



**Independent Auditor's Report on Compliance
With Laws, Regulations and Contracts**

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE
West Monroe, Louisiana

I have audited the general purpose financial statements of the City Court of West Monroe, a component unit of the City of West Monroe, as of June 30, 1996, and for the year then ended, and have issued my report thereon dated September 25, 1996.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, and contracts applicable to the City Court of West Monroe, is the responsibility of the City Court of West Monroe's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the City Court of West Monroe's compliance with certain provisions of laws, regulations, and contracts. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

116 PROFESSIONAL DRIVE,
WEST MONROE,
LOUISIANA 71291
PHONE 318.325.2121
TOLL FREE LOUISIANA
1.800.541.5020
FAX 318.324.1630

CITY COURT OF WEST MONROE
 West Monroe, Louisiana
 Notes to the Financial Statements (Continued)

D. CASH

Under state law, the court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1996, the court has cash (book balances) totaling \$197,838.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Deposit balances (bank balances) at June 30, 1996, total \$213,159 and are fully secured by federal deposit insurance.

**2. CHANGES IN AGENCY FUNDS'
 DEPOSITS DUE OTHERS**

A summary of changes in agency funds' deposits due others for the year ended June 30, 1996, is as follows:

Balance, July 1, 1995	\$181,255
Additions	427,249
Reductions	<u>(411,051)</u>
Balance, June 30, 1996	<u>\$197,453</u>

3. JUDGE'S ACCRUED CIVIL COST FUND

Louisiana Revised Statute 13:1875(9)(b) provides that the judge of the City Court of West Monroe shall receive the same fees in civil cases as the clerks of the district courts. These fees are in addition to the judge's compensation received from the State of Louisiana, the city of West Monroe and the parish of Ouachita. However, Louisiana Revised Statutes 13:1874.1 (A) states that the salary of a city court judge shall in no case exceed the salary of a district court judge of the judicial district in which the city court is located. Section C of Louisiana Revised Statutes 13:1874.1 defines salary as the total annual compensation paid directly or indirectly from all sources for services as judge. Those fees which have been earned by the judge of the City Court of West Monroe but which have not been paid to him because his salary from other sources is the maximum allowed by Louisiana Revised Statutes 13:1874.1,

CITY COURT OF WEST MONROE

West Monroe, Louisiana

Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the city provides the court's building, its furnishings, and pays its operating expenditures, the court was determined to be a component unit of the City of West Monroe, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the court and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

The court uses funds and account groups to report on financial position and results of 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 that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The court's current operations require only the use of the fiduciary fund type - agency funds. Agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY COURT OF WEST MONROE
West Monroe, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided for by Chapter 7 of Title 13 of the Louisiana Revised Statutes, the City Court of West Monroe has jurisdiction in all civil matters in the City of West Monroe including all of Ward Five of Ouachita Parish. The criminal jurisdiction of the court is limited to offenses committed within Ward Five of Ouachita Parish which are not punishable by imprisonment at hard labor. The city judge and city marshal are elected for six year terms.

A. REPORTING ENTITY

As the governing authority of the city, for reporting purposes, the City of West Monroe is the financial reporting entity for the city. The financial reporting entity consists of (a) the primary government (city), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the city to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.

CITY COURT OF WEST MONROE
West Monroe, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combined Balance Sheet,
June 30, 1996

ASSETS

Cash

\$197,838**LIABILITIES**

Accounts Payable

\$97

Payroll withholdings and taxes payable

288

Deposits due others

197,453**TOTAL LIABILITIES**\$197,838

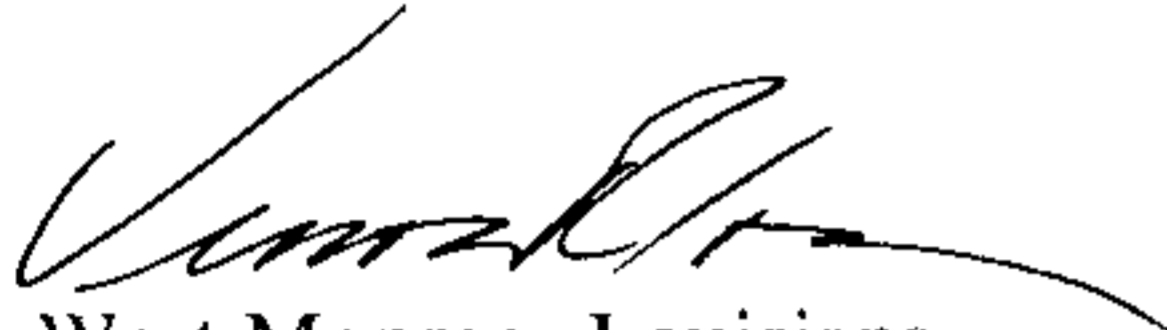
The accompanying notes are an integral part of this statement.

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE

West Monroe, Louisiana
Independent Auditor's Report,
June 30, 1996

In accordance with *Government Auditing Standards*, I have also issued reports dated September 25, 1996, on the City Court of West Monroe's compliance with laws, regulations, and contracts, and my consideration of the agency's internal control structure.

A handwritten signature in black ink, appearing to be 'Vernon R. ...', written over a horizontal line.

West Monroe, Louisiana
September 25, 1996



Independent Auditor's Report

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE
West Monroe, Louisiana

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

I have audited the general purpose financial statements of the City Court of West Monroe, a component unit of the City of West Monroe, as of June 30, 1996, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the City Court of West Monroe's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City Court of West Monroe as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the City Court of West Monroe. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

116 PROFESSIONAL DRIVE,
WEST MONROE,
LOUISIANA 71291
PHONE 318.325.2121
TOLL FREE LOUISIANA
1.800.541.5020
FAX 318.324.1630

CITY COURT OF WEST MONROE
West Monroe, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and For the Year Ended June 30, 1996
With Supplemental Information Schedules

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		2
General Purpose Financial Statements:		
Combined Balance Sheet - Fiduciary Fund Type - Agency Funds	A	5
Notes to the Financial Statements		6
Supplemental Information Schedules - Fiduciary Fund Type - Agency Funds:		
Combining Balance Sheet, June 30, 1996	1	13
Combining Schedule of Changes in Deposits Due Others	2	14
Independent Auditor's Reports Required by Government Auditing Standards:		
Report on Compliance with Laws, Regulations, and Contracts		16
Report on Internal Control Structure		18

1996-1997
CITY COURT OF WEST MONROE
98001-1111-01

CITY COURT OF WEST MONROE
West Monroe, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 1996
With Supplemental Information Schedules

CITY COURT OF WEST MONROE
West Monroe, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in
Deposits Due Others
For the Year Ended June 30, 1996

	CIVIL COURT COST FUND	JUDGE'S ACCRUED CIVIL COST FUND	FINES AND FORFEITURES	MARSHAL'S GARNISHMENT FUND	MARSHAL'S SALES AND SEIZURES FUND	ESCROW FUND	TOTAL
DEPOSITS DUE OTHERS AT BEGINNING OF YEAR	<u>\$97,229</u>	<u>\$61,406</u>	<u>\$20,551</u>	<u>NONE</u>	<u>\$200</u>	<u>\$1,869</u>	<u>\$181,255</u>
ADDITIONS							
Bonds posted			37,300				37,300
Deposits - suits and successions	137,743						137,743
Garnishments				\$188,661			188,661
Interest earnings		1,020					1,020
Sales and seizures					10,198		10,198
Transfers from Civil Court Cost Fund		<u>52,327</u>					<u>52,327</u>
Total additions	<u>137,743</u>	<u>53,347</u>	<u>37,300</u>	<u>188,661</u>	<u>10,198</u>	<u>NONE</u>	<u>427,249</u>
Total	<u>234,972</u>	<u>114,753</u>	<u>57,851</u>	<u>188,661</u>	<u>10,398</u>	<u>1,869</u>	<u>608,504</u>
REDUCTIONS							
Advertising costs					1,494		1,494
Appraisers					345		345
Bonds reclaimed			21,356				21,356
Garnishment payees				170,832			170,832
Judge's costs	50,449						50,449
Judge's salary		23,983					23,983
Judge's supplemental compensation fund	16,457						16,457
Judge's ad hoc		2,600					2,600
Marshal's fees	18,441			11,726	1,970		32,137
Marshal's mileage	3,348						3,348
Salaries - part-time employees		1,272					1,272
Payroll taxes		216					216
Other court costs	9,634			327	525		10,486
Other reductions	6	1,922			1,203		3,131
Payments to creditors					4,377		4,377
Settlements to litigants	20,393			5,776		1,869	28,038
Transfers to City of West Monroe			25,707				25,707
Travel		<u>14,823</u>					<u>14,823</u>
Total reductions	<u>118,728</u>	<u>44,816</u>	<u>47,063</u>	<u>188,661</u>	<u>9,914</u>	<u>1,869</u>	<u>411,051</u>
DEPOSITS DUE OTHERS AT END OF YEAR	<u>\$116,244</u>	<u>\$69,937</u>	<u>\$10,788</u>	<u>NONE</u>	<u>\$484</u>	<u>NONE</u>	<u>\$197,453</u>

2150

OFFICE
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK IN FILE)

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 OCT 16 1996

**VERNON R
COON**
CERTIFIED PUBLIC ACCOUNTANT

CITY COURT OF WEST MONROE

West Monroe, Louisiana

Notes to the Financial Statements (Continued)

are accumulated in the Judge's Accrued Civil Cost Fund. In accordance with Opinion Number 91-472 rendered by the state Attorney General's Office in November 1991, certain operating expenditures of the court such as the judge's travel and conference expenditures and salaries and related benefits of part-time employees are paid from this fund.

**4. EXPENDITURES OF THE CITY COURT
PAID BY THE CITY OF WEST MONROE**

The City Court of West Monroe is located in the city court offices which are maintained and operated by the City of West Monroe. All operating expenditures incurred by the city court including those of the city marshal's office are paid by the City of West Monroe. Those operating expenditures incurred by the City of West Monroe on behalf of the court are not included in the accompanying general purpose financial statements.

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE

West Monroe, Louisiana
Independent Auditor's Report
on Internal Control Structure, etc.,
June 30, 1996

In planning and performing my audit of the general purpose financial statements of the City Court of West Monroe for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I considered to be material weaknesses as defined above.

This report is intended for the information of the City Court of West Monroe. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana
September 25, 1996

**Independent Auditor's Report
on Internal Control Structure**

MEMBER AMERICAN
INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC
ACCOUNTANTS

PRACTICE LIMITED TO
GOVERNMENTAL
ACCOUNTING, AUDITING
AND FINANCIAL REPORTING

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE
West Monroe, Louisiana

I have audited the general purpose financial statements of the City Court of West Monroe, a component unit of the City of West Monroe, as of June 30, 1996, and for the year then ended, and have issued my report thereon dated September 25, 1996.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City Court of West Monroe is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

116 PROFESSIONAL DRIVE,
WEST MONROE,
LOUISIANA 71291
PHONE 318.325.2121
TOLL FREE LOUISIANA
1.800.541.5020
FAX 318.324.1630

HONORABLE CHARLES A. TRAYLOR II, JUDGE
HONORABLE WILLIAM GUYTON, MARSHAL
CITY COURT OF WEST MONROE

West Monroe, Louisiana
Independent Auditor's Report
on Compliance, etc.,
June 30, 1996

This report is intended for the information of the City Court of West Monroe. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'W. Guyton', written over a horizontal line.

West Monroe, Louisiana
September 25, 1996

C. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, additions 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. The court uses the following practices in recognizing and reporting additions and reductions:

Additions

Judge's costs, marshal's fees, marshal's mileage and other court costs are recorded in the year in which they are earned.

Proceeds from sales and seizures are recognized when costs related to a sale and seizure of property are incurred.

Substantially all other additions are recognized when received by the court.

Based on the above criteria, judge's costs, marshal's fees, marshal's mileage, other court costs and proceeds from sales and seizures are treated as susceptible to accrual.

Reductions

Reductions are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**Independent Auditor's Reports Required
by *Government Auditing Standards***

The following independent auditor's reports on compliance with laws, regulations, and contracts and internal control structure are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

CITY COURT OF WEST MONROE
West Monroe, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet
June 30, 1996

	CIVIL COURT COST FUND	JUDGE'S ACCRUED CIVIL COST FUND	FINES AND FORFEITURES	MARSHAL'S SALES AND SEIZURES FUND	TOTAL
ASSETS					
Cash	<u>\$116,244</u>	<u>\$70,322</u>	<u>\$10,788</u>	<u>\$484</u>	<u>\$197,838</u>
LIABILITIES					
Accounts payable		\$97			\$97
Payroll withholdings and taxes payable		288			288
Deposits due others	<u>\$116,244</u>	<u>69,937</u>	<u>\$10,788</u>	<u>\$484</u>	<u>197,453</u>
TOTAL LIABILITIES	<u>\$116,244</u>	<u>\$70,322</u>	<u>\$10,788</u>	<u>\$484</u>	<u>\$197,838</u>

CITY COURT OF WEST MONROE
West Monroc, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1996

FIDUCIARY FUND TYPE - AGENCY FUNDS

CIVIL COURT COST FUND

The Civil Court Cost Fund accounts for advance deposits on civil suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

JUDGE'S ACCRUED CIVIL COST FUND

The Judge's Accrued Civil Cost Fund accounts for fees earned by the judge that are transferred from the Civil Court Cost Fund and are used to pay a portion of the judge's salary and other costs of operating the court.

FINES AND FORFEITURES FUND

The Fines and Forfeitures Fund accounts for the collection of bond forfeitures and the posting of cash bonds. Effective July 1, 1991, fines are remitted directly to the City of West Monroe and are accounted for by the city. Cash bonds are held until forfeited or refunded to the person posting the bond.

MARSHAL'S GARNISHMENT FUND

The Marshal's Garnishment Fund accounts for the collection of garnishments and the remittance of these funds to garnishment payees and to the city court and city marshal for costs incurred in collecting and distributing the funds.

MARSHAL'S SALES AND SEIZURES FUND

The Marshal's Sales and Seizures Fund accounts for the collection of proceeds from the sale and seizure of property and the remittance of these funds to creditors, to the marshal for costs incurred and to others for costs incurred in the sale and seizure of property.

ESCROW FUND

The Escrow Fund accounts for the collection and payment of damage claims filed by property owners. This fund was closed during 1996.

SUPPLEMENTAL INFORMATION SCHEDULES