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CITY COURT OF BASTROP
Bastrop, Louisiana

Component Unit Financial Statements
With Independent Auditor's Report
As of and For the Year Ended June 30, 1998

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 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 FEB 24 1999

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CITY COURT OF BASTROP
Bastrop, Louisiana

Component Unit Financial Statements
With Independent Auditor's Report
As of and For the Year Ended June 30, 1998
With Supplemental Information Schedules

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Independent Auditor's Report

City Court of Bastrop
Bastrop, Louisiana

I have audited the accompanying general purpose financial statements of the City Court of Bastrop, a component unit of the City of Bastrop, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the City Court of Bastrop'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 the standards applicable to financial audits and contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the 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. 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 Bastrop, Louisiana, as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 16, 1998 on my consideration of the Bastrop City Court's internal control over financial reporting and my tests of its compliance with certain provisions, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements of Bastrop City Court, Louisiana, taken as a whole. The accompanying schedules 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. 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 stated, in all material respects in relation to the general purpose financial statements taken as a whole.



JIMMIE SELF
CERTIFIED PUBLIC ACCOUNTANT

December 16, 1998

CITY COURT OF BASTROP
 BASTROP, LOUISIANA
 COMBINED BALANCE SHEET
 ALL FUND TYPES
 JUNE 30, 1998

	<u>GOVERNMENTAL FUND</u>		<u>GENERAL FIXED-ASSET ACCOUNT GROUP</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
	<u>OPERATING FUND</u>	<u>FIDUCIARY AGENCY FUNDS</u>		
ASSETS:				
CASH	42,062.00	80,219.61		122,281.61
OFFICE EQUIPMENT			89,940.00	89,940.00
TOTAL ASSETS:	<u>42,062.00</u>	<u>80,219.61</u>	<u>89,940.00</u>	<u>212,221.61</u>
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
ACCOUNTS PAYABLE		336.10		336.10
DUE TO OTHER AGENCIES		79,883.51		79,883.51
TOTAL LIABILITIES:	0	<u>80,219.61</u>	0.00	<u>80,219.61</u>
FUND BALANCE:				
INVESTMENT IN GENERAL FIXED ASSETS			89,940.00	89,940.00
UNRESERVED - UNDESIGNATED	42,062.00			42,062.00
TOTAL FUND BALANCE:	<u>42,062.00</u>		<u>89,940.00</u>	<u>132,002.00</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>42,062.00</u>	<u>80,219.61</u>	<u>89,940.00</u>	<u>212,221.61</u>

s/a ComBalSh198

The accompanying notes are an integral part of this statement

CITY COURT OF BASTROP
BASTROP, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPES
GENERAL FUND
JUNE 30, 1998

REVENUES:

COURT COST FEES (from criminal court)	58,765.44
OTHER	346.64
TOTAL REVENUES:	<u>59,112.08</u>

EXPENDITURES:

GENERAL GOVERNMENT	
PERSONAL SERVICES AND RELATED BENEFITS	14,876.22
OPERATING SERVICES	30,118.87
CAPITAL EXPENDITURES	1,092.52
TOTAL EXPENDITURES:	<u>46,087.61</u>

EXCESS (DEFICIENCY) OF REVENUES AND EXPENDITURES: **13,024.47**

FUND BALANCE AT BEGINNING OF YEAR:	<u>29,037.35</u>
FUND BALANCE AT END OF YEAR:	<u><u>42,061.82</u></u>

s/a StmtRevExp98

The accompanying notes are an integral part of this statement

CITY COURT OF BASTROP
Bastrop, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As Provided for by Chapter Seven of Title Thirteen of the Louisiana Revised Statutes, the City Court of Bastrop has limited jurisdiction in civil and criminal matters in the City of Bastrop including Wards 3 and 4 of Morehouse Parish.

A. REPORTING ENTITY

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria determining which component units should be considered part of the City of Bastrop 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.
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 most of its operating expenditures, the court was determined to be a component unit of the City of Bastrop, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the court and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

The court uses funds and account groups to report on financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public, as opposed to proprietary funds, where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The court's current operations require the use of general fund and fiduciary fund type - agency funds. The general fund is used for the general operations of the court and accounts for resources transferred from other funds and miscellaneous revenues, except those required to be accounted for in other 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 measurements of results of operations.

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 (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, additions are recognized when susceptible to accrual (i.e., when they both become 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 additions and reductions.

Additions

Judge's costs and other court costs are recorded in the year they are earned.

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

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

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

Reductions

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

Encumbrance Accounting is not used.

D. CASH

Under state law, the court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having

principal offices in Louisiana. At June 30, 1998, the court has cash (book balances) totaling \$122,281.61.

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. Cash (bank balances) at June 30, 1997, are secured as follows:

Bank Balances	<u>\$122,281.61</u>
Federal Deposit Insurance (3 Banks)	<u>\$300,000.00</u>

2. CHANGES IN AGENCY FUNDS' DEPOSITS DUE OTHERS

A summary of the changes in agency funds' deposits due others for the year ended June 30, 1998, is as follows:

Balance July 1, 1997	\$62,150.00
Additions	548,536.00
Deletions	<u>530,803.73</u>
Balance June 30, 1998	<u>\$79,882.27</u>

3. EXPENDITURES OF THE CITY COURT OF BASTROP

The City Court of Bastrop is located in the city court offices that are maintained and operated by the City of Bastrop. Most operating expenditures incurred by the city court, excluding salaries, are paid by the City Court of Bastrop. Those operating expenditures incurred by the City of Bastrop on behalf of the court are not included in the accompanying component unit financial statements.

4. GENERAL FIXED ASSETS ACCOUNT GROUP

All items of property, plant and equipment used by the City Court of Bastrop are reported in the general fixed assets account group.

5. CHANGES IN GENERAL FIXED ASSETS

	Balance at July 1, 1997	Additions	Deductions	Balance at June 30, 1998
Total	<u>\$81,784</u>	<u>\$8,156</u>	<u>-0-</u>	<u>\$89,940</u>

6. **RESERVE FOR JUDGE**

The Civil Reserve Account set up for Judge Brandon's retirement at Edward Jones's Investment Co., has a balance at 6-30-98 of :

<u>CD's</u>	<u>Current Value</u>
22,529	22,529

7. **YEAR 2000 CONSIDERATION**

The City could be adversely affected if its computer systems and other date-sensitive equipment do not properly process date from and after January 1, 2000. The City is currently taking steps designed to address the year 2000 issue. However, there are no assurances that these steps will be sufficient to avoid all adverse effects.

COMPONENT UNIT FINANCIAL STATEMENTS
OVERVIEW

CITY COURT OF BASTROP
 BASTROP, LOUISIANA
 FUDICIARY FUND TYPE-AGENCY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1998

	CRIMINAL COURT DEPOSIT FUND	CIVIL FUND	CASH BOND FUND	TOTAL (MEMORAN ONLY)
ASSETS:				
CASH	67,391.05	7,877.84	4,950.72	80,219.61
TOTAL ASSETS:	<u>67,391.05</u>	<u>7,877.84</u>	<u>4,950.72</u>	<u>80,219.61</u>
LIABILITIES AND FUND EQUITY:				
LIABILITIES				
DUE TO OTHER FUNDS				0.00
ACCOUNTS PAYABLE	200.00	136.10		336.10
DUE TO OTHER AGENCIES	67,191.05	7,741.74	4,950.72	79,883.51
TOTAL LIABILITIES AND FUND EQUITY	<u>67,391.05</u>	<u>7,877.84</u>	<u>4,950.72</u>	<u>80,219.61</u>

s/a AgsFundComBalSheet

The accompanying notes are an integral part of this statement.

CITY COURT OF BASTROP
 BASTROP, LOUISIANA
 FIDUCIARY FUND TYPE-AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES
 IN DEPOSITS DUE OTHERS
 JUNE 30, 1998

	CRIMINAL COURT FUND	CIVIL COURT FUND	CASH BOND FUND	TOTAL
DEPOSITS DUE OTHERS AT BEGINNING OF YEAR	39,544.97	16,690.77	5,915.50	62,151.24
ADDITIONS:				
FUNDS, FORFEITURES AND CRIMINAL COSTS	437,438.00			437,438.00
CIVIL FEES		98,473.00	12,625.00	111,098.00
CASH BONDS POSTED				
TOTAL ADDITIONS:	476,982.97	115,163.77	18,540.50	610,687.24
REDUCTIONS:				
BASTROP CITY TREASURY	175,573.42			175,573.42
CRIMINAL COURT COSTS:				
CITY COURT OF BASTROP-GENERAL FUND	59,112.08			59,112.08
NORTH LA. CRIMINALISTIC LABORATORY	24,617.00			24,617.00
LA. COMMISSION OF LAW ENFORCEMENT	10,518.26			10,518.26
HOT CHECKS	704.00	60.00		764.00
FEES CIVIL FUNDS:				
CITY JUDGE	25.00	19,992.24		20,017.24
CITY MARSHALL	42,823.00	16,444.11		59,267.11
WITNESSES	6,675.00			6,675.00
REFUNDS TO LITIGANTS	195.50	14,130.92		14,326.42
JUDGES SUPPLEMENTAL COMPENSATION FUND		15,712.32		15,712.32
CASH BONDS REFUNDED			13,500.00	13,500.00
CHECK ORDERS			89.78	89.78
PAID TO IRS		12,215.00		12,215.00
JUDGE'S RETIREMENT		4,134.62		4,134.62
CMS	5,812.00			5,812.00
SERVICE FEES		3,707.39		3,707.39
SECRETARY OF STATE				
DUES		1,490.00		1,490.00
COMPUTERS		8,155.75		8,155.75
OFFICE EXPENSES		3,269.09		3,269.09
HEAD/SPINAL INJURY FUND	6,840.00			6,840.00
IDB	76,896.66			76,896.66
FICA		(251.87)		(251.87)
MEDICARE		(58.86)		(58.86)
PAYROLL		4,080.07		4,080.07
OTHER		4,341.25		4,341.25
TOTAL REDUCTIONS:	409,791.92	107,422.03	13,589.78	530,803.73
DEPOSITS DUE OTHERS AT END OF YEAR:	67,191.05	7,741.74	4,950.72	79,883.51

s/a ComSchDepDueOthers

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Report on Compliance and on Internal Control Over Financial
Reporting Based on an Audit of Financial Statements Performed In
Accordance With *Government Auditing Standards*

Bastrop City Court
Bastrop, Louisiana

I have audited the financial statements of Bastrop City Court as of and for the year ended June 30, 1998, and have issued my report thereon dated December 16, 1998. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

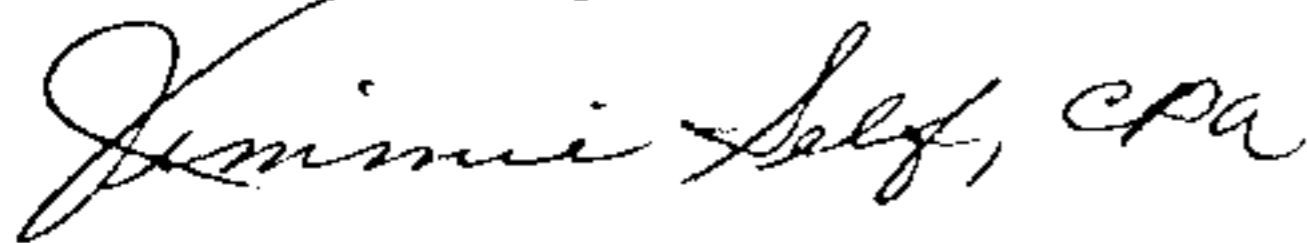
Compliance

As part of obtaining reasonable assurance about whether Bastrop City Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Bastrop City Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatement in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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.



Jimmie Self, CPA
December 16, 1998

Jimmie Self, CPA
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Schedule of Findings and Questioned Costs
For the Year Ended June 30, 1998

I have audited the financial statements of Bastrop City Court as of and for the year ended June 30, 1998, and have issued my report dated December 16, 1998. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. [and the provisions of OMB Circular A-133.] My audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses yes no Reportable Conditions yes no

Compliance

Compliance material to Financial Statements yes no

b. Federal Awards N/A

Internal Control

Material Weaknesses yes no Reportable Conditions yes no

Type of Opinion On Compliance Unqualified__ Qualified__
For Major Programs Disclaimer__ Adverse__

Are their findings required to be reported in accordance with Circular A-133, Section 510(a)? yes no

c. Identification of major Programs: N/A

CFDA Number (s) _____ Name of Federal Program (or
Cluster) _____

Dollar threshold used to distinguish between Type A and Type B Programs:
\$ _____

Is the auditee a "low-risk", as defined by OMB Circular A-133? yes no

Section II Financial Statement Findings (See Schedule I attached)

1997-1 (DESCRIPTIVE CAPTION) This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of Government Auditing Standards. Auditors should refer to those paragraphs, as well as the reports content section of Chapter 7 of Government Auditing Standards for additional guidance on preparing this section of the schedule. If there are no findings, state that no matters were reported.

The Findings should include a reference number, as indicated above. It is suggested that the reference number include, at least parenthetical, the first year the finding was included in the report. Also, the findings should include a descriptive caption. The finding number and descriptive caption will enable identification of the finding throughout the report and in future reports. Audit findings which relate to both the financial statements and federal awards should be reported in both Section II and Section III. However, the reporting in one section may be in summary form, with reference to a detailed reporting in the other section – the reference number and caption facilitate this approach. For example, a material weakness in internal control that effects an entity as a whole, including its federal awards, would generally be reported in detail in this section. Section III would then include the reference to the finding through the identification number and descriptive caption.

Each finding should fully describe the : criteria or specific requirement, condition found, effect, cause, questioned costs, and recommendations.

It is suggested that management be required to complete a management Corrective Action Plan. As an alternative, the auditor may include management's response in the finding. However, the response must detail the specific actions taken by management or those specific actions intended to be taken by management.

Section III Federal Award Findings and Questioned Costs N/A

1997-1 (DESCRIPTIVE CAPTION) This section identifies the audit findings to be reported by Circular A-133, Section .510(a)(e.g., reportable conditions, material weaknesses, and instances of noncompliance., including questioned costs). Where practical, findings should be organized by federal agency or pass-through entity.

Identify each finding with a reference number and descriptive caption. If there are no findings, state that no matters were reported. Audit findings which relate to both the financial statements and federal awards should be reported in both Section II and Section III. However, the reporting in one section may be in summary with reference by number and caption to the other section. Each finding should fully describe the : criteria requirement, condition found, effect, cause, questioned costs, and recommendations.

It is suggested that management be required to complete a Management Corrective Section Plan. As an alternative, the auditor may include management's response in the finding. However, the response must detail the specific actions taken by management or those specific actions intended to be taken by management.

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 1998

None

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

1996-1 (Descriptive Caption) A brief summary of recommendation 0	Resolved, Partially Resolved, Management Disagreement, Unresolved and referenced to Current year findings.
1996-2 (Descriptive Caption) A brief summary of the recommendation. 0	Resolved, Partially Resolved, Management Disagreement, Unresolved and referenced to Current year findings.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

1996-3 (Descriptive Caption) A brief summary of the recommendation. 0	Resolved, Partially Resolved, Management Disagreement, Unresolved and referenced to Current year findings. (This narrative should include whether or not a management Decision has been issued by a federal or pass-through agency.)
--	--

SECTION III MANAGEMENT LETTER

(Descriptive Caption) A brief summary of the recommendation. Schedule 1	Resolved, Partially Resolved, Management Disagreement, Unresolved and referenced to Current year findings.
--	--

If no findings have been reported under a specific section, the schedule should so state.

MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 1998

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

<p>1997-1 (Descriptive Caption) A brief summary of the recommendation.</p> <p style="text-align: center;">0</p>	<p>Management should clearly state the actions taken to date, or their intended actions. The actions should be listed in detail. Those responsible should be identified and completion dates for each step should be listed. Should management suggest an alternative remedy, that resolution should be listed in detail and it should be stated whether or not the auditor agrees with the alternative solution. Management should state whether the federal grantor or pass-through entity has been contacted concerning resolution of the matter.</p>
---	--

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS N/A

<p>1997-2 (Descriptive Caption) A brief summary of the recommendation.</p> <p style="text-align: center;">0</p>	<p>Management should clearly state the actions taken to date, or their intended actions. The actions should be listed in detail. Those responsible should be identified and completion dates for each step should be listed. Should management suggest an alternative remedy, that resolution should be listed in detail and it should be stated whether or not the auditor agrees with the alternative solution. Management should state whether the federal grantor or pass-through entity has been contracted concerning resolution of the matter.</p>
---	---

SECTION III MANAGEMENT LETTER

<p>1997-2 (Descriptive Caption) A brief summary of the recommendation.</p> <p>More attention to be given to invoices.</p>	<p>Management should clearly state the actions taken to date, or their intended actions. The actions should be listed in detail. Those responsible should be identified and completion dates for each step should be listed. Should management suggest an alternative remedy, that resolution should be listed in detail and it should be stated whether or not the auditor agrees with the alternative solution. Management should state whether the federal grantor or pass-through entity has been contacted concerning resolution of the matter.</p>
---	--

Note – If all findings are reflected on a Schedule of Questioned Cost and Findings, this schedule can be organized and referenced to that schedule.

City Court of Bastrop
June 30, 1998

Schedule of Findings and Questioned Cost
For the year ended June 30, 1998

Prior year findings: None

1. Three invoices were missing.

Recommendation:

1. Henceforth all invoices should be kept. Beth gave a written statement asserting supplies were bought from Sam's and the invoices were lost. They agree to be more careful with invoices.