

BASIC FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

CITY COURT OF LAFAYETTE, LOUISIANA

October 31, 2022



**CITY COURT OF LAFAYETTE,
LOUISIANA**

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INDEPENDENT AUDITORS' REPORT

Honorable Douglas Saloom

City Court of Lafayette, Louisiana
Lafayette, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Lafayette, Louisiana as of and for the year ended October 31, 2022, and the related notes to the financial statements, which collectively comprise the City Court of Lafayette, Louisiana's basic financial statements as listed in the table of contents.

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 the City Court of Lafayette, Louisiana, as of October 31, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City Court of Lafayette, Louisiana, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City Court of Lafayette, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City Court of Lafayette, Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City Court of Lafayette, Louisiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City Court of Lafayette, Louisiana's basic financial statements. The schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity and the justice system funding schedule – receiving entity are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 April 18, 2023, on our consideration of the City Court of Lafayette, Louisiana's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City Court of Lafayette, Louisiana's internal control over financial reporting and compliance.



Lake Charles, Louisiana
April 18, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

CITY COURT OF LAFAYETTE, LOUISIANA
MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of City Court of Lafayette, Louisiana's (the "Court") financial performance provides an overview of the Court's financial activities for the year ended October 31, 2022. Please read it in conjunction with the Court's financial statements that follow.

I. FINANCIAL HIGHLIGHTS

The Court's net position decreased by \$1,390,774 or 24.2% as a result of this year's operations.

The Court's total program revenues were \$2,456,543 compared to \$2,770,721 last year, a decrease of \$314,178 or 11.3%. Total program expenses for the Court during the year ending October 31, 2022, were \$2,963,304, compared to \$3,263,716 during the year ending October 31, 2021, a decrease of \$300,412 or 9.29%.

II. USING THIS ANNUAL REPORT

This report consists of a series of financial statements. The statement of net position and the statement of activities (pages 14 and 15) provide information about the Court's activities as a whole and present a longer-term view of the Court's finances. Fund financial statements start on page 17. These statements tell how the services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Court's operations in more detail than the government-wide statements by providing information about the Court's most significant funds. The remaining statements provide financial information about activities for which the Court acts solely as a trustee or agent for the benefit of those outside of the government.

A. REPORTING THE COURT AS A WHOLE

i. THE STATEMENT OF NET POSITION AND THE STATEMENT OF ACTIVITIES

Our analysis of the Court as a whole begins on page 9. One of the most important questions asked about the Court's finances is, "Is the Court, as a whole, better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the Court as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most commercial enterprises. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Court's net position and the changes in them. The net position, the difference between the assets and the liabilities, is one way to measure the Court's financial position or financial health. Over time, increases or decreases in the Court's net position is one indicator of whether its financial health is improving or deteriorating.

We record the funds maintained by the Court as governmental activities in the statement of net position and the statement of activities.

CITY COURT OF LAFAYETTE, LOUISIANA
MANAGEMENT DISCUSSION AND ANALYSIS

B. REPORTING THE COURT'S MOST SIGNIFICANT FUNDS

i. FUND FINANCIAL STATEMENTS

The fund financial statements begin on page 17 and provide detailed information about the most significant funds, not the Court as a whole. The Court has also established other funds, which are for proceeds legally restricted to expenditures for special purposes.

All of the Court's expenditures are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that could be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Court's general operations and the expenditures paid from these funds. The information in the governmental funds helps determine if there are more or less financial resources to finance future Court expenditures. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations that follow the fund financial statements.

C. THE COURT AS A TRUSTEE

The Court is a trustee for agency funds for its civil and criminal divisions. All of the Court's fiduciary funds are reported in the statement of fiduciary net position on page 21. We exclude these activities from the Court's other financial statements because the Court cannot use these assets to finance its operations. The Court is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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CITY COURT OF LAFAYETTE, LOUISIANA
MANAGEMENT DISCUSSION AND ANALYSIS

III. REPORTING THE COURT AS A WHOLE

The following table reflects the condensed statement of net position for 2022, with comparative figures from 2021.

TABLE I
CITY COURT OF LAFAYETTE, LOUISIANA
CONDENSED STATEMENT OF NET POSITION
October 31,

	2022	2021
ASSETS		
Current assets	\$ 2,946,481	\$ 3,996,698
Capital assets, net	1,402,994	1,750,511
Total assets	\$ 4,349,475	\$ 5,747,209
LIABILITIES		
Current liabilities	\$ 2,984	\$ 9,944
	2,984	9,944
NET POSITION		
Net investment in capital assets	1,402,994	1,750,511
Restricted	573,758	591,306
Unrestricted	2,369,739	3,395,448
Total net position	4,346,491	5,737,265
Total liabilities and net position	\$ 4,349,475	\$ 5,747,209

Net position of the Court's governmental activities decreased by \$1,390,774 or 24.2% over the prior year. Unrestricted net position, the part of net position that can be used to finance the Court's expenses without constraints or other legal requirements, decreased from \$1,025,709 or 30.2% over the prior year.

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CITY COURT OF LAFAYETTE, LOUISIANA
MANAGEMENT DISCUSSION AND ANALYSIS

III. REPORTING THE COURT AS A WHOLE – (Continued)

The following table provides a summary of the change in net position for the year ended October 31, 2022, with comparative figures from 2021.

TABLE II
CITY COURT OF LAFAYETTE, LOUISIANA
CHANGE IN NET POSITION
For the Years Ended October 31, 2022 and 2021

	2022	2021
Revenues:		
Program revenues-		
Fees, fines, and charges for services and operating contributions	\$ 2,456,543	\$ 2,770,721
General revenues-		
Interest income	2,673	4,937
Other income	132	1,452
Intergovernmental	12,443	-
Intergovernmental to the City	(899,261)	-
Total revenues	1,572,530	2,777,110
Expenditures		
General government	2,963,304	3,263,716
Total expenditures	2,963,304	3,263,716
Change in net position	(1,390,774)	(486,606)
Net position, beginning	5,737,265	6,223,871
Net position, ending	\$ 4,346,491	\$ 5,737,265

During the fiscal year ended October 31, 2022, program revenues decreased by \$314,178 or approximately 11.3%.

Expenses, including depreciation expense of \$353,328 and \$406,525 as of October 31, 2022 and 2021, respectively, decreased by \$300,412 or approximately 9.2%.

CITY COURT OF LAFAYETTE, LOUISIANA
MANAGEMENT DISCUSSION AND ANALYSIS

IV. GENERAL FUND BUDGETARY HIGHLIGHTS

The budget for the General Fund operations is adopted by the Lafayette City-Parish Consolidated Government for its appropriations in accordance with its budgetary regulations and on a basis consistent with generally accepted accounting principles. Any comments regarding budget variances are included in the Lafayette City-Parish Consolidated Government Management's Discussion and Analysis.

V. CAPITAL ASSETS

As of October 31, 2022, the Court had \$1,402,994 invested in capital assets, net of accumulated depreciation. This amount represents a net decrease of \$347,517 or 19.9% from last year. The net change was due to depreciation expense in the current year partially offset by new purchases.

VI. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

As explained in Section IV, the General Fund budget is adopted by the Lafayette City-Parish Consolidated Government. For the other funds, the Court's management considered many factors when setting the operating budget for the fiscal year ending October 31, 2022. Management expected revenues and expenditures to remain consistent with levels in 2021.

VII. CONTACTING THE CITY COURT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the funds maintained by the Court and to show the Court's accountability for the money it receives. If you have any questions or need additional financial information, contact City Court of Lafayette, Louisiana, Clerk/Court Administrator, at Post Office Box 3344, Lafayette, Louisiana 70502.

BASIC FINANCIAL STATEMENTS

Governmental-Wide Financial Statements (GWFS)

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS
October 31, 2022**

ASSETS

Current assets:

Cash	\$ 2,904,793
Due from other funds	10,486
Prepaid expenses	31,202
Total current assets	<u>2,946,481</u>

Noncurrent assets:

Capital assets, net	<u>1,402,994</u>
Total noncurrent assets	<u>1,402,994</u>

Total assets	<u><u>\$ 4,349,475</u></u>
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LIABILITIES

Current liabilities:

Accrued liabilities	<u>\$ 2,984</u>
Total current liabilities	2,984

NET POSITION

Net investment in capital assets	1,402,994
Restricted	573,758
Unrestricted	2,369,739
Total net position	<u>4,346,491</u>

Total liabilities and net position	<u><u>\$ 4,349,475</u></u>
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See accompanying notes and independent auditors' report.

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
For the Year Ended October 31, 2022**

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Assets
		Fees and Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Judicial	\$ 2,963,304	\$ 288,719	\$ 2,167,824	
Total Governmental Activities	\$ 2,963,304	\$ 288,719	\$ 2,167,824	\$ (506,761)
			General revenues:	
			Interest	2,673
			Miscellaneous	132
			Intergovernmental	12,443
Intergovernmental to the Lafayette City-Parish Consolidated Government				(899,261)
			Total general revenues	(884,013)
			Change in net position	\$ (1,390,774)
			Net position - beginning of year	5,737,265
			Net position - end of year	\$ 4,346,491

See accompanying notes and independent auditors' report.

Fund Financial Statements

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**BALANCE SHEET - GOVERNMENTAL FUNDS
October 31, 2022**

	<u>Special Revenue Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>OWI Assessment Fund</u>	<u>Judicial Expense</u>	
ASSETS				
Cash	\$ 1,976,605	\$ 573,758	\$ 354,430	\$ 2,904,793
Prepaid expenses	31,202	-	-	31,202
Due from other funds	10,486	-	-	10,486
Total assets	<u>\$ 2,018,293</u>	<u>\$ 573,758</u>	<u>\$ 354,430</u>	<u>\$ 2,946,481</u>
LIABILITIES				
Accrued liabilities	\$ 2,984	\$ -	\$ -	\$ 2,984
Total liabilities	<u>2,984</u>	<u>-</u>	<u>-</u>	<u>2,984</u>
FUND BALANCES				
Restricted	-	573,758	-	573,758
Assigned	-	-	354,430	354,430
Unassigned	2,015,309	-	-	2,015,309
Total fund balances	<u>2,015,309</u>	<u>573,758</u>	<u>354,430</u>	<u>2,943,497</u>
Total liabilities and fund balances	<u>\$ 2,018,293</u>	<u>\$ 573,758</u>	<u>\$ 354,430</u>	<u>\$ 2,946,481</u>

See accompanying notes and independent auditors' report.

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND - TO THE
STATEMENT OF NET POSITION
For the Year Ended October 31, 2022**

FUND BALANCE OF GOVERNMENTAL FUNDS	\$ 2,943,497
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Amounts reported for governmental activities in the statement of activities are different due to the following:

Capital outlay is reported in governmental funds as expenditures. However, in the statement of activities, the cost of the asset is allocated over the estimated useful lives as depreciation expense.

Capital outlay	4,545,161
Accumulated depreciation	<u>(3,142,167)</u>
	<u>1,402,994</u>

Total net position of governmental activities at October 31, 2022	<u><u>\$ 4,346,491</u></u>
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**CITY COURT OF
LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

For the Year Ended October 31, 2022

	<u>General Fund</u>	<u>Special Revenue Funds</u>		<u>Total Governmental Funds</u>
		<u>OWI Assessment Fund</u>	<u>Judicial Expense</u>	
Revenues				
Charges for services	\$ 280,989	\$ 7,730	\$ -	\$ 288,719
Interest income	1,804	57	812	2,673
Miscellaneous	44	-	88	132
Intergovernmental	19,943	-	-	19,943
On-behalf payments:				
City government	2,107,283	-	-	2,107,283
State government	53,041	-	-	53,041
Total revenues	<u>2,463,104</u>	<u>7,787</u>	<u>900</u>	<u>2,471,791</u>
Expenditures				
General government:				
Salaries, wages and benefits	2,160,324	-	-	2,160,324
Auto expense	12,857	-	-	12,857
Court services	-	25,000	-	25,000
Interpreter services	17,624	-	-	17,624
Office expense	93,065	-	-	93,065
Other	3,750	335	179	4,264
Professional services	98,411	-	-	98,411
Repairs and maintenance	31,372	-	-	31,372
Security monitoring	6,717	-	-	6,717
Temporary judges fees	2,515	-	37,748	40,263
Telephone	2,085	-	196	2,281
Travel and seminars	27,678	-	-	27,678
Uniform fees	4,968	-	-	4,968
Volumes, dues and subscriptions	81,736	-	-	81,736
Witness fees	3,416	-	-	3,416
Capital outlay	5,811	-	-	5,811
Total expenditures	<u>2,552,329</u>	<u>25,335</u>	<u>38,123</u>	<u>2,615,787</u>
(Deficiency) of revenues over expenditures	(89,225)	(17,548)	(37,223)	(143,996)
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(899,261)	(899,261)
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>(899,261)</u>	<u>(899,261)</u>
Net changes in fund balance	(89,225)	(17,548)	(936,484)	(1,043,257)
Fund balance - beginning	<u>2,104,534</u>	<u>591,306</u>	<u>1,290,914</u>	<u>3,986,754</u>
Fund balance - ending	<u>\$ 2,015,309</u>	<u>\$ 573,758</u>	<u>\$ 354,430</u>	<u>\$ 2,943,497</u>

See accompanying notes and independent auditors' report.

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended October 31, 2022**

Total net change in fund balance - governmental funds \$ (1,043,257)

Amounts reported for governmental activities in the statement of activities are different due to the following:

Capital outlay is reported in governmental funds as expenditures. However, in the statement of activities, the cost of the asset is allocated over the estimated useful lives as depreciation expense.

Capital outlay	5,811
Depreciation expense	<u>(353,328)</u>
	<u>(347,517)</u>

Total changes in net position at October 31, 2022 per Statement of Activities \$ (1,390,774)

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
October 31, 2022**

	Civil Court Operating Fund	Court Cost Bond Fund	Total Agency Funds
ASSETS			
Cash	\$ 842,670	\$ 57,142	\$ 899,812
Total assets	\$ 842,670	\$ 57,142	\$ 899,812
 LIABILITIES			
Due to other funds	\$ -	\$ 10,486	\$ 10,486
Due to others	38,859	-	38,859
Total liabilities	38,859	10,486	49,345
 Net position	 803,811	 46,656	 850,467
Total liabilities and net position	\$ 842,670	\$ 57,142	\$ 899,812

See accompanying notes and independent auditors' report.

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
October 31, 2022**

	<u>Civil Court Operating Fund</u>	<u>Court Cost Bond Fund</u>	<u>Total Custodial Funds</u>
ADDITIONS:			
Bonds posted	\$ -	\$ 1,849,652	\$ 1,849,652
Court costs	788,992	-	788,992
Interest income	-	-	-
Total additions	<u>788,992</u>	<u>1,849,652</u>	<u>2,638,644</u>
DEDUCTIONS:			
Refunds to individuals/businesses	229,268	-	229,268
Payments to other governments	407,921	1,122,665	1,530,586
Bank service charges	-	10,879	10,879
Transfers to governmental fund	288,946	726,775	1,015,721
Total Deductions	<u>926,135</u>	<u>1,860,319</u>	<u>2,786,454</u>
Change in fiduciary position	(137,143)	(10,667)	(147,810)
Net position, beginning of year	<u>940,954</u>	<u>57,323</u>	<u>998,277</u>
Net position at end of year	<u>\$ 803,811</u>	<u>\$ 46,656</u>	<u>\$ 850,467</u>

See accompanying notes and independent auditors' report.

Notes to the Financial Statements

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

INTRODUCTION

The City Court of Lafayette, Louisiana (the “City Court”) was created under the authority of Louisiana Revised Statutes (“LRS”) 13:1952. The City Court has jurisdiction within the Third and Tenth Wards of Lafayette Parish and has the authority to decide certain juvenile, traffic and criminal matters, as well as civil disputes, up to \$20,000. City Court revenues include court costs on civil and criminal cases, and other revenues.

The accounting and reporting policies of the City Court conform with generally accepted accounting principles (“GAAP”) as applicable to governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City Court is fiscally dependent on the Lafayette City-Parish Consolidated Government (the “City”). The City provides funds for salaries and other expenses. Because the City Court is fiscally dependent on the City, the City Court was determined to be a component unit of the City, the financial reporting entity. The accompanying financial statements presents information only on the funds maintained by the City Court and does not present information on the City, the general governmental services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

The City Court uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental-Wide Financial Statements

The governmental-wide financial statements include a Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government. Internal service fund activity is eliminated to avoid duplicating revenues and expenses. Fiduciary funds are also excluded from the governmental-wide financial statements.

The Statement of Net Position and the Statement of Activities report financial information for the City Court as a whole so that individual funds are not displayed. However, the Statement of Activities reports the expense of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) court cost charges to users for the City Court’s services; and (2) contributions that are restricted to meeting the operational or capital requirements of a particular program. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

The City Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating revenues and expenses.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. BASIS OF PRESENTATION – (Continued)

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the City Court. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - Special Revenue Funds are used to account for all specific revenue sources that are legally restricted to expenditures for specified purposes.

Criminal Court Operating Fund – This fund is used to account for various costs associated with the operation of the City Court. Revenues consist of court costs levied in connection with non-civil cases.

Operating While Intoxicated (OWI) Assessment Fund – Revenues of this fund are derived from assessments levied in court cases to support the sobriety program and are transferred to that program as needed.

Judicial Expense Fund – These funds contain the transfers of the judges’ fees earned from the civil fund. Funds are accumulated and used only to pay the judges in years that their salary falls below the legal maximum allowed. The remainder of this fund is utilized in accordance with Louisiana Statute RS 13:996, stating that this fund is established and may be used for any purpose or purposes connected with, incidental to or related to the proper administration or function of the City Court. No salary may be paid from the Judicial Expense Fund to any of the judges of the City Court except as stated above when their salary falls below the legal maximum allowed.

During the year ended October 31, 2022, the City Court consolidated the Judicial Expense A and B funds into one Judicial Expense fund. During the current year the City Court closed the bank accounts in the name of the Judicial Expense A and B and opened new accounts and in accordance with the approval of the City Court budget by the City and will disburse the existing civil filing fees as follows: Judicial Expense Fund A transferred \$205,432 and Judicial Expense Fund B transferred \$128,615 of civil filing fees to the new Judicial Expense Fund bank account. The remaining balance of the Judicial Expense Fund A and B was transferred to the City in the amount of \$467,962 and \$431,299, respectively.

FIDUCIARY FUND TYPES

Custodial Fund - The custodial funds are used to account for assets held by the City Court as an agent for individuals, other governments, and/or other funds. These funds do not involve measurement of results in operations.

City Court Operating Fund- Advanced court costs are deposits made by plaintiffs who file civil suits. These deposits are recorded as a liability. The court acts only as a collection agent for fees in civil matters. As the suits are processed, the various fees earned are paid out on a monthly basis. Thus, the activity in this account is not reflected in the statement of revenues collected and expenditures paid. After a case is dismissed, any excess deposit is refunded to the plaintiff.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. BASIS OF PRESENTATION – (Continued)

Court Cost Bond Fund – These funds account for monies held (bonds posted) by plaintiffs to cover estimated court costs in connection with criminal and civil suits. Any monies remaining after settlement of the suits are refunded to the plaintiffs.

C. MEASUREMENT FOCUS AND BASIC ACCOUNTING

Measurement focus refers to what is being measured. 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 measurement made, regardless of the measurement focus applied.

The governmental-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources should be recognized when the exchange takes place. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the governmental-wide statements and the fund financial statements. The primary effect of internal activity (between or within funds) has been eliminated from the government-wide financial statements.

In the fund financial statements, governmental funds are accounted for using the modified accrual basis of accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City Court, are charges to service and court costs and fines.

The City Court currently has two custodial fiduciary funds. Custodial funds are unlike all other types of funds, reporting only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

D. BUDGETS AND BUDGETARY ACCOUNTING

The Comptroller prepares a proposed budget and submits it to the City Court Judges prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them.

Any revisions that alter total expenditures of any fund must be approved by the Judges. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. All budgetary appropriations lapse at the end of each fiscal year.

Budgets for the General and Special Revenue Funds are adopted on a modified accrual basis of accounting. Budgeted amounts are as originally adopted, or as amended by the City Court Judges.

E. CASH

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

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. CASH – (Continued)

Under state law, the City Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, which approximates fair value.

F. CAPITAL ASSETS AND DEPRECIATION

The majority of the fixed assets of the City Court are purchased by the City and are accounted for in the government-wide financial statements of that entity.

Capital assets are capitalized at historical costs. The City Court maintains a threshold level of \$2,500 or more for capitalizing assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. All capital assets are depreciated using the straight-line method over the following useful lives:

Building improvements	10 to 15 years
Equipment	5 to 15 years
Land improvements	25 years

Since surplus assets are sold for an immaterial amount when declared no longer needed by the City Court, no salvage value is taken into consideration for depreciation purposes.

G. DEFINED BENEFIT MULTI-EMPLOYER PENSION PLANS

Generally accepted accounting principles require the City Court to recognize the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets related to its participation in the Parochial Employees Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana and the Louisiana and the Louisiana State Employees' Retirement System, all cost-sharing, multiple employer defined benefit pension plans, as a net pension liability on the statement of net position. In addition, the City Court is required to recognize its share of the deferred outflows and deferred inflows associated with its participation in the plans. However, because the City Court employees participate under the umbrella of the City (of which they are a component unit), their share of the net pension liability, deferred inflows and outflows are included in the City amounts. Information specific to the City Court needed to implement these accounting requirements is not readily available. As such, the City Court did not apply the provisions required by generally accepted accounting principles. Information related to participation in these retirement plans can be found in the financial statements of the City as of October 31, 2022, which includes the City Court.

H. ESTIMATES

The preparation of financial statements in conformity with GAAP requires 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.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

I. EQUITY CLASSIFICATION

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

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

J. FUND EQUITY

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City Court is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- a. Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- b. Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Judges. The judges are the highest level of decision making authority for the City Court. These amounts cannot be used for any other purpose unless the judges remove or change the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.
- d. Assigned: This classification includes amounts that are constrained by the City Court’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the judges or through the judges delegating this responsibility through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- e. Unassigned: This classification includes the residual fund balance for the General Fund.

The City Court typically uses restricted fund balances first, followed by committed, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

K. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENT

In May 2020, the Governmental Accounting Standards Board (GASB) approved Statement No. 96, “*Subscription-Based Information Technology Arrangements*.” The objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The provisions of GASB No. 96 must be implemented by the City Court’s for periods beginning after June 15, 2022, with the earlier adoption encouraged. The effect of implementation of the statement of the City Court’s financial statements has not yet been determined.

2. CASH

At October 31, 2022, the City Court had cash and interest-bearing deposits (book balances) totaling \$3,804,605 for governmental and fiduciary funds.

In accordance with a fiscal agency agreement which is approved by the City Judges, the City Court maintains demand and time deposits through an administrator bank at participating local depository banks which are members of the Federal Reserve System. Deposits in excess of federally insured amounts are required by Louisiana state statute to be protected by collateral of equal market value. Authorized collateral includes general obligations of the U.S. Government, obligations issued or guaranteed by an agency established by the U.S. Government, general obligation bonds of any state of the U.S., or any Louisiana parish, municipality, or school district. The City Court’s bank and demand and time deposits at year end were fully collateralized.

The following summary of deposit balances (bank balances) at October 31, 2022, and the related federal insurance and pledged securities were as follows:

Bank balances	<u>\$ 4,065,125</u>
Federal deposit insurance	\$ 1,250,000
Pledge securities	<u>3,563,721</u>
Total federal insurance and pledged securities	<u>\$ 4,813,721</u>

As of October 31, 2022, the City Court’s total bank balances were fully insured or collateralized with securities held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties and, therefore, not exposed to custodial credit risk.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

3. CAPITAL ASSETS

Capital assets and depreciation activity for the year ended October 31, 2022, were as follows:

	Balance 11/1/2021	Additions	Deletions	Balance 10/31/2022
Governmental activities:				
Capital assets being depreciated:				
Building improvements	\$ 767,158	\$ 2,880	\$ -	\$ 770,038
Equipment	3,754,433	2,931	-	3,757,364
Land improvements	17,759	-	-	17,759
Total capital assets being depreciated	4,539,350	5,811	-	4,545,161
Less accumulated depreciation:				
Building improvements	\$ 531,066	\$ 54,143	\$ -	\$ 585,209
Equipment	2,247,638	298,475	-	2,546,113
Land improvements	10,135	710	-	10,845
Total accumulated depreciation	2,788,839	353,328	-	3,142,167
Governmental activities capital assets, net	\$ 1,750,511	\$ (347,517)	\$ -	\$ 1,402,994

Depreciation was charged to governmental functions in the amount of \$353,328 for the year ended October 31, 2022. The entity had no infrastructure assets as of October 31, 2022.

4. RETIREMENT BENEFITS

Substantially, all City Court employees participate in one of the following retirement systems: municipal employees' retirement systems, parochial employees' retirement system, or Louisiana State employees' retirement system. Retirement contributions to these plans are made by the City through their general fund on behalf of the City Court.

5. ON-BEHALF PAYMENTS

Employees receive payments directly from the City and the State of Louisiana for salaries, payroll taxes, health insurance, unemployment benefits, retirement plan contributions and worker's compensation. Salaries paid to these employees include \$2,160,324 from the State and the City.

6. RISK MANAGEMENT

The City Court is exposed to risks of loss in the areas of professional liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended October 31, 2022

7. RELATED PARTY TRANSACTIONS

The accompanying financial statements do not include certain portions of the City Court's expenses paid directly by other governmental entities. The City pays the salaries, payroll taxes, and insurances for the City Court and is included in the on-behalf payments.

8. LITIGATIONS AND CLAIMS

The City Court is not involved in any material matters of pending or threatened litigation as of October 31, 2022.

9. SUBSEQUENT EVENTS

Management of the City Court has evaluated subsequent events through the date of the independent auditors' report, which is the date the financials were available to be issued. Management is not aware of any subsequent events which required recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**GOVERNMENTAL FUNDS - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET TO ACTUAL**

For the Year Ended October 31, 2022

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ 300,000	\$ 300,000	\$ 280,989	\$ (19,011)
Interest income	3,690	3,690	1,804	(1,886)
Miscellaneous	2,030	2,030	44	(1,986)
Intergovernmental	5,475	5,475	19,943	14,468
On-behalf payments	2,292,031	2,292,031	2,160,324	(131,707)
Total revenues	<u>2,603,226</u>	<u>2,603,226</u>	<u>2,463,104</u>	<u>(140,122)</u>
Expenditures:				
Salaries, wages and benefits	2,292,031	2,292,031	2,160,324	131,707
Auto expense	6,300	6,300	12,857	(6,557)
Interpreter services	-	-	17,624	(17,624)
Office expense	12,700	12,700	93,065	(80,365)
Other	1,200	1,200	3,750	(2,550)
Professional services	60,000	60,000	98,411	(38,411)
Repairs and maintenance	-	-	31,372	(31,372)
Security monitoring	-	-	6,717	(6,717)
Temporary judges fees	4,900	4,900	2,515	2,385
Telephone	-	-	2,085	(2,085)
Travel and seminars	21,200	21,200	27,678	(6,478)
Uniform fees	-	-	4,968	(4,968)
Volumes, dues and subscriptions	8,000	8,000	81,736	(73,736)
Witness fees	3,500	3,500	3,416	84
Capital outlay	-	-	5,811	(5,811)
	<u>2,409,831</u>	<u>2,409,831</u>	<u>2,552,329</u>	<u>(142,498)</u>
Excess (deficiency) of revenue and other sources over expenses and other uses	193,395	193,395	(89,225)	(282,620)
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	193,395	193,395	(89,225)	(282,620)
Fund balance - beginning	<u>2,104,534</u>	<u>2,104,534</u>	<u>2,104,534</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,297,929</u>	<u>\$ 2,297,929</u>	<u>\$ 2,015,309</u>	<u>\$ (282,620)</u>

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**GOVERNMENTAL FUNDS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET TO ACTUAL**

For the Year Ended October 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 7,730	\$ (2,270)
Interest income	1,085	1,085	869	(216)
Judicial fees	-	-	-	-
Miscellaneous	-	-	88	88
Total revenues	<u>11,085</u>	<u>11,085</u>	<u>8,687</u>	<u>(2,398)</u>
Expenditures:				
Court services	25,000	25,000	25,000	-
Other	-	515	514	1
Temporary judges fees	-	37,748	37,748	-
Telephone	-	196	196	-
Total expenditures	<u>25,000</u>	<u>63,459</u>	<u>63,458</u>	<u>1</u>
Excess (deficiency) of revenue and other sources over expenses and other uses	(13,915)	(52,374)	(54,771)	(2,397)
Other Financing Sources (Uses)				
Operating transfers in	-	205,432	-	205,432
Operating transfers (out)	-	(1,104,693)	(899,261)	(205,432)
Total other financing (uses)	<u>-</u>	<u>(899,261)</u>	<u>(899,261)</u>	<u>-</u>
Net changes in fund balance	(13,915)	(951,635)	(954,032)	(2,397)
Fund balance - beginning	<u>1,882,220</u>	<u>1,882,220</u>	<u>1,882,220</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,868,305</u>	<u>\$ 930,585</u>	<u>\$ 928,188</u>	<u>\$ -</u>

CITY COURT OF
LAFAYETTE, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended October 31, 2022

1. BUDGET PRACTICES

- A. The proposed budget is prepared and submitted to the City Court Judges for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
- B. The proposed budget is made available for public inspection.
- C. The budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- D. All budgetary appropriations lapse at the end of each fiscal year.
- E. The budget is adopted on a basis consistent with GAAP. Budgeted amounts are as originally adopted or as finally amended by the City Judges.

SUPPLEMENTAL INFORMATION

**CITY COURT OF
LAFAYETTE, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD**

For the Year Ended October 31, 2022

Agency Head Name: Honorable Douglas Saloom

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 165,455
Benefits -	
Insurance	11,765
Taxes	7,229
Professional liability insurance	3,925
Vehicle insurance	1,500
Security	898
Cell phone	2,240
Professional dues	635
Per diem	1,475
Registration fees	2,325
Travel	374
Conference travel	5,049
	<hr/>
Total	<u><u>\$ 202,870</u></u>

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information		
CITY COURT OF LAFAYETTE		
LLA Entity ID # 2117		
Date that reporting period ended 10/31/2022		
	First Six Month Period Ended 04/30/2022	Second Six Month Period Ended 10/30/2022
Cash Basis Presentation		
1. Beginning Balance of Amounts Collected (i.e. cash on hand)	852,874	863,591
2. Add: Collections		
a Civil Fees (including refundable amounts such as garnishments or advance deposits)	352,247	467,143
b Bond Fees	93,809	98,231
c Asset Forfeiture/Sale	-	-
d Pre-Trial Diversion Program Fees	-	-
e Criminal Court Costs/Fees	920,126	969,356
f Criminal Fines - Contempt	175	200
g Charge Back Reversals	-	229
h Special Fees	620	773
j Service/Collectin Fees (misc fees)	30,049	19,369
k Interest Earnings on Collected Balances	38	43
l Marshal Fees	100	175
m Civil Credit Card Deposits	-	3,314
n Reimbursement (Ach Debit)	243	69,815
o Surety Payments	-	2,250
SUBTOTAL COLLECTION	1,397,407	1,630,898
Less: Disbursements To Governments & NonProfit: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as nessary.)		
<i>Lafayette City Marshal, Court Costs - Criminal Court Costs/Fees</i>	147,237	158,502
<i>DHH-TH/SCITF, Head Trauma Fund - Criminal Court Costs/Fees</i>	4,677	6,735
<i>Lafayette City Marshal, Fingerprints -Service/Collection Fees</i>	100	50
<i>La Commission on Law Enforcement, Officer Training - Criminal Court Costs/Fees</i>	9,614	10,240
<i>Indigent Defender Board, Court Costs- Criminal Court Costs/Fees</i>	220,813	234,125
<i>Lafayette Parish Government, Coroner Fees- Criminal Court Costs/Fees</i>	24,522	25,859
<i>Treasure, State of Louisiana, Trial Court- Criminal Court Costs/Fees</i>	14,700	15,517
<i>City of Lafayette, Court Services/Monitoring Fees - Service/Collection Fees</i>	5,300	4,250
<i>La Commission on Law Enforcement, Crime Victim- Criminal Court Costs/Fees</i>	2,327	2,476
<i>District Attorney, DT SC Fines- Criminal Court Costs/Fees</i>	3,291	3,788
<i>Lafayette City Marshal, Costs/C.CR.P.ART 887H - Service/Collection Fees</i>	175	310
<i>City of Lafayette, Fines- Criminal Court Costs/Fees</i>	386,201	394,007
<i>Dept. of Public Safety, DT Conv Assessment- Criminal Court Costs/Fees</i>	5,823	6,780
<i>Parish of Lafayette, Fines & JT Fines- Criminal Court Costs/Fees</i>	8,472	8,765
<i>District Attorney, ST/SC Fines- Criminal Court Costs/Fees</i>	982	1,102
<i>District Attorney, 12% DT Fines- Criminal Court Costs/Fees</i>	4,744	4,444
<i>Lafayette City Marshal, Bond Forf- Criminal Court Costs/Fees</i>	-	563
<i>Crime Stoppers, Crime Stoppers- Criminal Court Costs/Fees</i>	9,802	10,343
<i>Acadiana Criminalistics Laboratory, Chemical Test- Criminal Court Costs/Fees</i>	4,018	3,673
<i>Louisiana Supreme Court, Act 405 Fund - Criminal Court Costs/Fees</i>	2,451	2,583
<i>City of Lafayette, City Prosecutor-Littering- Criminal Court Costs/Fees</i>	-	275
<i>City of Lafayette, LPD - Keep Louisiana Beautiful Fund- Criminal Court Costs/Fees</i>	-	225
<i>City of Lafayette, Public Works - Environmental Quality- Criminal Court Costs/Fees</i>	-	225

<i>Indigent Defender Board, Bond Forfeitures, Service/Collection Fees</i>	-	563
<i>City of Lafayette, Bond Forfeitures, Service/Collection Fees</i>	-	563
<i>Office of District Attorney, Expungements- Service/Collection Fees</i>	1,450	1,150
<i>Department of Public Safety, Expungements- Service/Collection Fees</i>	1,650	850
<i>Bureau of Criminal Identification, Expungements- Service/Collection Fees</i>	10,500	4,250
<i>Lafayette Parish Sheriffs Department, Expungements- Service/Collection Fees</i>	1,800	1,400
<i>Lafayette Consolidated Government, Prosecutor Expungements- Service/Collection Fees</i>	350	250
<i>Civil Judges Supplemental Fees - Civil Fees</i>	45,126	61,191
<i>Civil Pro Bon Project - Judicial Fees - Civil Fees</i>	227	307
<i>Civil Pro Bono Project - Lafayette Parish Bar Foundation</i>	2,159	2,923
<i>Civil Pro Bono Project - Acadiana Legal Service Corporation (100%)- Civil Fees</i>	2,159	2,923
<i>Louisiana Supreme Court, Civil Act 405 - Civil Fees</i>	849	1,121
<i>Civil LRS Statute 13:1874B- Civil Fees</i>	64,520	80,930
<i>Small Claims LRS Statute 13:1874B- Civil Fees</i>	2,759	5,045
<i>Small Claims Arbitrator- Civil Fees</i>	2,847	3,661
4. Less: Amounts Retained by Collecting Agency		
a <i>Civil City Marshal Service Fees- Civil Fees</i>	97,007	132,195
<i>Lafayette City Court, Court Costs - Criminal Court Costs/Fees</i>	120,463	130,174
<i>Lafayette City Court, OWI Assessment- Criminal Court Costs/Fees</i>	3,845	4,043
<i>Lafayette City Court, 2% OT- Criminal Court Costs/Fees</i>	196	209
<i>Lafayette City Court, Bond Forfeitures - Service/Collection Fees</i>	-	563
<i>Lafayette City Court, Misc Fees - Service/Collection Fees</i>	5,447	3,253
<i>Lafayette City Court, Contempt - Criminal Fines - Contempt</i>	335	300
<i>Lafayette City Court, Abstract Fees - Criminal Court Costs/Fees</i>	9,177	9,715
<i>Lafayette City Court, Reimbursement (Civil) - Civil Fees</i>	6,140	6,916
5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
d <i>Civil Fee Refunds- Civil Fees</i>	114,921	142,984
e <i>Bond Fee Refunds - Bond Fees</i>	27,764	24,886
<i>Restitution Payments to Individuals (additional detail is not required) - Bond Fees</i>	4,380	1,764
<i>Credit Card Fees Withheld - (reimb c.card fee/reimb interest earned Service/Collection Fees</i>	4,538	8,160
<i>Stop Payment Fees (Civil) - Civil Fees</i>	832	288
<i>Bank Service Charges - Service/Collection Fees</i>	-	97
<i>City of Lafayette, Unclaimed Cash - Bond Fees</i>	-	2,017
6 Subtotal Disbursements/Retainage	1,386,690	1,529,527
7. Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	863,591	964,962
8 Ending Balance of "Partial Payments" Collected but not Disbursed <i>(only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</i>	-	-
9. Other Information:		
a <i>Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)</i>	-	-
<i>Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)</i>	-	-
b		

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
CITY COURT OF LAFAYETTE	
LLA Entity ID # 2117	
Date that reporting period ended 10/30/2022	

If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund. Examples

Cash Basis Presentation	First Six	Second Six
	Month Period	Month Period
	Ended	Ended
	04/30/2022	10/30/2022
10. Receipts From: <i>(Must include one agency name and one collection type - see below - on each line)</i>		
<i>City Court of Lafayette, Civil Fees</i>	352,247	470,457
<i>City Court of Lafayette, Bond Fees</i>	93,809	100,481
<i>City Court of Lafayette, Criminal Court Costs/Fees</i>	920,369	1,039,400
<i>City Court of Lafayette, Criminal Fines - Contempt</i>	175	200
<i>City Court of Lafayette, Interest Earnings on Collected Balances</i>	38	43
<i>City Court of Lafayette, Service/Collection Fees</i>	30,049	19,369
<i>City Court of Lafayette, Other</i>	720	948
	-	-
	-	-
Subtotal Receipts	1,397,407	1,630,898
Ending Balance of Amounts Assessed but Not Received <i>(only applies to those agencies that assess on behalf of themselves, such as courts)</i>		
11.	-	-

Collection Types to be used in the "Receipts From:" section above	
a	Civil Fees
b	Bond Fees
c	Asset Forfeiture/Sale
d	Pre-Trial Diversion Program Fees
e	Criminal Court Costs/Fees
f	Criminal Fines - Contempt
g	Criminal Fines - Other
h	Restitution
i	Probation/Parole/Supervision Fees
j	Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
k	Interest Earnings on Collected Balances
l	Other <i>(do not include collections that fit into more specific categories above)</i>

COMPLIANCE AND INTERNAL CONTROL



LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

NICHOLAS J. LANGLEY
PHILLIP D. ABSHIRE, III
SARAH CLARK WERNER
ALEXIS H. O'NEAL
JESSICA LOTT-HANSEN

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

Honorable Doug Saloom
City Court of Lafayette
Lafayette, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the City Court of Lafayette, Louisiana (City Court), a component unit of the Lafayette City-Parish Consolidated Government as of and for the year ended October 31, 2022, and the related notes to the financial statements, which collectively comprise the City Court's basic financial statements, and have issued our report thereon dated April 18, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City Court's 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 purposes of expressing an opinion on the effectiveness of City Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the City Court's internal control over financial reporting.

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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. The instances of noncompliance are identified as 01-22C and 02-22C.

City Court's Response to Findings

City Court's response to the findings identified in our audit are described in the accompanying Summary Schedule of Current and Prior Year Audit Findings and Corrective Action Plan. The City Court's responses were not subject 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 compliance. This report is an integral part of the 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.



Lake Charles, Louisiana
April 18, 2023

CITY COURT OF
LAFAYETTE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST

For the Year Ended October 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiency identified not considered to be a material weakness?	None noted
Noncompliance material to financial statements noted?	No

Section II – Current Year Findings and Management Corrective Action Plan

Internal Control Over Financial Reporting

There were no findings with regards to internal control.

Compliance

01-22C – Compliance with Best Budget Practices

Condition and criteria: When an elected official adopts the entity's budget, it must be published in the official journal as describe by R.S. 39:1307(B).

Management's response: Management has responded that they were unaware of the requirement to publish an amended budget in the official journal. Management has published the original budget for the 2023 fiscal year and will monitor the budget, publishing an amended budget at the end of the year, if necessary.

02-22C – Compliance with Best Budget Practices

Condition and criteria: The October 31, 2022, amended budget expenditures for the general fund and special revenues funds were over the 5% threshold to actual results.

Management's Response: The City Court plans to amend the budget in a timely manner for the general fund and special revenue funds going forward. Some Court expenses cannot be predicted and due to the repair and or replacement costs may exceed the 5% threshold. The Court endeavors to predict most major expenses to avoid this issue.

CITY COURT OF
LAFAYETTE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST – (Continued)

For the Year Ended October 31, 2022

Section III – Prior Year Findings and Management Corrective Action Plan

Internal Control Over Financial Reporting

01-21IC – Segregation of Duties

Condition and criteria: Effective internal control requires adequate segregation of duties among client personnel. Because of the entity’s size and the limited number of account personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control.

Management’s response: Management has responded that it does not believe that it is cost effective to employ adequate personnel to achieve an adequate level of segregation of responsibilities. Management has implemented supervision and review procedures such as review and approval of supporting documents related to expenditures and periodic review of bank reconciliations.

Compliance

01-21C – Compliance with Best Budget Practices

Condition and criteria: When an elected official adopts the entity’s budget, it must be published in the official journal as describe by R.S. 39:1307(B).

Management’s response: Management has responded that they were unaware of this requirement and that going forward they will publish the original and amended budget in the official journal.

02-21C – Compliance with Best Budget Practices

Condition and criteria: The October 31, 2021, amended budget expenditures for the general fund and special revenues funds were over the 5% threshold to actual results due to the fact that on-behalf payment revenues and expenditures for salaries and benefits were not budgeted for.

Management’s Response: The City Court plans to amend the budget in a timely manner to include on-behalf payments during the year for the general fund and special revenue funds.



Langley, Williams
& Company, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

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JESSICA LOTT-HANSEN

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

City Court of Lafayette
Lafayette, Louisiana

To the Governing Board of the City Court of Lafayette, Louisiana's Office, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period November 1, 2021, through October 31, 2022. The City Court of Lafayette, Louisiana's Office's ("City Court") management is responsible for those C/C areas identified in the SAUPs.

The City Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period November 1, 2021, through October 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 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.
- 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).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/Electronic Municipal Market Access ("EMMA") reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Because the City Court is a component unit of the Lafayette Consolidated Government, the City Court adopts the policies and procedures of the Lafayette Consolidated Government where their own policies and procedures are lacking sufficient detail.

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 entity does not have a board or finance committee. The City Court judges are elected officials responsible for all oversight of the entity; therefore, this procedure is not applicable.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly
-

budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue fund. *Alternately, for those entities reporting on the nonprofit 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 entity does not have a board or finance committee. The City Court judges are elected officials responsible for all oversight of the entity; therefore, this procedure is not applicable.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.

Per the prior year audit report the unrestricted fund balance in the general fund did not have a negative ending balance; therefore, making this procedure not applicable.

Bank Reconciliations

3. Obtain a listing of entity 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 each selected account, and observe that:

We obtained a list of bank accounts from management and management's representation that the list 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 or electronically logged);

There were no exceptions noted as a result of applying this procedure.

- 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

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

Collections (excluding electronic funds transfers)

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

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

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

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 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.

There were no exceptions noted as a result of applying this procedure.

- 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/official verifies the reconciliation.

There were no exceptions noted as a result of applying this procedure.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

There were no exceptions noted as a result of applying this procedure.

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.

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- d) Observe 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 and the cash is stored securely in a locked safe or drawer).

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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 all 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.

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- 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.

Exception: The employee responsible for processing payments for the operating account has access to add/modify vendor files.

Management's response: Management reviews all invoices and signs all checks. Management also closes the accounting records monthly and once closed no changes can be made to the prior month. Management will also begin to periodically review the vendor listing and changes to vendor file.

- 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.

Exception: Two of the three locations, the employee processing the payment also mails the signed checks.

Management's response: Going forward, the check signer will return the checks to someone not involved in payment processing to mail the checks.

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 whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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.

There were no cards in the name of the City Court of Lafayette.

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 whether 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) were reviewed and approved, in writing (or electronically approved), 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.]

This procedure is not applicable.

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

This procedure is not applicable.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

This procedure is not applicable.

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 a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

- c) Observe 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).

There were no exceptions noted as a result of applying this procedure.

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

There were no exceptions noted as a result of applying this procedure.

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:

We obtained a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities from management and management's representation that the listing is complete.

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

None of the selected contracts were subject to bid law; therefore, this procedure is not applicable.

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

Contracts were approved by the Court Administrator, no additional approval needed.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

There were no exceptions noted as a result of applying this procedure.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions noted as a result of applying this procedure.

Payroll and Personnel

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

We obtained a listing of employees and management's representation that the listing is complete. Per discussion with management, all employees of the City Court are paid through the Lafayette Consolidated Government; therefore, the City Court does not process or record payroll expenses, except for the temporary judge.

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

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

This procedure is not applicable to the temporary judge.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

This procedure is not applicable to the temporary judge.

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

This procedure is not applicable to the temporary judge.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

There were no exceptions noted as a result of applying this procedure for the temporary judge.

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

These procedures are not applicable as the City Court employees are paid by the Lafayette Consolidated Government.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

These procedures are not applicable as the City Court employees are paid by the Lafayette Consolidated Government.

Ethics

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

There were no exceptions noted as a result of applying this procedure.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

There were no exceptions noted as a result of applying this procedure.

Debt Service

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

No debt was issued during the fiscal period. Therefore, this procedure is not applicable.

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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

No debt was issued during the fiscal period. Therefore, this procedure is not applicable.

Fraud Notice

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.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

24. Observe 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.

The City Court has posted on its premises and website the notice required by R.S. 24:523.1.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management. There were no exceptions noted as a result of applying this procedure.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management. There were no exceptions noted as a result of applying this procedure.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management. There were no exceptions noted as a result of applying this procedure.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

There were no exceptions noted as a result of applying this procedure.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

There were no exceptions noted as a result of applying this procedure.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

a) Number and percentage of public servants in the agency who have completed the training requirements;

There were no exceptions noted as a result of applying this procedure.

b) Number of sexual harassment complaints received by the agency;

There were no exceptions noted as a result of applying this procedure.

c) Number of complaints which resulted in a finding that sexual harassment occurred;

There were no exceptions noted as a result of applying this procedure.

d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

There were no exceptions noted as a result of applying this procedure.

e) Amount of time it took to resolve each complaint.

There were no exceptions noted as a result of applying this procedure.

We were engaged by the City Court of Lafayette, Louisiana's Office to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the City Court of Lafayette, Louisiana's Office and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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.



Langley, Williams & Co., LLC
Lake Charles, LA
April 7, 2023