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CITY COURT OF NEW ORLEANS, LOUISIANA

**FINANCIAL STATEMENTS
(Audited)**

June 30, 1980

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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 10/23/80 2 6 1980

CITY COURT OF NEW IBERIA, LOUISIANA
FINANCIAL STATEMENTS
(AUDITED)
June 30, 1998

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INDEPENDENT AUDITOR'S REPORT

The Honorable Robert L. Segura, Judge
CITY COURT OF NEW IBERIA, LOUISIANA

We have audited the accompanying general purpose financial statements of the CITY COURT OF NEW IBERIA, LOUISIANA and the combining financial statements of the CITY COURT OF NEW IBERIA, LOUISIANA as of June 30, 1998 and for the year then ended as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the elected official of the CITY COURT OF NEW IBERIA, LOUISIANA. 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. 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. 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 NEW IBERIA, LOUISIANA as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining financial statement referred to above presents fairly, in all material respects, the financial position of each of the individual funds of the CITY COURT OF NEW IBERIA, LOUISIANA as of June 30, 1998 in conformity with generally accepted accounting principles.

Templeton & Blanchard

New Iberia, LA
December 10, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CITY COURT OF NEW BERNE, LOUISIANA
 COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1996

	<u>Governmental</u> <u>Fund Type</u> <u>General</u>	<u>Fiduciary</u> <u>Fund Type</u> <u>Agency</u>	<u>Account</u> <u>Group</u> <u>General</u> Fixed Assets	Total (Memo Only)
ASSETS				
Cash (Note 5)	\$141,252	\$23,678	\$ -	\$175,128
Furniture & Equipment (Note 2)	-	-	74,965	74,965
Total Assets	\$141,252	\$23,678	\$74,965	\$250,083
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 3,000	\$ -	\$ -	\$ 3,000
Payroll Taxes Payable	675	-	-	675
Accounts Due Others	28,209	23,678	-	58,488
Total Liabilities	29,284	23,678	-	62,088
Fund Balances:				
Investment in General Fixed Assets	-	-	74,965	74,965
Fund Balances-Unreserved, undesignated	113,048	-	-	113,048
Total Fund Balance	113,048	-	74,965	188,013
Total Liabilities and Fund Balances	\$141,252	\$23,678	\$74,965	\$250,083

See notes to financial statements.

CITY COURT OF NEW ORLEANS, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - GOVERNMENTAL FUND TYPE - GENERAL FUND
 For the Year Ended June 30, 1996

REVENUE	
Fines and Forfeitures	\$450,069
Interest and Other Miscellaneous Income	<u>1,142</u>
 Total Revenue	 <u>451,211</u>
EXPENDITURES	
Current	
Publications	\$ 2,999
Court Costs (Note d)	191,607
Payments to City of New Orleans	29,697
Salaries	85,028
Office Supplies & Printing	7,229
Legal & Accounting Costs	2,620
Judge & Employees Retirement	9,001
Dues, Meetings, & Insurance	11,008
Other Miscellaneous Costs	632
Outside Services	1,544
Repairs & Maintenance	3,074
Capital Outlay	<u>15,121</u>
Total Expenditures	<u>359,655</u>
 EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	 <u>91,556</u>
 FUND BALANCE, BEGINNING OF YEAR	 <u>21,468</u>
 FUND BALANCE, END OF YEAR	 <u>\$113,024</u>

See notes to financial statements.

**CITY COURT OF NEW IBERIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION - The accounting and reporting practices of the City Court of New Iberia, Louisiana conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods. Such accounting and reporting procedures also follow the guides set forth in the *Louisiana Municipal Audit and Accounting Guide*, and the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants.

B. FINANCIAL REPORTING ENTITY - For financial reporting purposes, in conformance with Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification), the City Court includes all funds, account groups, activities, or others, that are controlled by the Judge as an independently elected official. As an independently elected official, the Judge is solely responsible for the operations of his office, which include the hiring or retention of employees, responsibility for deficits, and the receipt and disbursement of funds.

Statement No. 14 of the GASB established the following criteria for determining if a governmental entity is a primary government or a component unit of a primary government:

- a. It has a separately elected governing body.
- b. It is legally separate.
- c. It is fiscally independent of other governments.

Because certain operating expenditures of the City Court are paid or provided by the City of New Iberia, the City Court of New Iberia, Louisiana is considered a component unit of the City of New Iberia in accordance with the provisions of GASB Statement No. 14.

C. FUND ACCOUNTING - The accounting system is organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity, whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. These include general, agency and general fund assets groups of accounts. The accounts of the City Court of New Iberia, Louisiana are organized on the basis of funds and account groups, 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, and expenditures. Government 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 are grouped, in the

CITY COURT OF NEW IBERIA, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

financial statements in this report, into generic fund types and broad fund categories as follows:

GOVERNMENTAL FUND:

GENERAL FUND - The General Fund is the general operating fund of the City Court of New Iberia, Louisiana. It is used to account for all financial resources except those required to be accounted for in another fund.

FIDUCIARY FUNDS:

TRUST AND AGENCY FUNDS - Trust and agency funds are used to account for assets held by the City Court of New Iberia, Louisiana in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income (in the form of court costs on criminal and traffic violation fines) is considered "measurable" when in the hands of collecting government and is recognized as revenue at that time. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued. Purchases of various operating supplies are regarded as expenditures at the time purchased.

E. GENERAL FIXED ASSETS - The accounting and reporting treatment applied to the fixed assets associated with a fund is determined by its measurement focus. All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets. 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, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets. All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. As of June 30, 1996, the City Court of New Iberia, Louisiana has not recorded any donated fixed assets on its books since there have been no donations made to it.

F. ENCUMBRANCES - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order

CITY COURT OF NEW IBERIA, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

to receive that portion of the applicable appropriation, is not employed by the City Court of New Iberia, Louisiana.

G. **SUPPLIES** - Purchases of supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

H. **VACATION AND SICK LEAVE** - Vacation is recorded as an expenditure of the period in which paid. It must be taken in the year accrued and cannot be carried over. There is no provision for sick leave at this time. Any liability the City Court of New Iberia, Louisiana, might have in this regard is considered immaterial; therefore, no liability has been recorded in the accounts.

I. **BUDGET** - City Courts are included among the few state and local governments not required to adopt a budget. Accordingly, no budget has been adopted and no budgetary information is included in these financial statements.

J. **CASH AND CASH EQUIVALENTS** - Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the New Iberia City Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

K. **TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW** - Total columns on the Combined Statements - Overview 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.

NOTE 2: CHANGES IN FIXED ASSETS

	<u>Furniture & Equipment</u>
General Fixed Assets 07/01/95	\$80,070
Additions	98,122
Dispositions	<u>(1,237)</u>
General Fixed Assets 06/30/96	<u>\$76,955</u>

NOTE 3: PENSION PLAN

Plan Description

Louisiana State Employees' Retirement System. The New Iberia City Court Judge is a member of the Louisiana State Employees' Retirement System, a cost-sharing, single-employer defined benefit pension plan administered by a separate board of trustees.

CITY COURT OF NEW BEREA, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

Eligibility Requirements

All state employees except certain classes of employees specifically excluded by Statute become members of the System as a condition of employment unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS.

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by Statute and vary depending on the member's employer and job classification. The substantial majority of members may retire with full benefits at ages ranging from any age upon completing thirty years of creditable service, to age sixty upon completing ten years of creditable service. Effective January 1, 1996, members may choose to retire with 20 years of service at any age, with an actuarial reduced benefit.

The basic annual retirement benefit for substantially all members is equal to 2-1/2% of average compensation multiplied by the number of years of creditable service plus \$300. Participants who became members of LASERS on or after July 1, 1996, are not eligible for the \$300 addition to the annual retirement benefit formula. Average compensation is defined as the member's average annual earned compensation for the highest thirty-six consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or certain specified dollar amounts of actuarially determined monetary limits which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the above basic retirement benefit, a member may elect to receive his retirement benefits under any one of four different options providing for a reduced retirement benefit payable throughout his life with certain benefits being paid to his designated beneficiary after his death.

A member leaving employment before attaining minimum retirement age but after completing certain minimum service requirements becomes eligible for a benefit provided the member lies to the minimum service retirement age and does not withdraw his accumulated contributions. The minimum service requirements for benefits vary depending upon the member's employer and service classification.

Member Contributions

Member contribution rates for the System are established by Louisiana Revised Statute 11:62. Employee member contributions are deducted from their salary and remitted to the System by participating employers. For the year ended June 30, 1996, the Judge's contribution rate was 11.5%.

CITY COURT OF NEW IBERIA, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

Employer Contributions

Each employer is required to contribute a percentage of each employee's earned compensation to finance participation of its employees in LASERS. The employer's contribution rate is established under Louisiana Revised Statutes 11:101-11:104 and annually by the Actuarial Forecasting Committee. For the year ending June 30, 1996, the City Court's contribution rate was 12.0%.

All other City Court employees are members of the Municipal Employees Retirement System.

Municipal Employees' Retirement System. All permanent City employees who work at least 35 hours a week, not participating in another public funded retirement system and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with 10 years of service at age 60. The retirement allowance is equal to 2% of the member's final compensation multiplied by his years of creditable service, with certain provisions made for those employees who were members of the supplemental plan only prior to its revision date. Their retirement allowance may not exceed the greater of 100% of a member's final salary or compensation. The system also provides disability and survivor benefits. Benefits are established by the State statute.

State statute requires covered employees to contribute 6.25% of their earnings to the plan. The New Iberia City Court contributes a percentage to the plan as employer only of the portion of compensation the employees receive from the New Iberia City Court. For the year ending June 30, 1996, the City Court's portion was 6.75%.

Although contributions are determined by State statute rather than actuarial calculations, actuarially required contributions are determined for the System, but not separately for the New Iberia City Court.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERs and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employees.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1996 comprehensive annual financial report. The New Iberia City Court does not guarantee the benefits granted by the System.

CITY COURT OF NEW IBERIA, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

NOTE 4: PENDING LITIGATION

At June 30, 1995, the Court was involved in litigation with an organization known as SNAP (Safety Net for Abused Persons) whereby SNAP is suing for the collection of fines and fees specified in LSA - R.S. 13:1906. The statute requires the Clerk of Court of New Iberia to collect a fee of \$5 from every person filing any type of civil suit and also requires the Court to collect an additional \$5 fee in each criminal proceeding filed. The New Iberia City Court has vigorously challenged the constitutionality of the statute. Subsequent to June 30, 1995, the suit went before the Third Circuit Court of Appeal, State of Louisiana, at which time the New Iberia City Court won its case. Since that decision, SNAP has filed an appeal to the Supreme Court. The management of the New Iberia City Court is of the opinion that the outcome of this case will have an immaterial effect, if any, on these financial statements.

NOTE 5: CASH AND CASH EQUIVALENTS

At June 30, 1995, the New Iberia City Court has cash and cash equivalents (book balances) totaling \$175,128 as follows:

Demand deposits	\$141,252
Interest-bearing demand deposits	26,871
Time deposits	5,000
Total	<u>\$175,123</u>

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. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on 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. At June 30, 1995, the New Iberia City Court has \$175,092 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance. The remaining balance of \$43,429 is not secured by the pledge of securities and is a violation of state law.

CITY COURT OF NEW BERIE, LOUISIANA
NOTES TO FINANCIAL STATEMENT, CONTINUED

NOTE 6: COURT COSTS

Court Costs for the fiscal year ended June 30, 1996 are as follows:

Payments to City Marshal	\$53,680
Payments to Indigent Defender Fund	35,780
Payments to Crime Lab	40,000
Payments to District Attorney	35,780
Payments to Victims Restitution Fund	3,667
Payments to Louisiana Commission on Law Enforcement	7,500
Payments to State Treasurer (Act. 664)	6,480
Payments to State Treasurer (Act. 1102)	6,280
Payments to Iberia Parish Technology	125
Payments to Applied Technology	<u>2,525</u>
Total Court Costs	<u>\$231,607</u>

NOTE 7: The City of New Berie, Louisiana provides the following for the City Court:

1. Judge's salary in part
2. Clerk of Court's salary in part
3. Telephone
4. Premises and utilities

These amounts have not been included in these financial statements.

NOTE 8: OTHER POSTRETIREMENT BENEFITS

The New Berie City Court provides no postretirement benefits.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS

AGENCY FUNDS

CASH BOND FUND - To account for the collection of cash deposits posted upon the service of a warrant.

CIVIL COLLECTION FUND - To account for collection of advance court cost deposits in civil suits filed. Funds are posted by the plaintiff filing the suit and are held until the cases are processed. After the cases are processed, funds are disbursed.

CITY COURT OF NEW IBERIA, LOUISIANA
AGENCY FUNDS
COMBINING BALANCE SHEETS
June 30, 1999

ASSETS

	<u>Cash Bond Fund</u>	<u>Civil Collection Fund</u>	<u>Total</u>
Cash	\$5,005	\$28,871	\$33,876
Total Assets	\$5,005	\$28,871	\$33,876

LIABILITIES

Accounts Due Others	\$5,005	\$28,871	\$33,876
Total Liabilities	\$5,005	\$28,871	\$33,876

See notes to financial statements.

INTERNAL CONTROL AND COMPLIANCE

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Robert L. Segura, Judge
CITY COURT OF NEW IBERIA, LOUISIANA
New Iberia, Louisiana 70560

We have audited the general purpose financial statements of the CITY COURT OF NEW IBERIA, LOUISIANA, and the combining financial statements as of and for the year ended June 30, 1995, and have issued our report thereon dated December 19, 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 CITY COURT OF NEW IBERIA, LOUISIANA, 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.

In planning and performing our audit of the general purpose financial statements of the CITY COURT OF NEW IBERIA, LOUISIANA, for the year ended June 30, 1996, 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 do 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 operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Judge of the CITY COURT OF NEW IberIA, LOUISIANA. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Christopher S. Blanchard

New Iberia, Louisiana
December 19, 1996

TEMPLETON & BLANCHARD

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

The Honorable Robert L. Segura, Judge
CITY COURT OF NEW IBERIA, LOUISIANA
New Iberia, Louisiana

We have audited the general purpose financial statements of the CITY COURT OF NEW IBERIA, LOUISIANA, and the combining financial statements as of and for the year ended June 30, 1996, and have issued our report thereon dated December 11, 1996.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in Government Auditing Standards, (the Yellow Book) issued by the U. S. General Accounting Office. 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 misstatements.

Compliance with laws and regulations is the responsibility of the judge of the CITY COURT OF NEW IBERIA, LOUISIANA. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatements, we performed tests of the Court's compliance with certain provisions of laws and regulations. However, 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 tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards. At June 30, 1996, the New Iberia City Court had \$41,429 of unsecured funds at a financial institution. The City Court had not previously ever had funds on deposit in excess of federal deposit insurance coverage. Additionally, the financial institution presumed that the City Court's funds were secured by pledges made to the City of New Iberia and therefore had not pledged any securities to the New Iberia City Court. Upon notifying the financial institution that the City Court would require separate security pledges, the financial institution did that same day pledge sufficient securities to the New Iberia City Court to secure its future funds from risk.

The Honorable Robert L. Segura

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This report is intended for the information of the Judge of the CITY COURT OF NEW BERNE, LOUISIANA. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Templeton & Blandford

New Bern, Louisiana

December 18, 1898