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**CITY COURT OF THIBODAUX,  
LOUISIANA**

***Financial Report, Internal Control  
and Compliance Report***

***As of and for the year ended  
December 31, 1999***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date FEB 23 2000

# ***CITY COURT OF THIBODAUX, LOUISIANA***

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December 31, 1999

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***FINANCIAL***  
***SECTION***



# STAGNI & COMPANY, LLC

## INDEPENDENT AUDITOR'S REPORT

To the Honorable David M. Richard, Judge  
City Court of Thibodaux, Louisiana

We have audited the accompanying general-purpose financial statements and the combining, individual fund and account group financial statements 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, 1999 as listed in the financial section of the table of contents. These general-purpose financial statements are the responsibility of the City Court of Thibodaux, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City Court of Thibodaux, Louisiana as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2000 on our consideration of the City Court of Thibodaux's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Stagni & Company*

Thibodaux, Louisiana  
January 12, 2000

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**CITY COURT OF THIBODAUX, LOUISIANA**  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1999

Statement A

	Governmental Fund Types		Fiduciary Fund Types	Account Group	Total (Memorandum Only)
	General Fund	Special Revenue Funds	Agency Funds	General Fixed Assets	
<b><u>ASSETS AND OTHER DEBITS</u></b>					
Cash and cash equivalents	\$ 62,010	\$ 244,457	\$ 11,490		\$ 317,957
Furniture, fixtures and equipment				\$ 50,823	50,823
Total assets	\$ 62,010	\$ 244,457	\$ 11,490	\$ 50,823	\$ 368,780
<b><u>LIABILITIES, EQUITY, AND OTHER CREDITS</u></b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 65				\$ 65
Fees payable		15,745			15,745
Bond and other deposits	779	139,522	\$ 11,490		151,791
Total liabilities	844	155,267	11,490		167,601
Equity and Other Credits:					
Investment in general fixed assets				\$ 50,823	50,823
Fund balance - unreserved, undesignated	61,166	89,190			150,356
Total equity and other credits	61,166	89,190		50,823	201,179
Total liabilities, equity, and other credits	\$ 62,010	\$ 244,457	\$ 11,490	\$ 50,823	\$ 368,780

See notes to financial statements.

**CITY COURT OF THIBODAUX, LOUISIANA**COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUND TYPES

As of and for the year ended December 31, 1999

	General Fund	Special Revenue Funds	Total (Memorandum Only)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES</b>			
Charges for services:			
Court fees, fines and costs	\$ 60,620	\$ 20,454	\$ 81,074
Interest earned	<u>1,743</u>	<u>5,239</u>	<u>6,982</u>
Total revenues	<u>62,363</u>	<u>25,693</u>	<u>88,056</u>
<b>EXPENDITURES</b>			
<b>Current -</b>			
General government - judicial:			
Personnel	31,222	400	31,622
Supplies	9,190	808	9,998
Dues	766	475	1,241
Meetings and conventions	250	1,523	1,773
Court reporter fees	8,281	120	8,401
Other services and charges	<u>645</u>		<u>645</u>
Total expenditures	<u>50,354</u>	<u>3,326</u>	<u>53,680</u>
Excess (Deficiency) of Revenues Over Expenditures	12,009	22,367	34,376
<b>FUND BALANCE</b>			
Beginning of year	49,157	66,823	115,980
End of year	<u>\$ 61,166</u>	<u>\$ 89,190</u>	<u>\$ 150,356</u>

See notes to financial statements.

## ***City Court of Thibodaux, Louisiana***

### **Notes to the Financial Statements**

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, Louisiana* serves the people of the City of Thibodaux, Louisiana and all of Ward 2 of the Parish of Lafourche, Louisiana.

The component unit financial statements of the City Court of Thibodaux, Louisiana has 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 of the City Court of Thibodaux, Louisiana are described below:

#### ***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

##### **A. Reporting Entity**

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

##### **B. Fund Accounting**

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

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

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

***City Court of Thibodaux, Louisiana***  
Notes to the Financial Statements, (Continued)

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

**B. Fund Accounting, (Continued)**

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. The general fund accounts for fines and costs collected for and payable to other governmental units.

Fiduciary funds are used to account for assets on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Account groups are used to establish accounting control and accountability for the City Court of Thibodaux, Louisiana's general fixed assets. The general fixed assets are not financial resources available for expenditure. These account groups are not funds and do not reflect available financial resources and related liabilities.

**C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resource measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All governmental fund types and agency funds use 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). "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.

Court fees, fines, and other revenues are recorded when collected. Expenditures are recorded when the fund liability is incurred.



***City Court of Thibodaux, Louisiana***  
Notes to the Financial Statements, (Continued)

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

**D. Budgets**

City courts are not required under state statutes to adopt a budget. The City Court of Thibodaux, Louisiana has elected not to prepare an annual budget.

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

**E. Cash and Cash Equivalents**

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.

**F. Short-Term Interfund Receivables/Payables**

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the balance sheet.

**G. Fixed Assets**

Fixed assets used in governmental fund type operations (general fixed assets), are capitalized and accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. Capital acquisitions are reflected as expenditures in the governmental funds. All purchased fixed assets are valued at acquisition cost. No depreciation has been provided on general fixed assets. The cost of normal repair and maintenance that do not add to the value of the asset or do not extend asset lives are not capitalized. Various assets used by the City Court of Thibodaux, Louisiana are the property of the City of Thibodaux, Louisiana and are reflected in the General Fixed Assets Account Group of the City of Thibodaux, Louisiana. No values of these assets are reflected in the General Fixed Asset Account Group of the City Court of Thibodaux, Louisiana.

***City Court of Thibodaux, Louisiana***  
Notes to the Financial Statements, (Continued)

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

**II. Compensated Absences**

Individuals who work at the City Court of Thibodaux, Louisiana office are primarily employed by the City of Thibodaux, Louisiana. No liability for compensated absences is reflected on the City Court of Thibodaux, Louisiana's financial statements. Vacation and sick leave do not accumulate.

**I. Expenses Paid by the City of Thibodaux, Louisiana**

Certain expenses of City Court are budgeted and paid for by the City of Thibodaux, Louisiana. These expenses consist of: a portion of salaries and their related benefits as mentioned above, operating supplies, automobile expenses, equipment rental, telephone expenses, audit fees, insurance costs, publishing and other miscellaneous expenses. These expenses for 1999 were approximately \$168,000.

**J. Total Columns on Combined Statements-Overview**

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

***NOTE 2 - DEPOSITS***

At year-end, the carrying amount of the City Court of Thibodaux, Louisiana's deposits was \$317,957 and the bank balance was \$332,404. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on the deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits of City Court of Thibodaux, Louisiana are secured from risk by \$289,838 of federal deposit insurance and the balance by pledged securities at market value of \$137,864.

***City Court of Thibodaux, Louisiana***  
Notes to the Financial Statements, (Continued)

***NOTE 2 - DEPOSITS (continued)***

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, 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 City Court of Thibodaux, Louisiana that the fiscal agent has failed to pay deposited funds upon demand.

***NOTE 3 - FIXED ASSETS***

A summary of changes in general fixed assets follows:

	<b>Balance 12/31/98</b>	<b>Additions/ (Retirements)</b>	<b>Balance 12/31/99</b>
Furniture, Fixtures, and Equipment	\$50,823	\$0	\$50,823
Investments in General			
Fixed Assets:			
General Fund	\$48,921		\$48,921
Marshal's Fund	1,681		1,681
Civil Court Fund	221		221
Totals	\$50,823	\$0	\$50,823

***NOTE 4 - LITIGATION AND CLAIMS***

There is no litigation pending against City Court of Thibodaux, Louisiana at December 31, 1999.

***NOTE 5 - EMPLOYEE RETIREMENT SYSTEMS***

All individuals who work at City Court of Thibodaux, Louisiana 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 of Thibodaux, Louisiana are compensated by others who disclose the required retirement plan information in their separately issued financial statements. The retirement plan mentioned above is administered and controlled by a separate board of trustees.

## ***SPECIAL REVENUE FUNDS***

**CIVIL COURT FUND -** The Civil Court Fund is used to account for financial resources and expenditures resulting from civil court operations.

**MARSHAL'S FUND -** The Marshal's Fund is used to account for financial resources and expenditures resulting from operations of the Marshal's office.

**CITY COURT OF THIBODAUX, LOUISIANA**  
 COMBINING BALANCE SHEET -  
 SPECIAL REVENUE FUNDS  
 December 31, 1999

	<u>Civil Court Fund</u>	<u>Marshal's Fund</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	<u>\$ 184,114</u>	<u>\$ 60,343</u>	<u>\$ 244,457</u>
Total Assets	<u><u>\$ 184,114</u></u>	<u><u>\$ 60,343</u></u>	<u><u>\$ 244,457</u></u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Fees Payable	\$ 15,745		\$ 15,745
Bonds and other deposits	<u>139,522</u>		<u>139,522</u>
Total liabilities	<u>155,267</u>	<u>-</u>	<u>155,267</u>
Fund balances:			
Unreserved - undesignated	<u>28,847</u>	<u>\$ 60,343</u>	<u>89,190</u>
Total liabilities and fund balances	<u><u>\$ 184,114</u></u>	<u><u>\$ 60,343</u></u>	<u><u>\$ 244,457</u></u>

See notes to financial statements.

**CITY COURT OF THIBODAUX, LOUISIANA**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 SPECIAL REVENUE FUNDS

As of and for the year ended December 31, 1999

	<u>Civil Court Fund</u>	<u>Marshal's Fund</u>	<u>Totals</u>
<b>REVENUES</b>			
Charges for services:			
Court fees, fines and costs	\$ 378	\$ 20,076	\$ 20,454
Interest earned	5,239		5,239
	<u>5,617</u>	<u>20,076</u>	<u>25,693</u>
Total revenues			
<b>EXPENDITURES - CURRENT</b>			
General government - judicial:			
Personnel services		400	400
Supplies	3	805	808
Dues	225	250	475
Meetings and conventions	1,523		1,523
Court reporter fees	120		120
	<u>1,871</u>	<u>1,455</u>	<u>3,326</u>
Total expenditures			
Excess (Deficiency) of Revenues Over Expenditures	3,746	18,621	22,367
<b>FUND BALANCE</b>			
Beginning of year	<u>25,101</u>	<u>41,722</u>	<u>66,823</u>
End of year	<u>\$ 28,847</u>	<u>\$ 60,343</u>	<u>\$ 89,190</u>

See notes to financial statements.

## ***AGENCY FUNDS***

**RESTITUTION FUND -** The Restitution Fund is used to account for those assets placed with the City Court of Thibodaux, Louisiana, as an agent for individuals, et cetera and are ultimately transmitted to them.

**BOND FUND -** The Bond Fund is used to account for those assets placed with the City Court of Thibodaux, Louisiana as agent by or on behalf of individuals et cetera. Such assets are held until such time as their proper distribution has been determined (i.e., returned to payor or forfeited).

**CITY COURT OF THIBODAUX, LOUISIANA**  
 COMBINING BALANCE SHEET  
 AGENCY FUNDS  
 December 31, 1999

	<u>Restitution Fund</u>	<u>Bond Fund</u>	<u>Total</u>
<b><u>CASH</u></b>			
Cash and cash equivalents	\$ 193	\$ 11,297	\$ 11,490
Total assets	<u>\$ 193</u>	<u>\$ 11,297</u>	<u>\$ 11,490</u>
<b><u>LIABILITIES</u></b>			
Bonds payable		\$ 11,297	\$ 11,297
Restitution payable	\$ 193		193
Total liabilities	<u>\$ 193</u>	<u>\$ 11,297</u>	<u>\$ 11,490</u>

See notes to financial statements.



**CITY COURT OF THIBODAUX, LOUISIANA**  
 STATEMENT OF CHANGES IN AGENCY BALANCES  
 December 31, 1999

		<u>Restitution Fund</u>	<u>Bond Fund</u>	<u>Total</u>
Balance	12/31/98	\$ 193	\$ 14,222	\$ 14,415
<b>ADDITIONS</b>				
	Restitutions collected	9,575		9,575
	Bond fees collected	<u>          </u>	<u>24,260</u>	<u>24,260</u>
	<b>TOTAL ADDITIONS</b>	<u>9,575</u>	<u>24,260</u>	<u>33,835</u>
<b>DISBURSEMENTS</b>				
	Restitutions paid	9,575		9,575
	Bond fees paid	<u>          </u>	<u>27,185</u>	<u>27,185</u>
	<b>TOTAL DISBURSEMENTS</b>	<u>9,575</u>	<u>27,185</u>	<u>36,760</u>
Balance	12/31/99	<u>\$ 193</u>	<u>\$ 11,297</u>	<u>\$ 11,490</u>

See notes to financial statements.

***INTERNAL CONTROL  
AND  
COMPLIANCE SECTION***



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

Honorable David M. Richard, Judge  
City Court of Thibodaux, Louisiana

We have audited the general-purpose financial statements and the combining, individual fund and account group financial statements 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, 1999, and have issued our report thereon dated January 12, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

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

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

In planning and performing our audit, we considered the City Court of Thibodaux's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low

**CITY COURT OF THIBODAUX, LOUISIANA**

Summary Schedule of Prior Year Findings

For the Year Ended December 31, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE	

# CITY COURT OF THIBODAUX, LOUISIANA

Management's Corrective Action Plan  
For the Year Ended December 31, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE NECESSARY	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE NECESSARY	