

**CITY COURT OF THIBODAUX,
LOUISIANA**

Annual Financial Report

For the Year Ended December 31, 2021

CITY COURT OF THIBODAUX, LOUISIANA

Annual Financial Report

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**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

This discussion and analysis of City Court of Thibodaux's (City Court) financial performance provides an overview of the financial activities for the year.

FINANCIAL HIGHLIGHTS

- The net position at the end of the year was \$434,788, an increase of \$17,167 or almost 4% from the prior year.
- Total net position is comprised of the following:
 - Net invested in capital assets of \$33,723 consisting of equipment, furniture, leasehold improvements, and vehicles, net of accumulated depreciation.
 - Restricted for Marshal's fund of \$118,892, representing the portion restricted due to enabling legislation that authorizes the City Court to assess court costs for the Marshal to operate his office.
 - Unrestricted net assets of \$282,173 representing the portion available to maintain continuing obligations to citizens and creditors.
- Total spending for all judicial activities was \$928,482 for the year, which was \$15,853 less than the fines and costs charged for these activities and operating and capital grants and contributions totaling \$945,649, an increase of \$47,181 or 5%.
- The governmental funds reported total ending fund balance of \$498,773 – \$118,892 was considered restricted, \$15,531 was assigned for the Judicial Building Fund and the remaining \$364,350 was considered unassigned. This compares to the prior year ending fund balance of \$492,361, an increase of \$6,412 during the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities as a whole and present a longer-term view of the finances. Fund financial statements for governmental activities tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which the City Court acts solely as a trustee or agent for the benefit of those outside of the government.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing

**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information about the entity as a whole. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report net position and changes in net position. You can think of the net position—the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources—as one way to measure the financial health, or financial position of the entity. Over time, increases or decreases in the net position are indicators of whether the entity's financial health is improving or deteriorating. You will need to consider other non-financial factors, however, to assess the overall health of the entity.

In the Statement of Net Position and the Statement of Activities all governmental activities are reported. Most of the basic judicial services are reported as this type. Fines and fees charged to the public and operating contributions finance most of these activities.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the City Court as a whole. Some funds are required to be established by State laws. However, City Court establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like the Marshal's Fund).

City Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending.

**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the judicial programs. 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 reconciliation at the bottom of the fund financial statements.

FINANCIAL ANALYSIS OF THE CITY COURT AS A WHOLE

The net position of the Court increased by \$17,167 as a result of this year's operations or approximately 4%. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements absorbed the decrease. Net Invested in Capital Assets decreased by almost \$17,000 due to depreciation and disposals in excess of capital purchases. Restricted net position increased by \$22,000 from last year. The balance in net position represents the accumulated results of all past years' operations. Following is a condensed statement of Net Position:

	2020	2021	Increase (Decrease)
Current and Other Assets	\$ 524,532	\$ 506,033	\$ (18,499)
Capital Assets	50,440	33,723	(16,717)
Total Assets	574,972	539,756	(35,216)
Deferred Outflows of Resources	33,804	7,566	(26,238)
Current Liabilities	32,169	7,259	(24,910)
Long Term Liabilities	157,474	85,367	(72,107)
Total Liabilities	189,643	92,626	(97,017)
Deferred Inflows of Resources	1,512	19,908	18,396
Net Invested in Capital Assets	50,440	33,723	(16,717)
Restricted	96,372	118,892	22,520
Unrestricted	270,809	282,173	11,364
Total Net Position	\$ 417,621	\$ 434,788	\$ 17,167

**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

The total revenues for the year in governmental activities were \$945,649 (\$944,335 in program revenues including donations and a grant received in the Marshal's Fund for a vehicle purchase and \$1,314 in general revenues). The total cost of all judicial programs and services was \$928,482 with no new programs added this year. Following is a condensed statement of Activities:

	2020	2021	Increase (Decrease)
Total program expenses	\$ (999,140)	\$ (928,482)	\$ 70,658
Total program revenues	894,167	944,335	50,168
Net program income	(104,973)	15,853	120,826
General revenues	4,301	1,314	(2,987)
Change in Net Assets	(100,672)	17,167	117,839
Net Position:			
Beginning of the year	518,293	417,621	(100,672)
End of the year	<u>\$ 417,621</u>	<u>\$ 434,788</u>	<u>\$ 17,167</u>

FINANCIAL ANALYSIS OF THE CITY COURT'S FUNDS

As we noted earlier, funds are used to control and manage money for particular purposes. Looking at the individual funds helps you consider whether the City Court is being accountable for the resources provided to it but may also give you more insight into the overall financial health. The following is information about the major funds.

At the end of the year, the General Fund reported an ending fund balance of \$395,989, a decrease of \$16,108 from the prior year. Revenues of \$727,623 increased slightly from last year. Current expenditures of \$742,858 also increased slightly by 2 1/2%. Capital outlay of \$873 is less than the prior year of \$13,475. At the end of the current year, unassigned fund balance for the General Fund was \$364,350, or 49% of total General Fund expenditures.

The Marshal's Fund had an ending fund balance of \$118,892, an increase of \$22,520 or 23%. Revenues of \$218,026 increased by 18% - mainly due to donations and grants received for the purchase of a vehicle. Current expenditures were \$190,393, a decrease of 26% from the prior year.

**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget was amended during the year. Revenues budgeted were amended by \$215 for increases in interest earned and other fees.

Current expenditures for the year were decreased from the original budget to the amended budget in the amount of \$44,200 mainly in personnel of \$(23,600), computer services \$(8,000), and other services and charges \$(3,600). The General Fund experienced favorable variances when comparing budget to actual. All funds followed the State and Local Budget laws.

CAPITAL ASSETS

The investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2021 and 2020 was \$33,723 and \$50,440, respectively. This year there was \$5,986 of additions of office equipment, and net disposals totaled \$21,733. Depreciation expense for the year was \$22,681 recorded in governmental activities. More detailed information about the capital assets is presented in Note 3 to the financial statements.

LONG TERM OBLIGATIONS

Net Pension Liability of \$85,367 was recorded as non-current liabilities. Deferred outflows of \$7,566 and inflows of \$(19,908) were recognized in connection with the pension liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Historically, the office staff and costs remain stable and should continue to do so. Most capital asset purchases are absorbed by the City of Thibodaux in their current operating budget. If these estimates remain consistent, the General Fund balance is expected to decrease by the close of 2022, with adequate fund balance to absorb the expected loss. Highlights of next year's adopted budget for the general fund include:

**CITY COURT OF THIBODAUX, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

Condensed Summary of Budgeted Finances

	<u>2022</u>
Anticipated revenues	\$ 110,033
Expenditures:	
Current	160,263
Capital outlay	<u>1,500</u>
Anticipated expenditures	<u>161,763</u>
Deficit of revenues over expenditures	(51,730)
Fund Balance:	
Beginning of the year	<u>385,000</u>
End of the year	<u>\$ 333,270</u>

CONTACTING THE CITY COURT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

The Honorable Judge Mark Chiasson,
1309 Canal Blvd., Thibodaux, LA 70301
Phone (985) 446-7238.

FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mark Chiasson, Judge
the Honorable Calvin Cooks, Marshal
City Court of Thibodaux, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the City Court of Thibodaux, Louisiana, a component unit of the City of Thibodaux, Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the City Court of Thibodaux, Louisiana as of December 31, 2021, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, 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's for the Financial Statements

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

To the Honorable Mark Chiasson, Judge
The Honorable Harley Gros, Marshal
City Court of Thibodaux, Louisiana
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Auditor's 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 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 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 the Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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.



To the Honorable Mark Chiasson, Judge
The Honorable Harley Grós, Marshal
City Court of Thibodaux, Louisiana
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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 sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Compensation of Payments to the Agency Heads and the Justice System Funding Schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2022, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the 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 internal control over financial reporting and compliance.

Stagni & Company

April 18, 2022
Thibodaux, Louisiana



CITY COURT OF THIBODAUX, LOUISIANA

Statement of Net Position - Governmental Activities

December 31, 2021

ASSETS

Cash and cash equivalents	\$	396,175
Due from Agency Funds		109,096
Due from other governments		762
Capital assets, net of depreciation		<u>33,723</u>
Total assets		<u>539,756</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - contributions		5,391
Deferred outflows of resources - other		<u>2,175</u>
Total Deferred outflows of resources		<u>7,566</u>

LIABILITIES

Current:

Accounts payable and accrued expenses		44
Due to other governments		<u>7,215</u>
Total current liabilities		<u>7,259</u>

Noncurrent -

Net Pension Liability		<u>85,367</u>
Total liabilities		<u>92,626</u>

DEFERRED INFLOWS OF RESOURCES

Related to Pension liability		19,908
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NET POSITION

Net investment in capital assets		33,723
Restricted for Marshal Fund		118,892
Unrestricted		<u>282,173</u>
Total Net Position	\$	<u>434,788</u>

See notes to the financial statements.

CITY COURT OF THIBODAUX, LOUISIANA
Statement of Activities - Governmental Activities
As of and for the year ended December 31, 2021

<u>FUNCTIONS / PROGRAMS</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
General government - Judicial	\$ 928,482	\$ 110,068	\$ 834,267	\$ 15,853
Total governmental activities:				<u>15,853</u>
General revenues:				
Unrestricted investment earnings				<u>1,314</u>
			Change in net position	17,167
Net Position:				
Beginning				<u>417,621</u>
Ending				<u>\$ 434,788</u>

See notes to the financial statements.

CITY COURT OF THIBODAUX, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	General Fund	Marshal's Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 279,835	\$ 116,340	\$ 396,175
Due to/from other funds	107,306	1,790	109,096
Due from other governments	-	762	762
Total assets	\$ 387,141	\$ 118,892	\$ 506,033
LIABILITIES & FUND BALANCE			
<i>Liabilities:</i>			
Accounts payable and accrued expenses	\$ 45	\$ -	\$ 45
Due to other governments	7,215	-	7,215
Total liabilities	7,260	-	7,260
<i>Fund Balance:</i>			
Restricted	-	\$ 118,892	118,892
Assigned for Judicial Building Fund	15,531	-	15,531
Unassigned	364,350	-	364,350
Total equity	379,881	118,892	498,773
Total liabilities & fund balance	\$ 387,141	\$ 118,892	

RECONCILIATION TO THE STATEMENT OF NET POSITION:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost of Capital Assets	246,063	
less Accumulated Depreciation	(212,340)	33,723

Long term liabilities are not due and payable in the current period and therefore, are not report in the funds.

Net pension liability		(85,367)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:

Deferred outflows - contributions	5,391	
Deferred outflows - others	2,175	
Deferred inflows - proportionate share	(19,908)	(12,341)

Net assets of governmental activities		\$ 434,788
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See notes to financial statements.

CITY COURT OF THIBODAUX, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

As of and for the year ended December 31, 2021

	General Fund	Marshal's Fund	Total Governmental Funds
REVENUES			
Court fees, fines and costs	\$ 65,397	\$ 44,671	\$ 110,068
Grant Parish	5,413	-	5,413
Grant funds - Vehicle purchase	-	26,500	26,500
Donations - Vehicle purchase	-	15,100	15,100
Judge's supplemental compensation	28,232	-	28,232
On-behalf salaries and benefits received	627,559	131,463	759,022
Interest earned	1,022	292	1,314
Total revenues	<u>727,623</u>	<u>218,026</u>	<u>945,649</u>
EXPENDITURES			
General government - judicial:			
Current:			
Salaries & benefits	46,127	31,217	77,344
On-behalf salaries & benefits paid	627,559	131,463	759,022
Grant to FINS	12,000	-	12,000
Uniforms	826	2,534	3,360
Office Supplies & Postage	3,406	2,566	5,972
Dues & Subscriptions	653	985	1,638
Meetings and conventions	3,401	99	3,500
Contract labor	18,280	-	18,280
Computer Services	19,050	3,269	22,319
Storage	4,478	-	4,478
Automobile - gas & service	462	12,414	12,876
Cell Phone	-	-	-
Other services and charges	6,616	5,846	12,462
Total current expenditures	<u>742,858</u>	<u>190,393</u>	<u>933,251</u>
Capital outlay	873	5,113	5,986
Total expenditures	<u>743,731</u>	<u>195,506</u>	<u>939,237</u>
Net change in fund balances	(16,108)	22,520	6,412
FUND BALANCES			
Beginning of year	395,989	96,372	492,361
End of year	<u>\$ 379,881</u>	<u>\$ 118,892</u>	<u>\$ 498,773</u>

See notes to financial statements.

CITY COURT OF THIBODAUX, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
As of and for the year ended December 31, 2021

Net change in fund balances - total governmental funds **\$ 6,412**

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 5,986	
Net disposed assets	(22)	
Depreciation	<u>(22,681)</u>	(16,717)

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions are reported as pension expense.

(Increase) Decrease in pension liability	72,107	
Change in deferred outflows and inflows	<u>(44,635)</u>	<u>27,472</u>

Change in net assets of governmental activities **\$ 17,167**

CITY COURT OF THIBODAUX, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
December 31, 2021

	<u>Civil Fund</u>	<u>Bond Fund</u>	<u>Garnishment Fund</u>	<u>Restitution Fund</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 850,664	\$ 126,769	\$ 1,784	\$ 193	\$ 979,410
Total assets	<u>\$ 850,664</u>	<u>\$ 126,769</u>	<u>\$ 1,784</u>	<u>\$ 193</u>	<u>\$ 979,410</u>
LIABILITIES					
Fees payable	\$ 3,093	\$ -	\$ -	\$ -	\$ 3,093
Bonds payable	-	126,769	-	-	126,769
Due to Marshall's Operating acc	-	-	422	-	422
Marshall's Commission payable	-	-	1,362	-	1,362
Restitution payable	-	-	-	193	193
Bonds and other deposits	738,475	-	-	-	738,475
Due to Other Funds	109,096	-	-	-	109,096
Total liabilities	<u>\$ 850,664</u>	<u>\$ 126,769</u>	<u>\$ 1,784</u>	<u>\$ 193</u>	<u>\$ 979,410</u>

See notes to the financial statements

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

Article 7, Section 51, of the Louisiana Constitution of 1921, created the City Court of Thibodaux, Louisiana in 1953 under General Legislative authority provided. In 1960, Louisiana Revised Statutes 13:1951 was passed recognizing and continuing the existence of city courts created and established pursuant to this authority. The City Court of Thibodaux serves the people of the City of Thibodaux, Louisiana and all of Ward 2 of the Parish of Lafourche, Louisiana.

The City Marshal's office operations are included as a blended component unit. The City Marshal is responsible for providing court security for adult and juvenile proceedings at city court, serving papers and arrest warrants, seizing property, executing eviction orders and transporting adult and juvenile prisoners to and from the jail and hospitals, among other duties. The City Marshal serves six year terms. The current City Marshall, Mr. Calvin Cooks was sworn in January 1, 2021, and his term expires on December 31, 2026.

The financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

City Court is a component unit of the City of Thibodaux, Louisiana as defined by GASB 14. City Court's Judge and Marshal are independently elected officials. The Marshal's Fund is a blended component unit. City Court is fiscally dependent on the City of Thibodaux, Louisiana for office space and courtrooms. The substance of the relationship between City Court and the City of Thibodaux, Louisiana is that the City of Thibodaux, Louisiana has approval authority over its capital budget.

B. Fund Accounting

Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is referred to as "Fund Balance."

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". City Court uses governmental and fiduciary funds in its operations.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

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

B. Fund Accounting, (Continued)

Governmental funds are used to account for government's general activities, where the focus of attention is on the providing of services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others.

Governmental funds:

- *General fund* – The general fund is the general operating fund of the City Court. It accounts for all activities except those accounted for in other funds.
- *Special revenue funds* – are used to account for fees, fines and costs charged for court cases and expenditures for these court cases.

Fiduciary funds:

- *Agency funds* - are used to account for assets that the government holds on behalf of others as their agent.

C. Basis of Accounting

“Basis of accounting” refers to when revenues, expenditures, expenses, and transfers-and assets, deferred outflows of resources, liabilities and deferred inflows of resources – are recognized in the accounts and reported in the financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities was 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 resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program revenues included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resource measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Court fees, fines, and other revenues are recorded when collected and are considered susceptible to accrual.

D. Budgets

City Courts, as political subdivisions, are required according to LRS 39:1302 to adopt a budget. The City Court presents, adopts and amends an operating budget for the general fund and the marshal funds as required by the Louisiana Local Government Budget Act. The budget is prepared on a modified accrual basis of accounting. The budget presented in the Budget Comparison Schedules show the original and final amended budgets for the year. On-behalf payments were not budgeted in revenues or expenditures and are the only reconciling items from the actual on the budget statement to the actual for GAAP purposes.

Encumbrances represent commitments related to unperformed contracts for goods or services. The City Court does not use an encumbrance system.

E. Cash

Cash includes amounts in demand deposits as well as short-term investments (certificates of deposit) with a maturity date within a year of the date acquired. Under state law, the City Court of Thibodaux may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

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

I. On-behalf Payments and Expenses (continued)

The Judge and City Court Employees received on-behalf payments from the State of Louisiana of \$51,875; Lafourche Parish of \$24,177 and the City of Thibodaux of \$551,507 for salaries and benefits, totaling \$627,558.

The Marshal received on-behalf payments from the State of Louisiana of \$6,000; Lafourche Parish of \$5,603; and the City of Thibodaux of \$119,860, totaling \$131,463.

J. Fund Equity

Government-Wide Financial Statements –

The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation. The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Financial Statements -

Governmental fund equity is classified as fund balance. Fund balance is further classified as *non-spendable, restricted, committed, assigned, or unassigned*. *Non-spendable fund balance* cannot be spent because of its form. *Restricted fund balance* has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. *Committed fund balance* is a limitation imposed by the City Court through formal action by the City Court Judge. *Assigned fund balances* is a limitation imposed by a designee of the City Court. *Unassigned fund balance* in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

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

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

L. Non-current Liabilities

In the GWFS non-current obligations to be repaid from governmental resources are reported as liabilities. Long-term obligations for governmental funds are not reported as liabilities in the FFS.

M. Pensions

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

N. Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 2 - CASH AND CASH EQUIVALENTS

A summary of deposits are listed as follows:

	Reported Amount	Bank Balance
Cash – governmental funds	\$396,175	\$400,471
Cash – fiduciary funds	979,410	991,916
TOTAL DEPOSITS	\$1,375,585	\$1,392,387

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. Under the provision of GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. At year end \$911,085 of the bank balance of deposits was exposed to custodial credit risk. These deposits were collateralized by securities purchased and pledged to City Court. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in City Court's name.

The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 3 - CAPITAL ASSETS

A schedule of changes in capital assets follows:

COST OF ASSETS:	BALANCE		DELETIONS	BALANCE
	12/31/2020	ADDITIONS	ADJUSTMENTS	12/31/2021
DEPRECIABLE ASSETS:				
OFFICE EQUIPMENT	\$ 128,442	\$ 5,986	\$ (198)	\$ 134,230
OFFICE FURNITURE	27,098	-	(2,815)	24,283
LAW BOOKS	5,844	-	-	5,844
LEASEHOLD IMPROVEMENTS	7,230	-	-	7,230
POLICE SPECIAL EQUIPMENT	18,910	-	-	18,910
VEHICLES	74,285	-	(18,720)	55,566
	<u>261,809</u>	<u>5,986</u>	<u>(21,733)</u>	<u>246,063</u>
ACCUMULATED DEPRECIATION:				
OFFICE EQUIPMENT	82,808	20,393	(175)	103,026
OFFICE FURNITURE	26,177	886	(2,815)	24,248
LAW BOOKS	5,844	-	-	5,844
LEASEHOLD IMPROVEMENTS	7,230	-	-	7,230
POLICE SPECIAL EQUIPMENT	15,025	1,402	-	16,427
VEHICLES	74,285	-	(18,720)	55,564
	<u>211,369</u>	<u>22,681</u>	<u>(21,710)</u>	<u>212,340</u>
CAPITAL ASSETS, NET	<u>\$ 50,440</u>			<u>\$ 33,723</u>

Depreciation expense for the year was \$22,681 recorded in governmental activities.

NOTE 4 - DUE TO OTHER GOVERNMENTS

Consist of amounts due to other governments for fines collected - to be remitted:

Entity	Amount Due
City of Thibodaux	\$3,535
Indigent Defender	2,565
Other miscellaneous	1,115
Totals	\$7,215

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

NOTE 5 - PENSION PLANS

Employees

All individuals who work at City Court are paid by the City of Thibodaux, Louisiana and are consequently members of the Municipal Employees Retirement System. GASB requires certain disclosures for employers who maintain retirement plans for their employees. All individuals employed at the City Court are primarily compensated by others who disclose the required retirement plan information in separately issued financial statements administered and controlled by a separate board of trustees. Payments made on behalf of the City Court employees for pension benefits to the Municipal Employees Retirement System by the City of Thibodaux for the year ending December 31, 2020 is \$138,993.

Judge

The City Court implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

The Judge is a member of the Louisiana State Employees' Retirement System (LASERS), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees. LASERS membership includes rank & file state employees and special plans for: judges, certain legislative officials and statewide elected officials, correctional officers in the Department of Safety and Corrections, bridge police for the Crescent City Connection, enforcement agents with the Department of Wildlife and Fisheries, Alcohol and Tobacco Control officers, and peace officers.

Governmental Accounting Standards Board (GASB) approved Statement No. 68, *Accounting and Financial Reporting for Pensions* requires governments providing pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and RSI.

Louisiana State Employees' State System

Plan Description – The City Court contributes to the Louisiana State Employees' State System (the System), a cost-sharing multiple-employer defined benefit pension plan established by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) to provide retirement allowances and other benefits to eligible state officers, employees and their beneficiaries, which is controlled and administered by a separate Board of Trustees.

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

The System provides retirement, deferred and disability benefits, survivor's benefits and permanent benefit increases and cost of living adjustments to plan members and beneficiaries.

The System is governed by Louisiana Revised Statutes 11:401, specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided - LASERS membership has specific membership requirements established by legislation, with LASERS established for state officers, employees, and their beneficiaries which include judges. The age and years of creditable service required in order for a member to retire with full benefits are established by state statute, and vary depending on the member's hire date, employer, and job classification. The majority of our rank and file member may either retire with full benefits:

- o 30 years of creditable service at any age, or
- o 5-10 years of creditable service depending on their plan who has attained age 60, or
- o 20 years of creditable service at any age with an actuarially reduced benefit.

The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of creditable years of service. Average compensation is defined as the member's average annual earned compensation for the highest consecutive months of employment for members employed prior to July 1, 2006.

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

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

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

- o 5 years of creditable service at age 60, or
- o 20 years of creditable service at any age with an actuarially reduced benefit.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does to withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Benefits – The State Legislature authorized LASERS to established a deferred retirement option plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of ½% less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account.

Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

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

Survivor Benefits – Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child.

Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

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

Contributions – The employer contribution rate is established annually under LA RS 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership. Actual Rates for the years ending June 30, 2021 for Judges hired before 1/01/11 was 42.4% for employer contributions and 11.5% for employee contributions which is the only class of member that the city contributes for the City Judge.

Employer contributions to the pension plan totaled \$12,952, for the year ended December 31, 2021.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2021 (the measurement date), City Court reported a total of \$85,367 for its proportionate shares of the net pension liability of the LASERS Plan, reported as governmental activities. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. City Court's proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. City Court's proportions of the plan was as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/20</u>	<u>6/30/21</u>
LASERS	0.001900%	0.001550%

For the year ended June 30, 2021, City Court recognized \$5,985 as its proportionate share of pension expense for the LASERS plan.

In addition, the deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ 84	\$ -
Net Difference Between Projected and Actual Investment Earnings	-	(19,908)
Changes in Assumptions	2,091	-
Subtotal	2,175	(19,908)
Subsequent Employer Contributions-	5,391	-
	\$ 7,566	\$ (19,908)

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

The deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
Amortization-1 st year	\$(1,280)
Amortization-2 nd year	\$(3,068)
Amortization-3 rd year	\$(4,523)
Amortization-4 th year	\$(8,862)

Actuarial assumptions:

The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Inflation	2.30%
Discount rate used To measure pension liability	7.40%
Salary increases	Vary from 2.6% to 5.1% for Judges
Investment rate of return	7.40%
Actuarial cost method	Entry age normal
Expected remaining service lives	2 years
Cost of Living Adjustment	none

For LASERS, the long-term expected rate of return on the pension plan investments was determined using a building block method in which best estimates ranges of expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

City Court of Thibodaux, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 7.61% for the years ending June 30, 2020.

The best estimates of real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2021, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Cash	-0.29%
Domestic Equity	4.09%
International Equity	5.12%
Domestic Fixed Income	.49%
International Fixed Income	3.94%
Alternative Investments	6.93%
Total Fund	5.81%

Rates of return are presented as geometric means for LASERS.

The investment rates of return were determined based on expected cash flows which assume that contributions from plan members will be made at current contribution rates and that contributions from the participating employers will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the investment rate of return on plan investments was applied as the discount rate to all periods of projected benefit payments to determine the total pension liability.

City Court of Thibodaux, Louisiana

Notes to the Financial Statements

December 31, 2021

NOTE 5 - PENSION PLANS, (Continued)

Sensitivity of the of the proportionate share of the net pension liabilities to changes in the discount rate:

The following presents the proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate of 7.55%:

	1% Decrease	Current Discount Rate	1% Increase
LASERS	\$115,665	\$59,586	\$126,892

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans.

Payables to the pension plans:

At December 31, 2021, there were no amounts due to the pension plans for employer and employee required contributions.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, 225-922-0600.

NOTE 6 - RISK MANAGEMENT

The City Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; injuring to employees. The City Court or the City of Thibodaux purchases commercial insurance policies for any and all claims relating to the above types of risks. The City Court or the City of Thibodaux is only liable for the payment of the deductible associated with the above types of risks. Settlements have not exceeded insurance coverage in any of the three preceding years.

***REQUIRED SUPPLEMENTAL
INFORMATION SECTION***

CITY COURT OF THIBODAUX, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
Budget Comparison Schedule-General Fund
As of and for the year ended December 31, 2021

	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Court fees, fines and costs	\$ 55,000	\$ 57,000	\$ 60,412	\$ 3,412
Judge's supplemental pay	30,000	27,500	28,232	732
Grant from Parish	5,413	5,413	5,413	-
Grant from City	6,000	6,000	-	(6,000)
Other Fees	2,800	3,600	4,985	1,385
Interest earned	100	15	1,022	1,007
Total revenues	<u>99,313</u>	<u>99,528</u>	<u>100,064</u>	<u>536</u>
EXPENDITURES				
General government - judicial:				
Personnel	78,213	54,613	46,127	8,486
FINS Grant	12,000	12,000	12,000	-
Uniforms	2,200	900	826	74
Supplies	6,000	4,500	3,406	1,094
Dues	2,000	600	653	(53)
Meetings and conventions	4,000	3,500	3,401	99
Court reporter fees	30,000	27,000	18,280	8,720
Computer Services	25,000	17,000	19,050	(2,050)
Storage	5,000	5,000	4,478	522
Repair & Maintenance	2,000	500	462	38
Other services and charges	11,750	8,150	6,616	1,534
Total current expenditures	<u>178,163</u>	<u>133,763</u>	<u>115,299</u>	<u>18,464</u>
Capital outlay	1,000	1,200	873	327
Total expenditures	<u>179,163</u>	<u>134,963</u>	<u>116,172</u>	<u>18,791</u>
Net change in fund balances	(79,850)	(35,435)	(16,108)	19,327
FUND BALANCES				
Beginning of year	410,000	395,989	395,989	-
End of year	<u>\$ 330,150</u>	<u>\$ 360,554</u>	<u>\$ 379,881</u>	<u>\$ 19,327</u>

CITY COURT OF THIBODAUX, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
Budget Comparison Schedule – Marshal Fund
As of and for the year ended December 31, 2021

	Budgeted		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Court fees, fines and costs	\$ 45,000	\$ 40,000	\$ 39,548	\$ (452)
Marshals fees	4,800	5,000	5,123	123
Interest earned	500	300	292	(8)
Grant funds - Vehicle purchase	-	26,500	26,500	-
Donations - Vehicle purchase	-	13,000	15,100	2,100
Total revenues	<u>50,300</u>	<u>84,800</u>	<u>86,563</u>	<u>1,763</u>
EXPENDITURES				
General government - judicial:				
Current:				
Salary Reimbursements	95,300	53,100	31,217	21,883
Bank charges	250	325	310	15
Office Supplies & Postage	1,500	2,500	2,566	(66)
Dues & Subscriptions	1,000	1,000	985	15
Automobile Fuel & Service	5,000	14,000	12,414	1,586
Cell Phone	500	-	-	-
Computer Service	400	2,300	3,269	(969)
Miscellaneous	2,500	10,150	8,169	1,981
Total current expenditures	<u>106,450</u>	<u>83,375</u>	<u>58,930</u>	<u>24,445</u>
Capital outlay	<u>5,000</u>	<u>6,000</u>	<u>5,113</u>	<u>887</u>
Total expenditures	<u>111,450</u>	<u>89,375</u>	<u>64,043</u>	<u>25,332</u>
Net change in fund balances	(61,150)	(4,575)	22,520	27,095
FUND BALANCES				
Beginning of year	<u>160,000</u>	<u>96,372</u>	<u>96,372</u>	<u>-</u>
End of year	<u>\$ 98,850</u>	<u>\$ 91,797</u>	<u>\$ 118,892</u>	<u>\$ 27,095</u>

\$ -

CITY COURT OF THIBODAUX
REQUIRED SUPPLEMENTARY INFORMATION
Louisiana State Employees Retirement System (LASERS)

Last Ten Fiscal Years**

Schedule of the Employer's Proportionate Share of the Net Pension Liability **Schedule 1**

Measurement Date	Fiscal Year*	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered-employee payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
6/30/2015	12/31/2015	0.00209%	\$ 142,084	\$ 38,005	374%	62.7%
6/30/2016	12/31/2016	0.00283%	\$ 222,070	\$ 45,100	492%	57.7%
6/30/2017	12/31/2017	0.00296%	\$ 208,068	\$ 43,450	479%	62.5%
6/30/2018	12/31/2018	0.00258%	\$ 175,750	\$ 50,826	346%	64.3%
6/30/2019	12/31/2019	0.00223%	\$ 161,706	\$ 44,618	362%	62.9%
6/30/2020	12/31/2020	0.00190%	\$ 157,474	\$ 51,053	308%	58.0%
6/30/2021	12/31/2021	0.00155%	\$ 85,367	\$ 38,596	221%	72.8%

*Amounts presented were determined as of the measurement date (previous fiscal year end).

**This schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

Schedule of Employer Contributions **Schedule 2**

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution Deficiency (Excess)	Agency's # covered-employee payroll	Contributions as a percentage of covered-employee payroll
Louisiana State Employees' Retirement System					
6/30/2015	12/31/2015	\$ 15,180	\$ 15,222	\$ (42)	\$ 38,005 40.1%
6/30/2016	12/31/2016	\$ 17,576	\$ 17,576	\$ -	\$ 46,174 38.1%
6/30/2017	12/31/2017	\$ 17,743	\$ 17,743	\$ -	\$ 43,450 40.8%
6/30/2018	12/31/2018	\$ 18,902	\$ 17,758	\$ 1,144	\$ 50,826 34.9%
6/30/2019	12/31/2019	\$ 17,178	\$ 17,782	\$ (604)	\$ 44,618 39.9%
6/30/2020	12/31/2020	\$ 16,014	\$ 16,132	\$ (118)	\$ 51,053 31.6%
6/30/2021	12/31/2021	\$ 13,233	\$ 16,302	\$ (3,069)	\$ 38,596 42.2%

*Amounts presented were determined as of the end of the fiscal year.

**This schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms

6/30/2016	NO CHANGE
6/30/2017	NO CHANGE
6/30/2018	NO CHANGE
6/30/2019	NO CHANGE
6/30/2020	NO CHANGE

Changes of Assumptions

	Actuarial cost method	Inflation rate	Discount rate	Salary increases	Investment ROR	Expecting remaining service lives
6/30/2015	Entry Age Normal	3.00%	7.75%	Vary from 3.0%-5.5%	7.75%	3 years
6/30/2016	Entry Age Normal	3.00%	7.75%	Vary from 3.0%-5.5%	7.75%	3 years
6/30/2017	Entry Age Normal	2.75%	7.75%	Vary from 3.0%-5.5%	7.70%	3 years
6/30/2018	Entry Age Normal	2.75%	7.65%	Vary from 2.8%-5.3%	7.65%	3 years
6/30/2019	Entry Age Normal	2.50%	7.60%	Vary from 2.8%-5.3%	7.60%	2 years
6/30/2020	Entry Age Normal	2.30%	7.55%	Vary from 2.6%-5.1%	7.55%	2 years

OTHER REQUIRED SCHEDULES

CITY COURT OF THIBODAUX, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD
As of and for the year ended December 31, 2021

AGENCY HEAD: HONORABLE MARK CHIASSON, CITY JUDGE

Purpose	City of	Lafourche	State of	City Court of	
	Thibodaux	Parish	Louisiana	Thibodaux	
Salary	\$ 28,704	\$ 15,930	\$ 45,328	\$ 26,718	\$ 116,680
Benefits - insurance	21,394	0	0	0	21,394
Benefits - retirement	0	2070	5,890	3,472	11,432
Benefits - other (Medicare)	416	0	743	387	1,546
Benefits - other (Workers Compensation)	0	0	0	0	0
Benefits - other (EAP & CBS)	0	0	0	0	0
Benefits - other (Long Term Disability)	0	0	0	0	0
Car allowance	0	0	0	0	0
Vehicle provided by government	0	0	0	0	0
Cell phone	0	0	0	0	0
Dues	0	0	0	0	0
Vehicle rental	0	0	0	0	0
Per diem	0	0	0	708	708
Reimbursements	0	0	0	0	0
Mileage	0	0	0	370	370
Registration fees	0	0	0	-	0
Lodging	0	0	0	1729	1729
Continuing professional education fees	0	0	0	0	0
Housing	0	0	0	0	0
Unvouchered expenses	0	0	0	0	0
Special meals	0	0	0	0	0
Other	0	0	0	0	0
	\$ 50,514	\$ 18,000	\$ 51,961	\$ 33,384	\$ 153,859

AGENCY HEAD: HONORABLE CALVIN J COOKS, SR., CITY MARSHAL

Purpose	City of	Lafourche	State of	City Court of	
	Thibodaux	Parish	Louisiana	Thibodaux	
Salary	\$ 67,448	\$5,523	\$0	\$0	\$ 72,971
Supplemental Pay (Paid by state)	0	0	6,000	0	6,000
Supplemental Pay (Civil Fund)	0	0	0	0	0
Supplemental Pay - Garnishment Commissions	0	0	0	0	0
Benefits - insurance	21729	0	0	0	21729
Benefits - retirement	0	0	0	0	0
Benefits - other (Medicare)	978	80	0	0	1058
Benefits - other (SSI)	0	343	0	0	343
Benefits - other (EAP & CBS)	0	0	0	0	0
Benefits - other (Long Term Disability)	0	0	0	0	0
Benefits - other (Fitness Reimbursement)	0	0	0	0	0
Vehicle provided by government	0	0	0	0	0
Cell phone	0	0	0	0	0
Dues	0	0	0	0	0
Vehicle rental	0	0	0	0	0
Per diem	0	0	0	0	0
Reimbursements	0	0	0	0	0
Travel	0	0	0	0	0
Registration fees	0	0	0	0	0
Conference travel	0	0	0	0	0
Continuing professional education fees	0	0	0	0	0
Housing	0	0	0	0	0
Unvouchered expenses	0	0	0	0	0
Special meals	0	0	0	0	0
Other - Fuel	0	0	0	0	0
	\$ 90,155	\$ 5,946	\$ 6,000	\$ -	\$ 102,101

EAP - Employee Assistance Program - \$3.50/mth
CBS - Ceridian (Cobra coverage) - \$0.72/mth

* Reimbursed to the City by City Court

This form is used to satisfy the supplemental reporting requirement of R.S. 24:513(A)(3)

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information		
Entity Name	CITY COURT OF THIBODAUX	
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2147	
Date that reporting period ended (mm/dd/yyyy)	12/31/2021	
	First Six Month Period Ended 06/30/21	Second Six Month Period Ended 12/31/21
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	144,488	95,534
Add: Collections		
Civil Fees	82,027	54,797
Bond Fees	6,850	5,000
Restitution	6,858	935
Other (do not include collections that fit into more specific categories above)	-	-
Criminal Fees - Act 887 - Intoxilyzer	1,150	250
Criminal Fees - Act 887 - Crime Lab	450	-
Criminal Fees - Act 654	695	400
Criminal Fees - Witness Fees	3,750	2,692
Criminal Fees - Act 152	2,402	1,825
Criminal Fees & Fines	84,714	53,591
Criminal & Traffic Conviction Fees	1,576	1,206
Criminal Court Costs - Act 405	534	399
Civil Fees - Garnishments	142,504	166,213
Civil Fees - Judicial Building Fund	2,680	1,850
Civil Fees - Judges Supplemental	6,968	4,903
Subtotal Collections	261,131	239,264
Less: Disbursements To Governments & Nonprofits: (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 necessary.)		
Public Safety DWI Test, Main & Train Fund, Act 887, Criminal fees	1,000	250
City of Thibodaux, Louisiana, Act 887, Criminal fees	450	150
Louisiana Department of Health and Hospitals, Act 654 Criminal Court Costs/Fees	675	470
City of Thibodaux, Witness Fees, Criminal fees	3,505	3,052
Louisiana Department of Treasury, Act 152 Criminal Court Costs/Fees	2,195	2,110
City of Thibodaux, Criminal Court Costs/Fees	45,240	30,591
City of Thibodaux, Civil Judicial Building Fund	2,770	1,950

<i>Lafourche Parish, Criminal Court Costs/Fees</i>	150	-
<i>Lafourche Indigent Defender Board, Criminal Court Costs/Fees</i>	30,915	25,775
<i>s. 46:1816 LA Commission on Law Enforcement, Act 440 POST Law Enforcement Training, R.Criminal Court Costs/Fees</i>	3,758	3,150
<i>Bayou Council Behavioral Health Services, Criminal Court Costs/Fees</i>	600	100
<i>Bayou Region Crime Stoppers, Traffic and Criminal Conviction fees</i>	1,440	1,392
<i>Louisiana Supreme Court, Act 405 Civil fees</i>	139	98
<i>Louisiana Supreme Court, Act 405 Traffic Convictions</i>	219	244
<i>Louisiana Supreme Court, Act 405 Criminal fees</i>	142	104
<i>Louisiana State Treasurer, Judges Supplemental</i>	7,202	5,176
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection - Marshal's Fund	25,038	17,261
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection - Judge	17,790	12,400
Amounts "Self-Disbursed" to Collecting Agency (<i>must include a separate line for each collection type, as applicable</i>) - Example: Criminal Fines - Other (<i>Additional rows may be added as necessary</i>)	-	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	15,469	18,293
Bond Fee Refunds	11,458	2,685
Restitution Payments to Individuals (additional detail is not required)	6,858	935
Other Disbursements to Individuals (additional detail is not required)	133,072	156,128
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	310,085	282,315
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	95,534	52,483
Ending Balance of "Partial Payments" Collected but not Disbursed (<i>only applies if collecting agency does not disburse partial payments until fully collected</i>) - <i>This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</i>	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (<i>i.e. receivable balance</i>)	-	-
Total Waivers During the Fiscal Period (<i>i.e. non-cash reduction of receivable balances, such as time served or community service</i>)	-	-

***REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mark Chiasson, Judge
Honorable Calvin Cooks, Marshal
City Court of Thibodaux, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major funds of the City Court of Thibodaux, Louisiana a component unit of the City of Thibodaux, Louisiana as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City Court of Thibodaux's basic financial statements and have issued our report thereon dated April 18, 2022.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal controls 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 charge with governance.

To the Honorable Mark Chiasson, Judge
The Honorable Calvin Cooks, Marshal
City Court of Thibodaux, Louisiana
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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Stagni & Company

April 18, 2022
Thibodaux, Louisiana



**CITY COURT OF
THIBODAUX, LOUISIANA**

**Statewide Agreed Upon
Procedures Report
With Schedule of Findings
and Management's Responses**

***As of and for the Year Ending
December 31, 2021***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

AGREED-UPON PROCEDURES REPORT

City Court of Thibodaux

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2021 – December 31, 2021

To the Honorable Mark Chiasson, Judge
the Honorable Calvin Cooks, Marshal
City Court of Thibodaux and
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by City Court of Thibodaux (City Court) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The City Court's management is responsible for those C/C areas identified in the SAUPs.

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 January 1, 2021 through December 31, 2021. 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 results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget
 - 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/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.

Results: *The policies of City Court address all the applicable functions listed. No exceptions were noted.*

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.
- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *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.*
- 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.

Results: *City Court is not governed by a Board or finance committee. The procedure is 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:
 - 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);
 - 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
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: *We obtained a list of bank accounts and management's representation that the list was complete. Management identified the main operating account. For each of the 5 bank accounts we inspected the December 2021 bank statements and reconciliations and observed the evidence and documentation listed. No exceptions were noted.*

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).

Results: *A listing of deposit sites (5) was obtained with management's representation that the listing was complete. The 5 deposit sites were selected.*



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

Results: *A listing of collection locations (5) was obtained with management's representation that the listing was complete. For the randomly selected collection location we inspected policies and procedures relating to job duties and observed that the duties were properly segregated at each location that was selected.*

- a) *The employees responsible for cash collections rotate duties as needed – there are compensating controls to reduce risk in this area.*
 - b) *The employees responsible for cash collections rotate duties as needed – there are compensating controls to reduce risk in this area.*
 - c) *The employees responsible for cash collections rotate duties as needed – there are compensating controls to reduce risk in this area.*
 - d) *The employees responsible for cash collections rotate duties as needed – there are compensating controls to reduce risk in this area.*
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

Results: *A copy of the bond or insurance policy for theft was obtained by management and appeared to be enforced during the fiscal period.*

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.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.



- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Results: We randomly selected two deposit dates for each of the 3 bank accounts selected for procedure #3 under "Bank Reconciliations" above. We obtained supporting documentation for each of the 6 deposits and:

- a) All of the receipts if applicable were sequentially numbered.
- b) All of the documentation were traced to the deposit slips, no exceptions noted.
- c) All of the deposit slip details agreed to the deposit per the bank, no exceptions noted.
- d) All of the deposits were made within one business day of receipt, no exceptions noted.
- e) All of the actual deposits per the bank statement agreed to the general ledger, no exceptions noted.

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

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

Results: We obtained management's representation that City Court has one disbursement location.

- 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.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - 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.

Results: We obtained a listing of employees who perform non-payroll disbursement functions and the policies that address the four areas listed above. No exceptions resulted from these procedures.

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



- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: *We obtained City Court's population of non-payroll disbursements and management's representation that the population was complete.*

- a) *Five disbursements were randomly selected and matched the invoices and supporting documentation with no exception.*
- b) *The documentation included evidence that showed duties were segregated according to the written policy.*

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.

Results: *We obtained management's representation that there was 1 active credit card.*

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (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.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: *We selected the credit card statement for the month of April 2021 and noted*

- a) *Evidence of its review and approval.*
- b) *There were no finance charges or late fees assessed.*

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



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.

Results: *The one credit card statement selected had 5 transactions during the month of April 2021. For each transaction:*

- a) *Supporting documentation for the 5 transactions was obtained and tested for the procedures listed. No exceptions were noted.*
- b) *For all of the transactions on the statement it was clearly evident what the business/public purpose was. No exceptions were noted.*
- c) *None of the transactions were for meals, therefore this procedure was 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:

- a) If reimbursed using a per diem, observe that 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).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: *A listing of all travel and travel-related expense reimbursements was taken from the general ledger with management’s representation that the listing is complete. There were 2 disbursements for travel reimbursements during the year and both were selected. The supporting documentation was obtained and tested for the procedures listed. No exception were noted.*

Contracts

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

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



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- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g. change order), observe that 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).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: *We obtained a listing from management of agreements/contracts and management's representation that the listing is complete. The listing contained 3 contracts; all were selected.*

- a) *None of the contracts were subject to Louisiana Public Bid Law.*
- b) *City Court is not governed by a Board, therefore, Procedure b) is not applicable.*
- c) *None of the contracts were amended.*
- d) *One payment for each contract was selected and agreed to the invoice and terms of the contract. No exceptions were noted.*

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.

Results: *We obtained a listing of employees and officials employed by City Court and management's representation that the listing is complete. City Court has 1 employee/elected official.*

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 that 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.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: *This procedure is not applicable to the official noted.*

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 policy on termination payments. Agree the hours to the employee or officials' cumulate 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.

Results: *This procedure is not applicable to the official noted.*

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.

Results: *We obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid as well as the associated forms filed by the required deadlines. No exceptions were noted.*

Ethics

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

Results: *Documentation was maintained that employees had the required ethics training during the fiscal period. There were no changes to the ethics policies during the fiscal period. No exception were noted.*

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 that State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the 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).

Results: *The City Court has no outstanding debt; 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.

Results: *Management has represented that there were no misappropriations of public funds or assets during the fiscal period.*

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

Results: *City Court does not have a website, however the notice is posted on the City of Thibodaux's website and it is posted on the premises as required by R.S. 24:523.1. No exceptions were noted.*

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.
- 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.
- 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.

Results: *We performed the procedure and discussed the results with management. No exceptions were noted.*

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 that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.



Results: *Training documentation was obtained from management, and it was observed that the employee/official completed at least 1 hour of sexual harassment training during the calendar year. No exceptions were noted.*

27. Observe that 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).

Results: *City Court does not have a website but the policy and complaint procedure is posted on its premises. No exception noted.*

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 that 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;
- b. Number of sexual harassment complaints received by the agency;
- c. Number of complaints which resulted in a finding that sexual harassment occurred;
- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

Results: *City Court had 7 or 100% of its public servants that completed the training requirements. There were no complaints received by City Court, therefore there were none in which a finding occurred and none which resulted in disciplinary or corrective action.*

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

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

Stagni & Company

Thibodaux, LA
April 18, 2022



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