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**BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana**

Financial Report

Year Ended December 31, 1998

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 JUN 9 1999

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INDEPENDENT AUDITORS' REPORT

The Honorable Randy P. Angelle, Judge
Breaux Bridge City Court
(St. Martin Parish Ward Four Court)
Breaux Bridge, Louisiana

We were engaged to audit the accompanying general purpose financial statements of Breaux Bridge City Court, a component unit of City of Breaux Bridge, Louisiana, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Judge of the Breaux Bridge City Court.

We were unable to substantiate balances of Civil Court costs payable because subsidiaries of these accounts were not properly maintained by the Court's administration in the past (prior to January 1, 1991) and the current administration is unable to establish accurate and current balances for these accounts. We were unable to satisfy ourselves about the accuracy of the balances of these particular accounts by means of other auditing procedures.

Since we did not audit the financial statements of Breaux Bridge City Court referred to above, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on these general purpose financial statements.

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
April 22, 1999

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Combined Balance Sheet - All Fund Types and Account Group
December 31, 1998

	<u>Governmental Fund Type General</u>	<u>Fiduciary Fund Type Civil Court Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Totals (Memorandum Only)</u>
ASSETS				
Cash - Restricted	\$ 4,906	\$ 14,738	\$ -	\$ 19,644
Cash - Unrestricted	203,692	-	-	203,692
Cash - Criminal account	31,695	-	-	31,695
Equipment	<u>-</u>	<u>-</u>	<u>37,280</u>	<u>37,280</u>
 Total assets	 <u>\$ 240,293</u>	 <u>\$ 14,738</u>	 <u>\$ 37,280</u>	 <u>\$ 292,311</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 15,256	\$ -	\$ -	\$ 15,256
Bonds payable	31,695	-	-	31,695
Advanced court costs payable	-	1,177	-	1,177
Other payables	<u>-</u>	<u>13,561</u>	<u>-</u>	<u>13,561</u>
 Total liabilities	 <u>46,951</u>	 <u>14,738</u>	 <u>-</u>	 <u>61,689</u>
Fund equity:				
Fund balance reserved - Witness fees	4,906	-	-	4,906
Fund balance - unreserved, undesignated	188,436	-	-	188,436
Investment in general fixed assets	<u>-</u>	<u>-</u>	<u>37,280</u>	<u>37,280</u>
Total fund equity	<u>193,342</u>	<u>-</u>	<u>37,280</u>	<u>230,622</u>
 Total liabilities and fund equity	 <u>\$ 240,293</u>	 <u>\$ 14,738</u>	 <u>\$ 37,280</u>	 <u>\$ 292,311</u>

The accompanying notes are an integral part of this statement.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
Year Ended December 31, 1998
(With Comparative Totals Presented for the Year Ended December 31, 1997)

	1998	1997
Revenues:		
Court costs received	\$ 88,244	\$ 45,449
Probation income	6,200	12,450
Miscellaneous	3,165	2,546
Total revenues	97,609	60,445
Expenditures:		
Bank charges	-	105
Computer expense	6,800	-
Contract labor	564	4,358
Drug Test Expense	10,518	12,146
Dues and seminars	10,786	9,069
Subscriptions	454	360
Equipment purchases	-	2,188
Miscellaneous	3,795	1,685
Repairs & maintenance	516	444
Supplies	566	3,012
Uniforms	1,168	1,446
Retirement	2,072	2,379
Witness fees	3,700	2,525
Probation fees	6,200	12,450
Rent	242	164
Salaries	20,999	6,983
Total expenditures	68,380	59,314
Excess of revenues over expenditures	29,229	1,131
Fund balance, beginning	164,113	162,982
Fund balance, ending	\$193,342	\$ 164,113

The accompanying notes are an integral part of this statement.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Statement of Changes in Assets and Liabilities - Civil Court Fund
Year Ended December 31, 1998

	<u>Balance December 31, 1997</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1998</u>
ASSETS				
Cash	<u>\$13,925</u>	<u>\$ 68,800</u>	<u>\$ 67,987</u>	<u>\$14,738</u>
 Total assets	 <u>\$13,925</u>	 <u>\$ 68,800</u>	 <u>\$ 67,987</u>	 <u>\$14,738</u>
LIABILITIES				
Advanced court costs payable	\$ 364	\$ 68,800	\$ 67,987	\$ 1,177
Other payables	<u>13,561</u>	<u>-</u>	<u>-</u>	<u>13,561</u>
 Total liabilities	 <u>\$13,925</u>	 <u>\$ 68,800</u>	 <u>\$ 67,987</u>	 <u>\$14,738</u>

The accompanying notes are an integral part of this statement.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Breux Bridge City Court was created under Louisiana Revised Statute 13:1872 as a political subdivision of the State of Louisiana. The Court operates under the control of the City Judge, an elected official serving a term of six years.

The financial statements of the Breux Bridge City Court have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations) constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

A. Financial Reporting Entity

This report includes all funds and account groups, which are controlled by, or dependent on the City Court Judge. Control by or dependence on the Breux Bridge City Court was determined on the basis of general oversight responsibility. Governmental Accounting Standard 14 defines the financial reporting entity as a combination of the primary government, organizations for which the primary government is financially accountable, and 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. This standard is effective for financial statements for periods beginning after December 15, 1992. Breux Bridge City Court is a component unit of City of Breux Bridge, Louisiana. The Notes to Financial Statements of the City of Breux Bridge identify the City Court as a component unit; however, the City of Breux Bridge does not present the financial information of the City Court.

B. Fund Accounting

The accounts of the Court 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. 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 financial statements in this report, into two generic fund types as follows:

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Financial Statements (Continued)

Governmental Fund

General Fund

The General Fund is the general operating fund of the Court. It is used to account for all financial resources except those required to be accounted for in the Fiduciary Fund and appropriations by other governmental bodies on behalf of the Court.

The Parish of St. Martin and the City of Breaux Bridge maintain individual accounting records for Court expenditures financed by their individual appropriations and report such expenditures in their respective financial statements.

Fiduciary Fund

Agency Fund

An agency fund is used to account for assets held by the Court in a trustee capacity or as an agent for individuals, 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

The governmental fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are recognized when the related liability is incurred. Operating supplies are recognized as expenditures when purchased.

Fund balance reserve accounts have been established for certain restricted cash in the governmental fund type to indicate that they do not represent "available spendable resources".

Agency funds do not involve measurement of results of operations. They are accounted for using the modified accrual basis of accounting.

D. Budgetary Practice

Louisiana Revised Statute 39:1301 specifically states that only judicial expense funds (for judges) are to adopt budgets. Other funds of judges (City Courts) are not required to adopt budgets. Therefore, budgeted figures are not reported in this financial report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Financial Statements (Continued)

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Court as an extension of formal budgetary integration in the funds.

F. Fixed Assets

Fixed assets of the Court purchased by the City of Breaux Bridge are accounted for in the General Fixed Assets Account Group of that entity. Fixed assets purchased by the Court are accounted for in the Court's General Fixed Assets Account Group and are recorded as expenditures in the governmental fund when purchased. Interest costs are not capitalized. Estimated amounts are immaterial in relation to total fixed assets. No depreciation has been provided on general fixed assets.

G. Total Column on Combined Statement

The total column on the Combined Statement is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

H. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City Court's financial position and operations. However, comparative data has not been presented in each of the statements because their inclusion would make certain statements unduly complex and difficult to understand.

(2) Cash

- A. Under state law, the Court may deposit funds within a 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 December 31, 1998, the Court has cash (book balances) totaling \$255,031.

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

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Financial Statements (Continued)

insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 1998 are secured as follows:

Bank balances	\$276,015 =====
Federal Deposit Insurance	117,627
Pledged Securities (Category 3)	<u>158,388</u>
Total	<u>276,015</u>
Excess	\$ - =====

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Court's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Court that the bank has failed to pay deposited funds upon demand.

- B. Cash - restricted of \$4,906 is made up of monies reserved for witness fees paid to off duty police officers. The monies are held in the bank account of the General Fund; however, a separate set of self balancing books are maintained by the Court to account for respective funds.

(3) Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Equipment</u>
Balance, December 31, 1997	\$ 37,280
Additions:	
Investment in general fixed assets - General Fund revenue	-
Deletions	<u>-</u>
Balance, December 31, 1998	<u>\$ 37,280</u> =====

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
BreauX Bridge, Louisiana

Notes to Financial Statements (Continued)

(4) Risk Management

The City Court is exposed to risks of loss in the areas of general liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. The City of BreauX Bridge, Louisiana's insurance policies cover the City Court. There have been no significant reductions in insurance coverage during the current fiscal year.

(5) Expenditures of the BreauX Bridge City Court Paid by the City of BreauX Bridge

The cost of some expenditures for the operation of the BreauX Bridge City Court, as required by statute, is paid by the City of BreauX Bridge, Louisiana. These expenditures are not included in the accompanying financial statements.

(6) Pension Plan

Eligible employees of the City Court participate in a multiple-employer public employee retirement system (PERS), which is controlled and administered by a separate board of trustees. This retirement system provides retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to the plan follows:

Louisiana State Retirement System

Plan members are required to contribute 11.5 percent of their annual covered salary to the system while the City Court is required to contribute the statutory rate of 12.4 percent of the total annual covered salary. The City Court's total contributions to the system for the years ended December 31, 1998, 1997, and 1996 were \$2,072, \$2,379, and \$1,985, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana State Retirement System, P. O. Box 44213, Baton Rouge, Louisiana 70804-4213.

SUPPLEMENTAL INFORMATION

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Impact of Year 2000 on Computer Programs (Unaudited)

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Court's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including, among other things, a temporary inability to process transactions, or engage in similar normal business activities.

The Court is utilizing both internal and external resources to identify and test the systems for Year 2000 compliance. To date, a preliminary assessment of the impact of this issue has not been completed. Consequently, management has not assessed the Year 2000 compliance expense and related potential effect on the Court's earnings.

GENERAL FIXED ASSETS ACCOUNT GROUP

The general fixed assets account group is used to account for fixed assets purchased in governmental type funds.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Statement of General Fixed Assets
December 31 ,1998

	<u>1998</u>	<u>1997</u>
General fixed assets, at cost:		
Equipment	<u>\$ 37,280</u>	<u>\$ 37,280</u>
Investment in general fixed assets	<u>\$ 37,280</u>	<u>\$ 37,280</u>

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Statement of Changes in General Fixed Assets
Year Ended December 31, 1998

	<u>Equipment</u>
General fixed assets, beginning of year	\$ 37,280
Additions:	
General fund revenue	-
Deletions	<u>-</u>
General fixed assets, end of year	<u>\$ 37,280</u>

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
GENERAL FUND
Schedule of Cash Receipts and Disbursements
YEAR ENDED DECEMBER 31, 1998

	<u>Criminal</u>	<u>Other</u>	<u>Total</u>
Cash, January 1, 1998	\$ 28,867	\$ 165,148	\$ 194,015
Receipts:			
Fines and costs collected	438,689	81,319	520,008
Transfers from civil fund	-	1,340	1,340
Witness fees	-	5,585	5,585
Probation fees	-	6,200	6,200
Miscellaneous	-	3,165	3,165
Total receipts	<u>438,689</u>	<u>97,609</u>	<u>536,298</u>
Total cash available	<u>467,556</u>	<u>262,757</u>	<u>730,313</u>
Disbursements:			
Transfers of fines and costs to:			
General Fund	81,213	-	81,213
City Marshal	28,730	-	28,730
Indigent Defender Board	45,045	-	45,045
Acadiana Criminalistic Lab	12,665	-	12,665
Witness fees	5,585	3,700	9,285
City of Breaux Bridge	61,622	-	61,622
Parish fines/District Attorney	121,665	-	121,665
Crime Victim Reparation	2,542	-	2,542
District Attorney	19,310	-	19,310
Louisiana Commission on Law Enforcement	5,142	-	5,142
Restitution	10,614	-	10,614
Refunds on bonds	3,755	-	3,755
Breaux Bridge Police Department	667	-	667
Head & Spine fund	9,270	-	9,270
Coroner	12,835	-	12,835
DWI Analysis	4,650	-	4,650
Probation fees	-	6,200	6,200
Postage	4,989	-	4,989
Court management expense	5,136	-	5,136
Miscellaneous	426	-	426
Court operating expenses and equipment purchases	-	44,259	44,259
Total disbursements	<u>435,861</u>	<u>54,159</u>	<u>490,020</u>
Cash, December 31, 1998	<u>\$ 31,695</u>	<u>\$ 208,598</u>	<u>\$ 240,293</u>

INTERNAL CONTROL AND COMPLIANCE INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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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

The Honorable Randy P. Angelle, Judge
Breaux Bridge City Court
Breaux Bridge, Louisiana

We were engaged to audit the general purpose financial statements of the Breaux Bridge City Court, as of and for the year ended December 31, 1998, and have issued our report thereon dated April 22, 1999, in which we issued a disclaimer of opinion because of insufficient Civil Court costs payable records.

Compliance

As part of obtaining reasonable assurance about whether the Breaux Bridge City Court's general purpose financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Breaux Bridge City Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Breaux Bridge City Court's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of prior and current audit findings and management's corrective action plan as items 98-1, 98-2, and 98-3.

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 misstatements 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 over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 98-1 and 98-3 to be material weaknesses. We also noted other matters involving the internal control over financial reporting that we have reported to management of the Breaux Bridge City Court in a separate letter dated April 22, 1999.

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

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
April 22, 1999

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan
Year Ended December 31, 1998

I. Prior Year Findings:

Compliance

There were no compliance findings mentioned under this section at December 31, 1997.

Internal Control Over Financial Reporting

Item 97-1 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Breux Bridge City Court did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 98-1.

Item 97-2 - Status of Cases

Finding:

A review of the civil docket book and the subsidiary ledger for the escrow account indicates that many balances have been dormant for quite some time.

Status:

Unresolved. See item 98-2.

Item 97-3 - Subsidiary Ledgers - Civil Dockets

Finding:

Subsidiary ledgers for amounts due to and due from outside parties are not being properly maintained for civil dockets.

Status:

Unresolved. See item 98-3.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan (continued)
Year Ended December 31, 1998

Management Letter Items

Item 97-4 - Civil Docket Subsidiary Ledger

Finding:

Subsidiary ledgers for amounts due to and from outside parties are not being properly maintained for civil dockets.

Status:

Unresolved. See item 98-4.

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There were no findings mentioned under this section at December 31, 1998.

Internal Control Over Financial Reporting

Item 98-1 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Breux Bridge City Court did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Management has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Item 98-2 - Status of Cases

Finding:

A review of the civil docket book and the subsidiary ledger for the escrow account indicates that many balances have been dormant for quite some time.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan (continued)
Year Ended December 31, 1998

Management's Corrective Action Plan:

Management is currently trying to have a bill passed to disburse these dormant account balances.

Item 98-3 - Subsidiary Ledgers - Civil Dockets

Finding:

Subsidiary ledgers for amounts due to and from outside parties are not being properly maintained for civil dockets.

Management's Corrective Action Plan:

Breux Bridge City Court has created a computer program to aid in the maintenance of all civil docket records to allow management to accurately account for monies received by individual parties thereby creating subsidiary ledgers for each fund. This subsidiary is accurate for all dockets since this administration took office (January 1, 1991). The subsidiary is inaccurate as to old dockets. Efforts are continuing to rectify this situation.

Management Letter Items

Item 98-4 - Civil Docket Subsidiary Ledger

Finding:

Subsidiary ledgers for amounts due to and due from outside parties are not being properly maintained for civil dockets.

Management's Corrective Action Plan:

Breux Bridge City Court has created a computer program to aid in the maintenance of all civil docket records to allow management to accurately account for monies received by individual parties thereby creating subsidiary ledgers for each fund. This subsidiary is accurate for all dockets since this administration took office (January 1, 1991). The subsidiary is inaccurate as to old dockets. Efforts are continuing to rectify this situation.

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MANAGEMENT LETTER

The Honorable Randy P. Angelle
Breaux Bridge City Court
(St. Martin Parish Ward Four Court)
Breaux Bridge, Louisiana

During our audit of the financial statements of the Breaux Bridge City Court, Breaux Bridge, Louisiana, for the year ending December 31, 1998, we noted a certain area in which improvement in the accounting system and financial practices of the City Court may be desirable. This improvement, if implemented, should improve efficiency and effectiveness of operations and provide better control and protection over the assets of the City Court. The following recommendation was included in our management letter for the prior year but it is mentioned again for re-emphasis for the year ended December 31, 1998:

In order to properly account for funds that are either due to or due from outside parties, it is recommended that an accurate Civil Docket subsidiary ledger is maintained for any amounts received, receivable and/or payable.

We would like to express our sincere appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our examination. Should you have any questions or need assistance, please feel free to contact us.

Respectfully yours,

Kolder, Champagne, Slaven & Rainey, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
April 22, 1999