



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

**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 December 31, 1996, and for the six months then ended, and have issued my report thereon dated May 30, 1997.

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 my 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.

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## **CITY COURT OF WEST MONROE**

West Monroe, Louisiana

### **Notes to the Financial Statements (Continued)**

rendered by the state Attorney General's Office in November 1991, contain 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. These operating expenditures incurred by the City of West Monroe on behalf of the court are not included in the accompanying general purpose financial statements.

#### **5. CHANGE IN ELECTED OFFICIAL**

Effective December 31, 1996, the term of office of Judge Charles A. Traylor, II expired. As a result of elections held in 1996, Judge Jim Norris assumed office effective January 1, 1997.

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

CITY COURT OF WEST MONROE  
West Monroe, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDSCombined Balance Sheet,  
December 31, 1990**ASSETS**

Cash

\$200,588**LIABILITIES**

Accounts Payable

577

Payroll withholdings payable

0.00

Deposits due others

200,011**TOTAL LIABILITIES**\$200,589

The accompanying notes are an integral part of this statement.

CITY COURT OF WEST MONROE  
West Monroe, Louisiana

Notes to the Financial Statements  
As of and for the Six Months Ended December 31, 1998

**I. 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 for 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  
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.

## II. 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 (Continued)

**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 measurable 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 measurable to accrual.

**Reductions**

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

**CITY COURT OF WEST MONROE**

West Monroe, Louisiana

**Notes to the Financial Statements (Continued)**

**B. 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 nation, 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 December 31, 1996, the court has cash (bank balances) totaling \$202,908.

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 December 31, 1996, total \$129,737 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 six months ended December 31, 1996, is as follows:

Balance, June 30, 1996	5197,453
Additions	219,236
Reductions	<u>(714,176)</u>
Balance, December 31, 1996	<u>\$202,413</u>

**3. JUDGE'S ACCRUED CIVIL COST FUND**

Louisiana Revised Statute 13:1875(B)(6) 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, are accumulated in the Judge's Accrued Civil Cost Fund. In accordance with Opinion Number 90-432



SUPPLEMENTAL INFORMATION SCHEDULES

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

Combining Balance Sheet  
December 31, 1996

	TOTAL CURRENT FUND	FUNDS ACCUMULATED FUND	FUND AND RESERVED	MATERIALS SALES AND RESERVE FUND	TOTAL
<b>ASSETS</b>					
Cash	<u>\$124,656</u>	<u>\$61,817</u>	<u>\$15,738</u>	<u>\$387</u>	<u>\$202,598</u>
<b>LIABILITIES</b>					
Accounts payable		\$77			\$77
Payroll withholdings payable		108			108
Deposits due others	<u>\$124,656</u>	<u>61,632</u>	<u>\$15,738</u>	<u>\$387</u>	<u>\$202,413</u>
<b>TOTAL LIABILITIES</b>	<u>\$124,656</u>	<u>\$61,817</u>	<u>\$15,738</u>	<u>\$387</u>	<u>\$202,598</u>

**CITY COURT OF WEST BIRMINGHAM**  
**West Alabama, Louisiana**  
**BUDGETARY FUND TYPE - JUDICIAL FUND**

Comparing Schedule of Changes in  
 Deposits Due Others  
 For the Six Months Ended December 31, 1995

	TYPE 10000	BUDGET ACTUALS 10000	FUND AMT 10000	MANUAL'S CORRECTIONS 10000	MANUAL'S CHG 10000	7-31-95
<b>DEPOSITS DUE OTHERS AT BEGINNING OF YEAR</b>	<u>516,244</u>	<u>501,037</u>	<u>510,700</u>	<u>8000</u>	<u>500</u>	<u>571,001</u>
<b>ADDITIONS</b>						
Bonds posted			20,000			20,000
Deposits - suits and receivers	70,105					70,105
Overpayments				75,054		75,054
Interest earnings		263				263
Sales and services					10,500	10,500
Transfers from Civil Court Cost Fund		21,228				21,228
Total additions	<u>70,105</u>	<u>21,491</u>	<u>20,000</u>	<u>75,054</u>	<u>10,500</u>	<u>207,148</u>
Total	<u>586,349</u>	<u>522,528</u>	<u>530,700</u>	<u>75,054</u>	<u>11,000</u>	<u>778,149</u>
<b>DEDUCTIONS</b>						
Advertising costs					500	500
Appraisers					120	120
Bonds withdrawn			10,000			10,000
Contingent papers				66,000		66,000
Judge's fees	27,738					27,738
Judge's salary		10,270				10,270
Judge's insurance		1,240				1,240
Judge's supplemental compensation fund	9,400					9,400
Judge's office		5,700				5,700
Mandal's fees	10,200			4,350	1,200	15,750
Mandal's mileage	1,038					1,038
Salaries - part-time employees		1,100				1,100
Payroll taxes		270				270
Other court costs	6,000		3,700	400	600	11,000
Other reductions		2,310				2,310
Payments to creditors					8,640	8,640
Research		3,400				3,400
Settlements to litigants	14,550			5,000		19,550
Transfers to City of West Alabama			1,400			1,400
Total	<u>69,986</u>	<u>5,650</u>	<u>14,100</u>	<u>71,350</u>	<u>10,400</u>	<u>580,170</u>
Total reductions	<u>69,986</u>	<u>5,650</u>	<u>14,100</u>	<u>71,350</u>	<u>10,400</u>	<u>580,170</u>
<b>DEPOSITS DUE OTHERS AT END OF YEAR</b>	<u>516,363</u>	<u>516,878</u>	<u>516,600</u>	<u>8000</u>	<u>500</u>	<u>670,831</u>

**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 structures 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

Independent Auditor's Report,

December 31, 1996

In accordance with Government Auditing Standards, I have also issued reports dated May 30, 1997, on the City Court of West Monroe's compliance with laws, regulations, and contracts, and my consideration of the agency's internal control structure.



West Monroe, Louisiana

May 30, 1997

CITY COURT OF WEST MONROE

West Monroe, Louisiana

Independent Auditor's Report

on Compliance, etc.,

December 31, 1986

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

May 30, 1987

CITY COURT OF WEST MONROE  
West Monroe, Louisiana  
Independent Auditor's Report  
on Internal Control Structure, etc.,  
December 31, 1996

In planning and performing my audit of the general purpose financial statements of the City Court of West Monroe for the six months ended December 31, 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 relied on 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  
May 30, 1997



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

**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 December 31, 1996, and for the six months then ended, and have issued my report thereon dated May 30, 1997.

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 Government Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These 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*.

**MEININGER QUON**  
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PUBLIC ACCOUNTANTS

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CITY COUNTY OF WEST MONROE  
West Monroe, Louisiana

General Purpose Financial Statements  
With Independent Auditor's Report  
As of and For the Six Months Ended December 31, 1996  
With Supplemental Information Schedules

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CITY COURT OF WEST MONROE  
West Monroe, Louisiana

General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Six Months Ended  
December 31, 1996

With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, and other appropriate public entities and other appropriate public officials. This report is available for public inspection at the Station House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/12/97 J.P. 1997

VERNON R  
COON  
LOUISIANA LEGISLATIVE AUDITOR



## Independent Auditor's Report

### 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 December 31, 1996, and for the six months 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. These 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 statements 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 December 31, 1996, and the results of its operations for the six months 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.

**VERNON COON**  
MEMBER AMERICAN  
INSTITUTE OF CERTIFIED  
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MEMBER OF LOUISIANA  
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