACTUAL</u> <u>ACTUAL</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$7,470 | | | \$8,970 |
| Due to other funds | | \$37,387 | | 37,387 |
| Payroll taxes payable | 1,416 | | | 1,416 |
| Due to others | 26,122 | 150,817 | | 176,939 |
| Accrued compensated absences | 5,746 | | \$7,580 | 13,326 |
| Accrued compensatory pay | | | 41,319 | 41,319 |
| Deferred assessed fines | 19,744 | | | 19,744 |
| Prepaid unassessed fines | 122,973 | | | 122,973 |
| Amount due to others for restitution | <u>5,309</u> | | | <u>5,309</u> |
| <u>Total liabilities</u> | <u>188,780</u> | <u>188,204</u> | <u>48,899</u> | <u>427,383</u> |
| <u>FUND EQUITY</u> | | | | |
| Investment in General Fixed Assets | | | \$158,267 | 158,267 |
| Fund balance - reserved for Juvenile Docket | 18,047 | | | 18,047 |
| Restitution | 5,309 | | | 5,309 |
| State Grant | | | | 15,277 |
| Fund balance - unreserved | <u>123,543</u> | | | <u>123,543</u> |
| <u>Total fund equity</u> | <u>146,899</u> | <u>-0-</u> | <u>-0-</u> | <u>320,443</u> |
| <u>Total liabilities and fund equity</u> | <u>335,679</u> | <u>188,204</u> | <u>48,899</u> | <u>747,826</u> |

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998

| | <u>GENERAL FUND</u> | | <u>SPECIAL REVENUE FUND</u> | |
|-----------------------------------------|---------------------|----------------|-----------------------------|---------------|
| | <u>1998</u> | <u>1997</u> | <u>1998</u> | <u>1997</u> |
| | <u>ACTUAL</u> | <u>ACTUAL</u> | <u>ACTUAL</u> | <u>ACTUAL</u> |
| <u>REVENUES</u> | | | | |
| Charges for services | | | | |
| Civil suits - operating fees | \$7,832 | \$6,289 | | |
| Fines | | | | |
| Court costs and fines earned | 575,865 | 517,750 | | |
| Drivers' school | 25,640 | 23,165 | | |
| Juvenile fines | 9,225 | 5,440 | | |
| Community service income | 13,570 | 14,965 | | |
| Drug testing | 1,420 | | | |
| Intergovernmental revenue | | | | |
| Grant from Louisiana Children's Cabinet | | | \$25,000 | \$25,000 |
| City of Opelousas | 3,286 | | | |
| Interest earned | 11,372 | 10,831 | | |
| Miscellaneous | | | | |
| District Court - DWI and probate fees | | 3,125 | | |
| Other | 289 | 320 | | |
| <u>Total revenues</u> | <u>648,499</u> | <u>581,885</u> | <u>25,000</u> | <u>25,000</u> |
| <u>EXPENDITURES</u> | | | | |
| General Government | | | | |
| Current | | | | |
| Accounting and auditing | 9,425 | 9,075 | | |
| Care of and program for juveniles | 1,162 | 524 | | |
| Computer expense | 209 | 3,569 | | |
| Repairs and maintenance | 574 | 1,706 | | |
| Dues and subscriptions | 2,096 | 918 | | |
| Insurance | 13,523 | 11,215 | | |
| Lease of automobiles | 9,033 | 10,760 | | |
| Marshall's operating expenses | 5,160 | 5,160 | | |
| Miscellaneous | 1,184 | 1,087 | | |
| Office supplies | 6,320 | 4,890 | | |
| Payroll taxes | 15,906 | 15,770 | | |
| Salaries | 204,831 | 202,737 | | |
| Compensated absences | 69 | | | |
| District Attorney - worthless check fee | 7,150 | | | |
| Subpoenas | 5,428 | 5,436 | | |
| Travel and conventions | 11,942 | 10,113 | | |
| Telephone | 2,268 | 1,801 | | |
| Auto repairs and maintenance | 3,140 | 3,999 | | |
| Legal expense | 300 | 362 | | |
| Uniforms | 598 | 7,473 | | |
| Bank charges | 33 | 42 | | |
| Restitution expense | 89 | 1,785 | | |
| Employees' meals | 2,008 | 1,199 | | |
| Drug testing | 2,195 | 2,256 | | |
| Legal books | 2,442 | 2,564 | | |

This statement continued on next page.

CITY COURT OF OPELOUSAS, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1998

| | <u>GENERAL FUND</u> | | <u>SPECIAL REVENUE FUND</u> | |
|-----------------------------------------|---------------------|----------------|-----------------------------|---------------|
| | <u>1998</u> | <u>1997</u> | <u>1998</u> | <u>1997</u> |
| | <u>ACTUAL</u> | <u>ACTUAL</u> | <u>ACTUAL</u> | <u>ACTUAL</u> |
| <u>EXPENDITURES</u> (Continued) | | | | |
| Retirement expense | \$3,937 | \$3,413 | | |
| Coordination service fees | | | \$18,000 | \$16,800 |
| Transfer to City Court of Eunice | | | 10,800 | |
| Allocation of court cost | | | | |
| Local Assistance Coordination Effort | 6,308 | 9,615 | | |
| City Marshall | 98,539 | 68,615 | | |
| St. Landry Parish Indigent Fund | 54,059 | 50,340 | | |
| Acadiana Criminalistics Laboratory | 21,330 | 17,975 | | |
| District Attorney | 39,659 | 37,266 | | |
| City Treasurer | 75,014 | 73,738 | | |
| Police Jury | 4,235 | 6,639 | | |
| LA Commission of Law Enforcement | 6,523 | 6,423 | | |
| District Attorney - 12% Fund | 1,393 | 2,216 | | |
| Crime victims | 10,817 | 11,077 | | |
| State DWI machine fee | 1,850 | 2,050 | | |
| City criminal witness fee | | 717 | | |
| City test fee | 3,700 | 4,100 | | |
| Supreme Court CMIS cost | 6,735 | 6,467 | | |
| Act 654 | 4,265 | 4,325 | | |
| Capital outlay | | | | |
| Office furniture and equipment | <u>17,492</u> | <u>11,712</u> | | |
| <u>Total expenditures</u> | <u>662,941</u> | <u>621,129</u> | <u>28,800</u> | <u>16,800</u> |
| <u>EXCESS OF REVENUES OVER (UNDER)</u> | | | | |
| <u>EXPENDITURES</u> | (14,442) | (39,244) | (3,800) | 8,200 |
| <u>FUND BALANCE</u> , beginning of year | <u>161,341</u> | <u>200,585</u> | <u>19,077</u> | <u>10,877</u> |
| <u>FUND BALANCE</u> , end of year | <u>146,899</u> | <u>161,341</u> | <u>15,277</u> | <u>19,077</u> |

The accompanying notes are an integral part of this statement.

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies and practices.

A. The 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
 - b. The ability of the primary government to impose its will on that organization and/or
 - c. 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 separately 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 is fiscally independent in that it is not required by state law to adopt a budget, it can set rates or charges 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, 1998

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

The accompanying 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 standards-setting body for establishing governmental accounting and financial reporting principles.

C. Fund Accounting

City Court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of City Court are classified as governmental and agency funds. Governmental funds account for City Court's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of City Court include:

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 Fund

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

The Special Revenue Fund of City Court of Opelousas is used to account for the proceeds received through a grant from the State of Louisiana Children's Cabinet for the families in need of services program.

Agency Fund

The Agency Fund type is used to account for assets held by a government in a trustee or agent capacity for others. Agency funds generally serve as clearing accounts. City Court's Agency Fund is as follows:

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Agency Fund is the Civil Docket Fund of City Court of Opelousas, Louisiana. It is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental fund is maintained on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The following practices are used in recording revenues and expenditures:

Revenues

Interest income on investments is recorded when the investments have matured and the income is available. Fines are recorded when assessed and full payment is received. Substantially all other revenues are recorded when received.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt which is recognized when due.

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.

City Court does not employ the encumbrance system of accounting.

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. General Fixed Assets and General Long-term Debt

Fixed assets used in governmental fund types operations that have an estimated useful life greater than one year (General Fixed Assets) are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on General Fixed Assets. Expenditures for infrastructure assets are not incurred by City Court. City Court does not capitalize interest costs incurred on fixed assets. All fixed assets are valued at historical cost. Legal books are not capitalized.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position, not with measurement of results of operations.

F. Budget

City Court is not required to adopt a budget.

G. Investments and Cash

Louisiana statutes authorize City Court to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment. Investments are time deposits that are stated at cost, which approximates market. City Court's policy generally is to invest in 6 month and 1 year certificates of deposit.

H. Annual Sick Leave

All annual leave accumulated in 1998 was converted to sick leave on December 31, 1998. Sick leave is paid upon retirement or death, up to a maximum of 240 hours at a rate computed by taking the current monthly salary provided by City Court of Opelousas, Louisiana, and dividing that amount by 160 hours. Accrued compensated absences are accounted for in the General Fund for the amount of hours of sick leave earned in one year. Any hours over this amount are accounted for in the General Long-term Debt Account Group.

I. Compensatory Time

The Judicial Administrator earns compensatory time for overtime worked. 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.

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Accounts Receivable

The accounts receivable account represents fines that are assessed but have not been collected. City Court's policy is to record revenue upon completion of collection. The deferred assessed fine account represents fines that are assessed but not completely collected. The prepaid unassessed fine account represents fines that are not assessed but partial payment has been received.

K. 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 assessed upon completion of collection. Fines assessed but uncollected, comprise the balance in accounts receivable.

L. Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

M. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

NOTE (2) - CASH

Cash consists of cash on hand, demand deposits and passbook savings accounts. At December 31, 1998, the carrying amount of City Court's deposits was \$458,289 and the bank balance of cash was \$466,265. The carrying amounts and bank balances of investments were the same amount, which was \$322,315. The bank balances of the checking accounts and the investments of certificates of deposit were secured by federal depository insurance and by securities that are pledged as collateral. Approximately \$90,042 was collateralized by securities held by the pledging financial institution in City Court's name.

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (3) - ACCOUNT GROUPS - GENERAL FIXED ASSETS
CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

| | Balance <u>1/1/98</u> | <u>Additions</u> | <u>Retirements</u> | Balance <u>12/31/98</u> |
|------------------------------------------|--------------------------|------------------|--------------------|----------------------------|
| Office furniture and equipment | \$102,333 | \$8,515 | | \$110,848 |
| Automobiles | 18,728 | 8,978 | | 27,706 |
| Mobile phones | 912 | | | 912 |
| Mobile radio system | 12,543 | | | 12,543 |
| Parking lot and building improvements | <u>6,258</u> | <u> </u> | <u> </u> | <u>6,258</u> |
| <u>Totals</u> | <u>140,774</u> | <u>17,493</u> | <u>-0-</u> | <u>158,267</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.

NOTE (4) - RETIREMENT PLANS

Plan Description

Employees of City Court of Opelousas, Louisiana, are covered under the Social Security Retirement System while the City Judge is covered by the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. LASERS provides retirement, disability, and survivor benefits to participating, eligible employees. Benefits are established and amended by state statute and are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. LASERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to Louisiana State Employees' Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (504) 922-0600.

Funding Policy

Contributions to LASERS include employee contributions of 11.5% of salary and employer contributions at a rate which is redetermined annually based on the results of the actuarial valuation for the prior year. The rate for fiscal year ended June 30, 1999 was 12.4% and for fiscal year ended June 30, 1998 was 13%.

Prior to January 1, 1997, the City Judge belonged to the DROP Program which did not require retirement contributions.

Retirement Plans

The City Court's employer contributions for the year ended December 31, 1998 were \$3,937 and the City Judge's employee contributions for the year ended December 31, 1997 were \$3,567.

CITY COURT OF OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE (5) - LEASES

In September, 1994, City Court entered into an operating lease for a new automobile. The operating lease was for 36 months beginning in September, 1994 and the monthly payments were \$537. The lease agreement ended in September, 1997, at which time City Court did not exercise the option to purchase the automobile. Instead, City Court entered into a new operating lease for the same automobile for another 10 months with monthly payments of \$513. At the end of the lease, City Court purchased the automobile.

In May, 1997, City Court entered into an operating lease for a new automobile. The operating lease is for 36 months with monthly payments of \$539. At the end of the lease, City Court has the option to purchase the automobile.

Automobile rental expense shown for 1998 is \$9,033.

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

| | |
|------|---------|
| 1999 | \$6,468 |
| 2000 | 2,156 |

NOTE (6) - CHANGES IN GENERAL LONG-TERM DEBT

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

| <u>Description of Debt</u> | <u>Balance</u> <u>1/1/98</u> | <u>Increase</u> <u>(Decrease)</u> | <u>Balance</u> <u>12/31/98</u> |
|------------------------------|---------------------------------|--------------------------------------|-----------------------------------|
| Accrued compensatory pay | \$38,618 | \$2,701 | \$41,319 |
| Accrued compensated absences | <u>7,964</u> | <u>(384)</u> | <u>7,580</u> |
| | <u>46,582</u> | <u>2,317</u> | <u>48,899</u> |

NOTE (7) - INTERFUND RECEIVABLE, PAYABLE

| | <u>Receivable</u> | <u>Payable</u> |
|--------------|-------------------|----------------|
| General Fund | \$37,387 | |
| Agency Fund | | \$37,387 |

NOTE (8) - DUE TO OTHERS - AGENCY FUND

This account represents the amount due to various parties for civil fees collected.

RELATED REPORT

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
 FINANCIAL REPORTING BASED ON AN AUDIT OF
 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS

To the Honorable Judge Kenneth Boagni, Jr.
 City Court of Opelousas, Louisiana

We have audited the general purpose financial statements of City Court of Opelousas, Louisiana, as of and for the year ended December 31, 1998, and have issued our report thereon dated August 6, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted a certain immaterial instance of noncompliance that we have reported to the management of City Court of Opelousas in a separate letter dated August 6, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that may be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of City Court in a separate letter dated August 6, 1999.

To the Honorable Judge Kenneth Boagni, Jr.

Page 2

This report is intended solely for the information and use of City Court of Opelousas, Louisiana, its Judge, and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties.

John S. Dowling & Company

Opelousas, Louisiana

August 6, 1999

SUPPLEMENTARY INFORMATION

Joel Lanclos, Jr., CPA
 Russell J. Stelly, CPA
 Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Darren J. Cart, CPA
 Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996

John Newton Stout, CPA
 1998

Dwight Ledoux, CPA
 1998

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Honorable Judge Kenneth Boagni, Jr.
 City Court of Opelousas, Louisiana

We have audited the financial statements of the City Court of Opelousas, Louisiana, as of and for the year ended December 31, 1998, and have issued our report thereon dated August 6, 1999. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole.

The year 2000 supplementary information on page 16 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the City Court of Opelousas, Louisiana, is or will become year 2000 compliant, that the City Court's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City Court of Opelousas, Louisiana, does business are or will become year 2000 compliant.

John S. Dowling & Company

Opelousas, Louisiana
 August 6, 1999

CITY COURT OF OPELOUSAS, LOUISIANA
YEAR 2000 REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 1998

The bookkeeping records of City Court of Opelousas are maintained by an accounting firm. The firm has indicated that their software has been updated to be year 2000 compliant. The software used by City Court of Opelousas for court cost collections and distributions has been upgraded. If failure of the software would occur, City Court's personnel are familiar with using a manual system. Financial institutions in which City Court's funds are held have also indicated that they are year 2000 compliant.

CITY COURT OF OPELOUSAS, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 1998

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

No findings.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

97-1 Organizational Chart

As an alternative to an organizational chart, City Court's management now handles all requests and inquiries and delegates any further action needed to appropriate employees.

97-2 Record Storage and Retrieval
Resolved

97-3 Timely Deposits of Cash Receipts - Civil Docket
Partially resolved - Repeat Comment

Joel Lanclos, Jr., CPA
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To the Honorable Judge Kenneth Boagni, Jr.
City Court of Opelousas, Louisiana

In planning and performing our audit of the general purpose financial statements of City Court of Opelousas, Louisiana, for the year ended December 31, 1998, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily disclose all matters that might be reportable conditions. In addition, because of inherent limitations in internal control, errors or fraud may occur and not be detected by such controls.

The following is an immaterial instance of noncompliance with laws and regulations that has come to our attention.

98-1 Timely Submittal of Audit Report

Criteria: According to Louisiana Revised Statute 24:513, the audit report must be submitted to the Legislative Auditor's office within six months of the close of City Court's calendar year.

Condition: The audit report of City Court of Opelousas was not submitted on a timely basis.

Cause: The delay of the audit was caused by personnel problems, vacation and sickness of City Court's employees.

Effect: The audit report was not submitted on a timely basis to the Legislative Auditor, which did not have a material effect on the financial statements.

The following are suggestions for improving your system, procedures, and operations:

98-2 Timely Deposits of Cash Receipts - Civil Docket

Cash receipts are not being deposited on a timely basis. Civil fees are collected for the most part by money orders and then the money orders are mailed out to the individuals owed. This has greatly reduced cash collections of civil fees. At the present time, the Civil Clerk still accumulates cash receipts of civil advance deposits and makes weekly deposits. As a result there is risk of loss from burglary, misplacement, or misappropriation.

We recommend that deposits be made on a more frequent basis especially when cash collections are heavy.

To the Honorable Judge Kenneth Boagni, Jr.
City Court of Opelousas, Louisiana
Page 2

This report is intended for the information of City Court of Opelousas, Louisiana, its Judge, and the appropriate regulatory agency. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling & Company

Opelousas, Louisiana
August 6, 1999



Kenneth Doognl, Jr.
Judge
Ronnie Leger
Clerk/Judicial Administrator
Telephone
948-2570 - City Court
948-2575 - Fax

Civil, Criminal,
Traffic
and
Juvenile Jurisdiction

City Court of Opelousas
IN AND FOR WARD ONE
ST. LANDRY PARISH
P.O. BOX K
Opelousas, Louisiana
70571-1910
CORRECTIVE ACTION PLAN

August 12, 1999

Louisiana Legislative Auditor
Baton Rouge, LA 70804

City Court of Opelousas, Louisiana respectfully submits the following corrective action plan for the year ended December 31, 1998.

Name and address of independent public accounting firm: John S. Dowling & Company, P.O. Box 433, Opelousas, LA 70571-0433.

Audit period: Year ended December 31, 1998

The findings from the 1998 management letter are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS-- FINANCIAL STATEMENT AUDIT

None

FINDINGS- FEDERAL AWARD PROGRAMS AUDIT

N/A

FINDINGS - MANAGEMENT LETTER

Noncompliance

98-1 Timely Submittal of Audit Report

Action Taken: The personnel problems which caused the delay in the current audit have been resolved. Employee vacations will be planned around the audit next year. We feel certain that these problems will not occur again next year and the audit will be submitted timely.

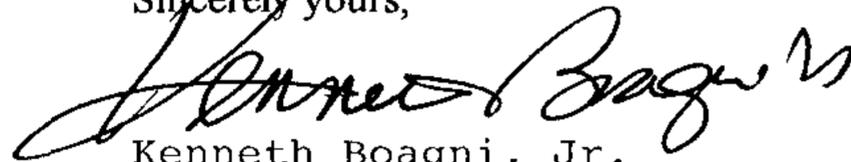
Louisiana Legislative Auditor
August 12, 1999
Page 2

Suggestion

98-2 Timely Deposits of Cash Receipts - Civil Docket

Action Taken: A memo has been issued as of this date to the Civil Clerk, directing that a deposit needs to be made daily, unless funds on hand are below \$100. This should correct this problem.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Kenneth Boagni, Jr.", written in a cursive style.

Kenneth Boagni, Jr.
Judge
Opelousas City Court