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DATE - 1995*Financial Report**City Court of Morgan City, Louisiana**December 31, 1995*

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Release Date 02/03/96

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December 31, 1995

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Honorable Robert S. Robertson, Judge,
City Court of Morgan City,
Morgan City, Louisiana

We have audited the accompanying general purpose financial statements of the City Court of Morgan City, Louisiana (the Court) as of and for the year ended December 31, 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the Court'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 Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we 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. 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 Morgan City, Louisiana as of December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

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Certified Public Accountants
100 West Third
Thibodaux, LA 70310, U.S.A.
Phone (504) 885-2100
Fax (504) 885-1000

Certified Public
Accountants
& Chartered Accountants
A Limited Liability Company

100 West Third
Thibodaux, LA 70310
Thibodaux, LA 70310
Phone (504) 885-2100
Fax (504) 885-1000

Certified Public Accountants
100 West Third
Thibodaux, LA 70310, U.S.A.
Phone (504) 885-2100

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information presented in the following Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Court. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated May 24, 1996 on our consideration of the Court's internal control structure and a report dated May 24, 1996 on its compliance with laws and regulations.

Bryce Bennett, LLC

Certified Public Accountants

New Orleans, LA,
May 24, 1996.

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUP

City Court of Morgan City, Louisiana

December 31, 1993

	Governmental Fund Type		Proprietary Fund Type				Accrual Other Governmental Fund Assets	Total (Governmental Only)
	General Fund Operations and Maintenance Fund	Special Revenue Fund (2%) Special Com Fund	Enterprise Fund Type		Agency Fund			
			Utility and Cable Fund	Water Fund	Board Fund	Total		
Assets								
Cash	\$ 18,728	\$ 16,284	\$ 87	\$ 15,914	\$ 26,078	\$ 43,384	\$ 107,394	
Certificates of Deposit	269,962	28,992					298,954	
Due from other funds	5,445	760	23,884		2,470	23,397	36,586	
Governmental fund receivables							\$ 112,868	
							\$ 657,604	
Total	\$ 289,135	\$ 46,036	\$ 23,967	\$ 15,914	\$ 28,548	\$ 67,381	\$ 495,631	
Liabilities								
Accounts payable (due to other funds)	\$ 1,427		\$ 3,963	\$ 2,070	\$ 23,884	\$ 29,344	\$ 34,827	
Due to other governmental units	109,686		19,004	547		19,548	139,285	
Due to judge (bondy bill)				1,000	3,739	4,739	5,739	
Expenses paid				12,283		12,283	12,283	
Total liabilities	111,113		23,967	3,600	27,623	51,914	217,217	
Fund Equity								
Investment in general fund assets						\$ 112,868	112,868	
Fund balances	177,991	46,036					224,027	
Total fund equity	177,991	46,036				112,868	344,915	
Total	\$ 467,126	\$ 92,072	\$ 23,967	\$ 15,914	\$ 28,548	\$ 175,256	\$ 840,546	

See notes to financial statements.

Table B

**COMBINED STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUND TYPES**

City Court of Morgan City, Louisiana

For the year ended December 31, 1985

	General Fund Operations and Maintenance Fund	Special Revenue Fund DWSI Special Cost Fund	Total (Combinations Only)
Revenues			
Court's share of fees assessed	\$ 44,093		\$ 44,093
Court costs	7,995	\$ 5810	13,045
Traffic ticket fees	3,888		3,888
Interest earned	11,677	1,664	13,341
Miscellaneous	1,184		1,184
Total revenues	<u>78,837</u>	<u>6,714</u>	<u>79,329</u>
Expenditures			
General Government			
Automobile expenses	431		431
Books and journals	1,328		1,328
Clerical assistance	5,891		5,891
Conventions and conferences	8,156		8,156
Dues and subscriptions	1,046		1,046
Insurance	5,454		5,454
Maintenance and repairs	5,987		5,987
Miscellaneous	481		481
Office supplies	7,138		7,138
Postage	2,445		2,445
Professional fees	18,720		18,720
Telephone	3,200		3,200
Capital expenditures	22,478		22,478
	91,981		91,981
Intergovernmental			
City of Morgan City (Note 6)	189,666		189,666
Total expenditures	<u>281,567</u>		<u>281,567</u>
Excess (Deficiency) of Revenues Over Expenditures	(202,730)	6,714	(214,888)
Fund Balances			
Beginning of year	274,281	49,260	323,541
End of year	\$ <u>71,551</u>	\$ <u>55,974</u>	\$ <u>127,525</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**City Court of Morgan City, Louisiana**

December 31, 1998

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City Court of Morgan City accounts for the operations of the Court's office. The Court employee salaries are funded the St. Mary Parish Council and the City of Morgan City. The Judge's salary is funded by the State of Louisiana, City of Morgan City and St. Mary Parish Council.

The accounting policies of the City Court of Morgan City conforms to generally accepted accounting principles as applicable to governments in the following summary of the more significant policies:

A. Fund Accounting

The accounts of the City Court are organized on the basis of funds and account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds in the financial statements in this report are grouped into two broad fund categories as follows:

Governmental Fund Types**General Fund**

Operations and Maintenance Fund - The Operations and Maintenance Fund is used to account for all financial resources of the Court except those required to be accounted for in other funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

Special Revenue Fund

DWI - Special Cost Fund - The DWI Special Cost Fund assesses special cost against persons operating vehicles while intoxicated or under the influence of drugs. The Court uses these funds to defray the cost of attorneys or persons administering substance abuse programs and driver improvement programs and the related additional administrative cost as part of probation for the offenders.

Elderly Fund Types

Agency Funds

Fines and Cost Fund - The Fines and Cost Fund is used to account for fines and cost collected for and payable to the City of Morgan City, St. Mary Parish Council, Operations and Maintenance Fund, Jail Maintenance Fund, Academic-Criminologic Laboratory, Indigent Defender Board, Marshalls Cost Fund, State - Crime Victim's Cost Fund and DWI Special Cost Fund.

Civil Court Fund - The Civil Court Fund is maintained to account for deposits and garnishments received from litigants.

Bond Fund - The Bond Fund is maintained to account for bonds deposited with the Court.

B. Fixed Assets

The accounting and reporting treatment applied to the fixed assets are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fixed Assets (Continued)

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. Fixed assets are stated at historical cost.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

All Governmental Funds and agency are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Miscellaneous revenues are recorded as revenues when received in cash by the Court. Charges for services are recorded when earned since they are measurable and available.

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

D. Budgets and Budgetary Accounting

City Courts are not required under state statutes to adopt a budget. The City Court of Morgan City has elected not to prepare an annual budget.

E. Employee Retirement Benefits

Employees of the Court are included on the City of Morgan City and St. Mary's Parish payroll and participate in the same retirement systems as the City of Morgan City and St. Mary's Parish employees. In addition, fees earned from Civil Court cases are eligible for retirement funding in this system at the same percentages as employee payroll.

F. Vacation and Sick Leave

Vacation and sick leave benefits are paid by the City of Morgan City and St. Mary Parish.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Total Columns on Combined Statements - Overview

The total columns on the Combined Statements are captioned "Microseconds 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. Intended eliminations have not been made in the aggregation of this data.

Note 2 - CASH AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the \$100,000 for regular deposits and \$100,000 for certificates of deposit FDIC/FSLIC insurance and the market value of 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.

During the year the Court's investments consisted solely of certificates of deposits. At December 31, 1995, the Court's cash and investments were not in excess of the FDIC insurance.

Note 3 - GENERAL FIXED ASSET ACCOUNT GROUP

The following is a summary of the changes in general fixed asset account group during the year:

	January 1, 1995	Additions	Balance, December 31, 1995
Furniture, fixtures and equipment	\$85,020	\$3,909	\$ 88,929
Automobile	9,320	18,561	27,881
Totals	<u>\$94,340</u>	<u>\$22,470</u>	<u>\$116,810</u>

Note 4 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

Details of interfund receivable and payable at December 31, 1995 follow:

Individual Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 3,443	\$ 2,473
Special Revenue Fund	700	-
Agency Funds:		
Fines and Cost Fund	22,884	3,968
Civil Court Fund	-	2,173
Bond Fund	<u>2,473</u>	<u>22,884</u>
Totals	<u>\$31,500</u>	<u>\$31,500</u>

Note 5 - DUE TO OTHER GOVERNMENTAL UNITS

At December 31, 1995, due to other governmental units were as follows:

	Operations and Maintenance Fund	Fines and Cost Fund	Civil Cost Fund	Totals
Police Subpoena Fund		\$ 890		\$ 890
Law Enforcement Training		356		356
City of Morgan City	\$199,666	10,288		209,954
Auxiliary Criminologic Laboratory		466		466
Indigent Defender Board		3,113		3,113
Marshal's Cost Fund		2,670	\$177	2,847
St. Mary's Clerk of Court			77	77
State-Judge Supplemental Compensation Fund			275	275
State-Crime Victim's Cost Fund		283		283
Other		921	18	939
Totals	\$199,666	\$19,001	\$547	\$219,214

Note 6 - INTERGOVERNMENTAL - CITY OF MORGAN CITY

In May 1995, the Louisiana Legislature passed Senate Bill 881 which changed the financial responsibilities of the City Court of Morgan City. As under prior law, the Operations and Maintenance Fund of the Court receives twenty-five percent of all fines, forfeitures and penalties to pay the operational expenses of the Court. The new law provides for funds accumulated in the Operations and Maintenance Fund in excess of \$50,000 to be transferred to the General Fund of the City of Morgan City and shall be used for the purpose of construction and maintenance of the City Court facilities, etc. As of December 31, 1995 the City Court recorded as its intergovernmental expenditures \$199,666 which represents funds in excess of \$50,000 accumulated in all prior years that are to be transferred.

SUPPLEMENTARY DATA

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS - FINES AND COSTS FUND**

City Court of Morgan City, Louisiana

For the year ended December 31, 1995

Cash Balance, January 1, 1995	\$ 85
Receipts	
Transfers from Bond Fund	<u>348,223</u>
To be accounted for	<u>348,308</u>
Disbursements	
Transfers of fines and costs to:	
City of Morgan City	162,652
Operations and Maintenance Fund	61,729
Jail Maintenance Fund	3,132
Assults/Criminalistic Laboratory	8,081
Indigent Defender Board	49,345
Marshal's Cost Fund	42,010
State's Crime Victims Cost Fund	4,960
DWI - Special Cost Fund	4,650
Department of Public Safety	2,325
Louisiana Rehab Services	5,233
Other	<u>4,684</u>
Total disbursements	<u>348,223</u>
Cash Balance, December 31, 1995	\$ 85

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS - CIVIL COURT FUND**

City Court of Morgan City, Louisiana

For the year ended December 31, 1995

Cash Balance, January 1, 1995	\$ 9,403
Receipts	
Deposits and garnishments received from litigants	<u>28,563</u>
To be accounted for	<u>37,966</u>
Disbursements	
Deposits refunded	603
Cost paid to:	
Judge	12,030
Marshal	296
Marshal's Cost Fund	1,504
Retirement - Judges Supplemental Compensation Fund	3,811
Others	<u>4,351</u>
Total disbursements	<u>22,015</u>
Cash Balance, December 31, 1995	\$ <u>15,951</u>

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS - BOND FUND**

City Court of Morgan City, Louisiana

For the year ended December 31, 1995

Cash Balance, January 1, 1995	\$ 35,045
Receipts	
Appearance bonds, fines and costs collected	<u>351,348</u>
To be accounted for	<u>386,389</u>
Disbursements	
Transfers to Fines and Costs Fund	348,223
Refunds of appearance bonds	<u>11,996</u>
Total disbursements	<u>360,219</u>
Cash Balance, December 31, 1995	<u>\$ 26,170</u>

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Comptroller General

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Robert S. Robertson, Judge,
City Court of Morgan City,
Morgan City, Louisiana.

We have audited the general purpose financial statements of the City Court of Morgan City, State of Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 24, 1996.

We conducted our 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 we 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 Morgan City 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 the management 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.

In planning and performing our audit of the general purpose financial statements of City Court of Morgan City, State of Louisiana, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our 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 or 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for information of the management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, LLC.

Certified Public Accountants.

New Orleans, La.,
May 24, 1996.



State of Louisiana

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF THE GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Robert S. Robertson, Judge,
City Court of Morgan City,
Morgan City, Louisiana.

We have audited the general purpose financial statements of the City Court of Morgan City, State of Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 24, 1996.

We conducted our 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 we 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, contracts and grants applicable to the City Court of Morgan City is the responsibility of the management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Court's compliance with certain provisions of laws, regulations, contracts and grants. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our test disclosed no instances of non-compliance that are to be reported herein under Government Auditing Standards.

This report is intended for information of the management, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, LLC

Certified Public Accountants

New Orleans, La.,
May 24, 1996.