

- Cause:** Primarily due to lack of adequate accounting knowledge and over reliance on computer software which has proven to be incapable of providing needed reports from which to compile financial statements.
- Recommendation:** Client needs to institute procedure(s) from which accounting information can be compiled from the underlying receipts for filing fees which initiate all the activity in the Civil Fund. Disbursements should be based on accumulation of this data so as to provide necessary documentation to support those disbursements. This will also provide a documented audit trail and reduce audit costs.
- Response:** Management is implementing procedures to enable monthly financial statements. These procedures will require preparation of distribution reports for the Civil Fund agency receipts. Also, these reports will be used to reconcile receipts to disburse, and allow for adequate documentation of disbursements from the agency account. The Civil Court operating account is also to maintain a monthly general ledger in order for the court to monitor the results of its activities.
2. **Condition:** City Court is paying operating expenses out of agency funds and not reimbursing those funds from the operating fund. This is a repeat finding from the prior year audit.
- Cause:** Inadequate knowledge of accounting. Fund structure consists of agency funds for depositing fees collected before disbursing to various other agencies or individuals to which they are statutorily required to be disbursed or to cover expenses which the plaintiff must initially pay. A portion of these collections is for the purpose of meeting the trust, but an operating fund is established to receive those funds from the agency account and then account for those revenues and any related expenses for running the court. Some expenses are presently being paid out of the agency accounts. Also, any bank charges which the agency accounts incur are not being reimbursed by the operating accounts).
- Recommendation:** Client needs to pay expenses out of operating accounts only.
- Response:** City Court will follow proper accounting in the future and determine need to reimburse agency funds.
3. **Condition:** Subsidiary listing of bonds outstanding for bond agency fund not being reconciled to cash account. Cash in bank should correspond with bonds held listing.
- Cause:** Unknown
- Recommendation:** Monthly reconciliation of cash and bonds outstanding needs to be performed.
- Response:** City Court has implemented reconciliation procedures for these amounts on a monthly basis.
4. **Condition:** Client not reconciling agency fund cash balances with amounts collected but not yet disbursed.
- Cause:** Inadequate accounting knowledge, over reliance on computer system.
- Recommendation:** Cash balances should be reconciled with amounts collected but not yet distributed on a monthly basis. This would reduce possibility of errors regarding disbursements from these accounts.
- Response:** City Court to implement procedure so that it will reconcile cash balances in agency accounts to amount collected on a monthly basis.

ADDITIONAL REPORTS

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

COMBINED BALANCE SHEET
AGENCY FUND TYPES
JUNE 30, 1998

	Criminal Fund	Quarantine Fund	Flood Fund	Total (Minimums Only) June 30, 1998
ASSETS:				
Cash	\$ -0-	\$ -0-	\$ 3,112	\$ 3,112
Due from Other Funds	<u>16,041</u>	<u>898</u>	<u>-0-</u>	<u>17,049</u>
Total Assets	<u>\$ 16,041</u>	<u>\$ 898</u>	<u>\$ 3,112</u>	<u>\$ 18,152</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Funds Held	\$ -0-	\$ -0-	\$ 3,112	\$ 3,112
Due to Other Agencies	<u>13,588</u>	<u>915</u>	<u>-0-</u>	<u>14,503</u>
Due to Other Funds	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Overdrafts Payable	<u>4,704</u>	<u>73</u>	<u>-0-</u>	<u>4,807</u>
Total Liabilities	<u>\$ 18,292</u>	<u>\$ 988</u>	<u>\$ 3,112</u>	<u>\$ 22,392</u>

CITY COURT AND CITY MARSHALL, OF JENNERES, LOUISIANA

SPECIAL REVENUE FUND
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 1995

	Criminal Fund	Marshall Fund	Total (Discretionary Fund) June 30, 1995
Revenues:			
Court Costs	\$ 24,290	\$ -	\$ 24,290
Marshall's Fee	-	3,987	3,987
Fund Postitems	881	-	881
Total Revenues	<u>\$ 25,171</u>	<u>\$ 3,987</u>	<u>\$ 29,158</u>
Expenditures:			
Supplies	\$ -	\$ 756	\$ 756
Insurance	158	1,790	1,948
Miscellaneous	-	-	-
Office Expenditures	9,318	2,588	11,906
Other Salaries	-	1,308	1,308
Professional Fees	2,368	-	2,368
Repairs and Maintenance	2,248	-	2,248
Salary Reimbursements	1,803	-	1,803
Services	2,898	708	3,606
Vehicle Expenses	-	2,700	2,700
Witness Fees	2,038	-	2,038
Total Expenditures	<u>\$ 20,865</u>	<u>\$ 9,342</u>	<u>\$ 30,207</u>
Excess (Deficit) of Revenues over Expenditures	\$ 4,306	\$ 4,645	\$ 8,951
Fund Balance, Beginning of Period	6,708	4,285	11,093
Prior Period Adjustment	(1,688)	-	(1,688)
Fund Balance, End of Period	<u>\$ 5,020</u>	<u>\$ 4,285</u>	<u>\$ 9,305</u>

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

COMBINING BALANCE SHEET
SPECIAL FUND(S) FUND TYPE(S)
JUNE 30, 1996

	Criminal Fund	Marshall's Fund	Total (Mononandum Only) June 30, 1996
ASSETS:			
Cash on Hand	\$ 100	\$ -	\$ 100
Cash in Bank	4,265	94	4,359
Four Receivables	<u>2,912</u>	<u>295</u>	<u>3,207</u>
Total Assets	<u>\$ 5,882</u>	<u>\$ 391</u>	<u>\$ 6,273</u>
LIABILITIES AND FUND BALANCE:			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	<u>16,842</u>	<u>-</u>	<u>16,842</u>
Total Liabilities	<u>\$ 16,842</u>	<u>\$ -</u>	<u>\$ 16,842</u>
Fund Balance:			
Unreserved undesignated	<u>\$ 2,660</u>	<u>\$ 391</u>	<u>\$ 3,051</u>
Total Liabilities and Fund Balance	<u>\$ 19,502</u>	<u>\$ 391</u>	<u>\$ 19,893</u>

SUPPLEMENTAL INFORMATION
COMBINING STATEMENTS

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

MOVES TO THE FINANCIAL STATEMENTS

JUNE 30, 1996

8. INTERFUND RECEIVABLES & PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds:		
Criminal Funds	\$ 0-	\$ 16,842
Agency Funds:		
Criminal Fund	<u> 0,842</u>	<u> 0-</u>
	<u>\$ 0,842</u>	<u>\$ 16,842</u>

9. PRIOR PERIOD ADJUSTMENT

The prior period adjustment to the Criminal Operating Fund resulted from errors which could not be determined in prior years. The primary component of this adjustment consisted of amounts paid for witness fees from the criminal agency fund for which reimbursement was made from the defendant. If the defendant opts to serve jail time, no reimbursement is made. The City Court General Fund should have reimbursed the agency fund for these reimbursed costs and recorded the interfund reimbursement as an expense. The current year adjustment reflects reimbursed amounts prior to the current year.

CITY COURT AND CITY MARSHALL OF JENNINGS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 1996

members of Plan B. The City Court employees are paid by the City of Jennings and thus are included in the System.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$180 for each year of creditable service. Performance employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each retirement procedure age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 180 per cent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employer contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and copined supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7817 Officer Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (584) 925-8818.

Funding Policy: Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the City Court and City Marshall of Jennings, Louisiana is required to contribute at an actuarially determined rate. The current rate is 3.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based on proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City Court and City Marshall of Jennings, Louisiana are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:183, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System under Plan B for the years ending June 30, 1995, were \$26,297, equal to the required contributions for each year.

5. ECONOMIC DEPENDENCE

The Jennings City Court is dependent on the City of Jennings for facilities provided, employees salaries and related payroll taxes and retirement. The City Court does, however, partially reimburse part of these costs monthly.

7. FUND BALANCE DEFICIT

The Criminal Fund has a deficit balance of \$9,368.

CITY COURT AND CITY MARSHALL OF JENNINGS, LOUISIANA**NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 1996

2. CASH

As June 30, 1996, the City Court and City Marshall had cash deposited with financial institutions totaling \$14,730. Under state law, bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. As of June 30, 1996, all bank balances were fully insured by federal deposit insurance as follows:

Bank Balances	\$ 14,730
Insured (FDIC)	<u> </u>
	\$ 14,730

3. RESTRICTED ASSETS

As June 30, 1996, Restricted Assets consisted of the following:

Cash - Trust Fund Accounts	\$ 3,122
Due from Other Funds	<u>17,042</u>
Total	\$ 20,164

The restricted cash amounts represent amounts paid the defendant bonds which have been posted upon arrest. The bonds are held as security until the defendant is sentenced or found to be not guilty. If the defendant forfeits his bond, it is then transferred to the City of Jennings as an operating transfer to reimburse the City for the financing it provides to the City Court and City Marshall.

The other restricted amounts represent amounts paid out of the fiduciary funds which should have been reimbursed as an expense of the general fund used to operate the criminal court activities. These payments have previously been a result of witness fees paid which had not been collected from the plaintiff or for which the plaintiff chose not to pay the costs but serve time in jail. The Criminal Court general fund intends on funding these overpayments through future earnings of the general fund. These earnings consist of court costs assessed on fines which are used to fund court operations. In addition, there are witness fees are to be paid by the City of Jennings, which will prevent these overpayments from occurring in the future. Any collections of witness fees by the City Court will be remitted to the City of Jennings to defray the City's witness fee disbursements.

4. RECEIVABLES

As June 30, 1996, Jennings City Court has an amount in outstanding fines receivable of \$26,668. These fines were assessed by the Judge (reasonable) but until paid are not available, therefore, they have not been assessed. This method of fine collection is initiated when it is determined that in particular cases, this is less of a financial burden on the City than jailing the offenders.

5. RETIREMENT COMMITMENTS - PENSION PLANS

Substantially all employees of the City Court and City Marshall of Jennings, Louisiana are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, Firefighters' Retirement System of Louisiana, or Louisiana State Employees Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF LOUISIANA (SYSTEM)

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality, except for politicians, trustees and the City Judge, are

CITY COURT AND CITY MARSHALL OF JENNINGS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 1996

AGENCY FUNDS

Agency funds account for assets in 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.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The City Court and City Marshall fund is accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Gross receipts, fines, and costs are considered "measurable" when collected and are recognized as revenues at that time.

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

The City Court and City Marshall of Jennings do not utilize formal comprehensive accounting.

D. FIXED ASSETS

Fixed assets used in governmental fund type operations (general fixed assets) should be accounted for in the General Fixed Asset Account Group, and are recorded as expenditures in the City Court and City Marshall fund subpartitions. General fixed assets of the City Court and City Marshall are transferred to the City of Jennings and accounted for in the City of Jennings General Fixed Asset Account Group. Accordingly a General Fixed Asset Account Group is not presented in the general purpose financial statements.

E. ACCUMULATED VACATION AND SICK LEAVE

It is the City Court's and City Marshall's policy that sick leave and vacation leave do not accumulate from year to year. Such accrued sick leave and vacation leave is available only during each employee's tenure, annually, and is not payable upon retirement or termination. Therefore, accrued sick and vacation leave is not a contingent liability of the City Court and City Marshall.

G. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Nonrecurring Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operation, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidated, branch fund elimination, have not been made in the aggregation of this data.

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

The Honorable Woodell Miller
The Honorable Clarence Corcoran, Jr.
and the Members of the City Council
City of Jennings, Louisiana 70346

We have audited the general purpose financial statements of the Jennings City Court and City Marshall, a component unit of the City of Jennings, as of and for the year ended June 30, 1996, and have issued our report thereon dated February 12, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Accounting 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 grant agreements applicable to the Jennings City Court and City Marshall's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Jennings City Court and City Marshall's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audits of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance consist of failures to follow requirements, or violations of prohibitions, contained in statutes, regulations, contracts, or grants, the cause or to conclude that the aggregation of the misstatements resulting from these failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following material instances of noncompliance.

- 1. Condition:** Formed checks were not being kept for the City Court Civil Fund. This is in violation of Louisiana R.S. 24:514 which requires the annual preparation of financial statements. They were unable to compile statements that could be audited. This condition also resulted in the failure of the City Court to file annual financial statements with the Legislative Auditor within six months of the close of the year.
- Cause:** Primarily due to lack of adequate accounting knowledge and lack of training on computer software which is relied upon to provide needed reports from which to compile financial statements.
- Recommendation:** Close work-in-house procedure(s) from which accounting information can be compiled from the underlying receipts for filing fees which initiate all the activity in the Civil Fund. Disbursements should be based on accumulation of the data so as to provide summary documentation to support these disbursements. This will also provide a documented audit trail and reduce audit costs.
- Response:** Management is implementing procedures to enable monthly financial statements. These procedures will require computerized preparation of distribution reports for the Civil Fund agency receipts. Also, these reports will be used to reconcile receipts to deposits, and allow for adequate documentation of disbursements from the agency account. The Civil Court operating account is able to maintain a monthly general ledger in order for the court to monitor the results of its activities and account balances.

We considered these instances of noncompliance in forming our opinion on whether the Jennings City Court and City Marshall's general financial statements are presented fairly, in all material aspects, in conformity with generally accepted accounting principles, and this report does not affect our report dated February 12, 1997, on these general purpose financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matters involving the internal control structure and its operation to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the Jennings City Court, a component unit of the City of Jennings, Louisiana, for the year ended June 30, 1996.

1. **Condition:** Payroll checks are not being kept for the City Court Civil Fund. This is in violation of Louisiana R.S. 24:504 which requires the annual preparation of financial statements. They were unable to compile the required statements. This condition also resulted in the failure of the City Court to file annual financial statements with the Legislative Auditor within six months of the close of the year.
- Cause:** Primarily due to lack of adequate accounting knowledge and inadequate training on computer software which provides needed reports from which to compile financial statements.
- Recommendation:** Client needs to institute procedure(s) from which accounting information can be compiled from the underlying receipts for filing fees which initiate all the activity in the Civil Fund. Disbursements should be based on accumulation of this data so as to provide necessary documentation to support these disbursements. This will also provide a documented audit trail and reduce audit costs.
- Response:** Management has implemented procedures to compile monthly financial statements. These procedures require computer preparation of disbursement reports for the Civil Fund agency receipts, as well as training personnel to fully utilize the software capabilities. Also, these reports will be used to reconcile receipts to deposits, and allow for adequate documentation of disbursements from the agency account. The Civil Court operating account is also to maintain a monthly general ledger in order for the court to monitor the results of its activities.

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

Kristow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
February 12, 1997

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1996**

	<u>Governmental</u>	
	<u>Fund Types</u>	
	<u>Special</u>	
	<u>Revenue</u>	
	<u>Fund</u>	
REVENUES:		
Court Costs	\$	24,290
Marshall Fees		5,587
Bond Forfeitures		842
Total Revenues	\$	<u>30,719</u>
EXPENDITURES:		
Supplies	\$	756
Insurance		1,543
Other Expenditures		11,803
Other Salaries		1,208
Professional Fees		2,349
Repairs and Maintenance		2,448
Salary Reimbursement to City		1,863
Steniers		2,992
Vehicle Expenses		2,203
Witness Fees		2,024
Total Expenditures	\$	<u>33,409</u>
Excess (Deficit)-of Expenditures over Revenues	(\$	2,690)
Fund Balance, Beginning of Period		11,890
Plus (Minus) Adjustment	1	<u>18,583</u>
Fund Balance, End of Period	(\$	<u>8,183</u>

The Accompanying Notes Are An Integral Part of These Financial Statements.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH
GOVERNMENT ACCOUNTING STANDARDS

The Honorable Woodell Miller
The Honorable Clarence Carmon, Jr.
and the Members of the City Council
City of Jennings, Louisiana 70346

We have audited the general purpose financial statements of the Jennings City Court and City Marshal, a component unit of the City of Jennings, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated February 22, 1997. In our report, our opinion was adverse because of the omission of the City Court Civil Fund from the financial statements.

We have 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 Jennings City Court and City Marshal, 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, projections 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 Jennings City Court and City Marshal, 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.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

1. **Condition:** Personal funds are not being kept in the City Court Civil Fund. This is in violation of Louisiana R.S. 34:914 which requires the annual preparation of financial statements. They were unable to compile the required statements. This condition also resulted in the failure of the City Court to file annual financial statements with the Legislative Auditor within six months of the close of the year. This is a repeat finding from the prior year audit.

This report is intended for the information of management and the Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Koehler, Gillespie & Co.

Certified Public Accountants

Baton Rouge, Louisiana

February 12, 1997

CITY COURT AND CITY MARSHALL OF BENNING, LOUISIANA

COMBINED BALANCE SHEET
ALL FUND TYPES
JUNE 30, 1996

	Governmental Fund Type Special Revenue Fund	Fiduciary Fund Types Agency Fund	Total (Memorandum Only) June 30, 1996
ASSETS:			
Cash on Hand	\$ 100	\$ -0-	\$ 100
Cash in Bank	4,878	-0-	4,878
Fees Receivable	2,907	-0-	2,907
Restricted Assets:			
Cash in Bank	-0-	3,122	3,122
Due from Other Funds	-0-	17,042	17,042
Total Assets	\$ 7,885	\$ 20,162	\$ 27,995
LIABILITIES AND FUND BALANCE:			
Liabilities:			
Overdrafts Payable	\$ -0-	\$ 4,807	\$ 4,807
Due to Other Funds	16,042	-0-	16,042
Due to Other Agencies	-0-	12,213	12,213
Payable from Restricted Assets:			
Bonds Payable	-0-	3,122	3,122
Total Liabilities	\$ 16,042	\$ 20,142	\$ 36,204
Fund Balances:			
Unreserved-undesignated	\$ 8,200	\$ -0-	\$ 8,200
Total Liabilities and Fund Balances	\$ 24,242	\$ 20,162	\$ 44,404

The Accompanying Notes Are an Integral Part of These Financial Statements.

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

JUNE 30, 1996

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CITY COURT AND CITY MARSHALL OF JEFFERSON, LOUISIANA
GENERAL FUND FINANCIAL STATEMENTS AND
PERFORMED AUDIT REPORT
FOR THE YEAR
ENDED JUNE 30, 2012

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or referred, and to the public and made public. 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 07/28/2012

K. R. Brown, G. H. Hesp. 440

CITY COURT AND CITY MARSHALL OF JENNING, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 1996

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City Court and City Marshall of Jennings, Louisiana do not conform to generally accepted accounting principles as applicable to governmental bodies, as required by Louisiana Revised Statute 24:517 and the guides set forth in the "Louisiana Governmental Audit Guide," and the industry audit guide, "Audits of State and Local Governmental Units," published by the American Institute of Certified Public Accountants. Our examination was also made in accordance with the provisions of "Governmental Auditing Standards, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

The following is a summary of the most significant accounting policies.

A. REPORTING ENTITY

Section 2100 of GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the City of Jennings is determined on the basis of the following criteria:

1. Appointment of officials.
2. Designation of management.
3. Ability to significantly influence operations.
4. Accountability for fiscal matters.
5. Scope of Public Service.

Because the Jennings City Court and City Marshall are totally dependent on the City of Jennings for office space and resources and that the nature and significance of the relationship between the City Court system and the City of Jennings is such that inclusion from the municipality's financial statements would render financial statements incomplete or misleading, the Jennings City Court and City Marshall were determined to be component units of the City of Jennings. The accompanying financial statements present information only on the funds maintained by the City Court and City Marshall and do not present information of the City of Jennings, the great government services provided by the governmental unit, or other governmental units that comprise the governmental reporting entity.

B. FUND ACCOUNTING

The accounts of the City Court and City Marshall are organized on the basis of funds, 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 comprises its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Revenues are accounted for in these individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

GOVERNMENTAL FUND:

Special Paying Fund - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

KRIELOW, GILLESPIE & CO.

ACCOUNTING AND FINANCIAL CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Wendell Miller,
The Honorable Clarence Corcoran, Jr.,
and the Members of the City Council
City of Jennings, Louisiana 70546

We have audited the accompanying general purpose financial statements of the City Court and City Marshall of the City of Jennings, Louisiana, a component unit of the City of Jennings, Louisiana as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the City Court and City Marshall of the City of Jennings, Louisiana, management. Our responsibility is to express an opinion on these general purpose financial statements.

We conducted our audit in accordance with generally accepted auditing standards and Governmental 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The general purpose financial statements referred to above do not include the Civil Court funds, which should be included in order to conform with generally accepted accounting principles. The effect of the omitted fund on the assets, liabilities, revenues and expenditures is unknown.

In our opinion, because of the effects of the matters discussed in the preceding paragraph, the general purpose financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the City Court and City Marshall of the City of Jennings, Louisiana, as of June 30, 1996, and the results of its operations as of June 30, 1996 for the year then ended in conformity with generally accepted accounting principles.

In accordance with Governmental Auditing Standards, we have also issued a report dated February 13, 1997 on our consideration of the City Court and City Marshall's internal control structure and a report dated February 13, 1997 on its compliance with laws and regulations.

We were engaged to audit the general purpose financial statements for the purpose of forming an opinion on those statements taken as a whole. The combining financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Accordingly, we do not express an opinion on the accompanying combining financial statements.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
February 12, 1997

**Special Acknowledgment
Legislative Audit**

