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CITY COURT OF CROWLEY, LOUISIANA

FINANCIAL REPORT

AUGUST 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 SEP 7 0 1999

C O N T E N T S

	Page	
INDEPENDENT AUDITOR'S REPORT	1 and 2	
FINANCIAL STATEMENTS		
Combined balance sheet - all fund types and account groups	3	
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	4	
Notes to financial statements	5-10	
SUPPLEMENTARY INFORMATION		
Special Revenue Funds:		
Combining balance sheet	12 and 13	
Combining statement of revenues, expenditures, and changes in fund balances	14 and 15	
Agency Funds:		
Combining balance sheet	18	
Statement of changes in assets and liabilities - Civil Court Fund	19	
Statement of changes in assets and liabilities - Small Claims Fund	20	
Statement of changes in assets and liabilities - Restitution Fund	21	
Statement of changes in assets and liabilities - Truancy Fund	22	
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>		23 and 24
Schedule of findings and questioned costs	25 and 26	
Summary schedule of prior audit findings	27	



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INDEPENDENT AUDITOR'S REPORT

To the Honorable T. Barrett Harrington,
City Judge
City Court of Crowley, Louisiana

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We have audited the accompanying general-purpose financial statements of the City Court of Crowley, Louisiana, as of and for the year ended August 31, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City Court of Crowley, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
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Daniel E. Gilder, CPA*
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S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *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 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.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City Court of Crowley as of August 31, 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*, we have also issued our report dated February 22, 1999, on our consideration of City Court of Crowley, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts.

Retired.
Sidney L. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breaux, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996

Members of American Institute of
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* A Professional Accounting Corporation.

The Honorable T. Barrett Harrington,
City Judge
City Court of Crowley, Louisiana

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the City Court of Crowley, Louisiana, taken as a whole. The combining and individual fund financial statements listed as supplementary information 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 our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

BROUSSARD, POCHÉ, LEWIS & BREANX, L.L.P.

Crowley, Louisiana
February 22, 1999

CITY COURT OF CROWLEY, LOUISIANA

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS

August 31, 1998

With Comparative Totals for August 31, 1997

ASSETS	Governmental Fund Type		Fiduciary Fund Type	Account Group	Totals (Memorandum Only)	
	Special Revenue	Agency	General Fixed Assets		1998	1997
Cash and cash equivalents	\$ 27,614	\$ 47,196	\$ -		\$ 74,810	\$ 86,912
Accounts receivable	-	169	-		169	330
Due from other governmental agencies	781	-	-		781	-
Due from other funds	6,206	-	-		6,206	3,508
Equipment	-	-	39,151		39,151	11,906
Total assets	\$ 34,601	\$ 47,365	\$ 39,151		\$121,117	\$102,656
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable	\$ 11,386	\$ -	\$ -		\$ 11,386	\$ -
Payroll tax payable	849	117	-		966	688
Due to other funds	6,206	-	-		6,206	3,508
Unsettled deposits	-	47,248	-		47,248	42,978
Total liabilities	\$ 18,441	\$ 47,365	\$ -		\$ 65,806	\$ 47,174
FUND EQUITY						
Investment in general fixed assets	\$ -	\$ -	\$ 39,151		\$ 39,151	\$ 11,906
Fund balances - unreserved	16,160	-	-		16,160	43,576
Total fund equity	\$ 16,160	\$ -	\$ 39,151		\$ 55,311	\$ 55,482
Total liabilities and fund equity	\$ 34,601	\$ 47,365	\$ 39,151		\$121,117	\$102,656

See Notes to Financial Statements.

CITY COURT OF CROWLEY, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
Year Ended August 31, 1998
With Comparative Totals for Year Ended August 31, 1997

	<u>Special Revenue</u>	
	<u>1998</u>	<u>1997</u>
Revenues:		
Fines	\$119,945	\$ 98,318
Intergovernmental	51,000	51,000
Interest on investments	976	1,725
Miscellaneous	<u>652</u>	<u>154</u>
Total revenues	<u>\$172,573</u>	<u>\$151,197</u>
Expenditures:		
Current -		
General government:		
Salaries	\$ 55,971	\$ 50,571
Payroll taxes	1,817	1,372
Retirement	4,452	2,935
Supplies and seminars	9,007	12,027
Louisiana Commission on Law Enforcement fee	3,277	2,627
Crime lab fee	16,010	13,770
Crime victim reparation fee	10,200	8,242
Indigent defender fee	43,451	34,625
Trial Court Management Information System fee	3,252	2,874
Traumatic Head and Spinal Cord Injury fee	2,455	1,755
Drug abuse education and treatment fee	50	50
Audit and accounting	11,420	9,679
Dues and subscriptions	3,325	2,237
Maintenance agreements	3,882	1,807
Miscellaneous	4,137	1,851
Capital outlays	<u>27,283</u>	<u>13,253</u>
Total expenditures	<u>\$199,989</u>	<u>\$159,675</u>
Deficiency of revenues over expenditures	<u>\$(27,416)</u>	<u>\$(8,478)</u>
Other financing sources (uses):		
Operating transfers in	\$ 4,000	\$ 9,765
Operating transfers out	<u>(4,000)</u>	<u>(9,765)</u>
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	<u>\$(27,416)</u>	<u>\$(8,478)</u>
Fund balances, beginning	<u>43,576</u>	<u>52,054</u>
Fund balances, ending	<u>\$ 16,160</u>	<u>\$ 43,576</u>

See Notes to Financial Statements.

CITY COURT OF CROWLEY, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The accounting and reporting policies of the City Court of Crowley, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the generally accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of certain significant accounting policies and practices:

Basis of presentation - 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, reserves, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon purposes for which they are to be spent and the restrictions, if any, on the spending activities. The various funds are summarized by type and grouped in the financial statements of this report as follows:

Governmental Funds

Special Revenue Funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Funds

Agency Funds:

Agency Funds are 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 clearing accounts used to account for assets held for other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTES TO FINANCIAL STATEMENTS

Account Group

General Fixed Assets Account Group:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. This account group is not a "fund." It is concerned only with the measurement of financial position and does not involve measurement of results of operations. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. In accordance with generally accepted accounting principles, no provision is made for depreciation of fixed assets in the General Fixed Assets Account Group.

All fixed assets are stated on the basis of historical cost. Assets acquired through gifts or donations are recorded at their estimated fair value at time of acquisition.

Basis of accounting - measurement focus:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental and agency funds use a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of "available spending resources." Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spending resources" during a period. The modified accrual basis of accounting is utilized by the governmental fund types. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because they do not vest or accumulate; and (2) principal and interest on general long-term debt which is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies, if any, are not recorded as assets at the close of the fiscal year.

NOTES TO FINANCIAL STATEMENTS

Budgets:

City courts are not required under state statutes to adopt a budget. City Court of Crowley has elected not to prepare an annual budget.

Comparative data:

Comparative totals for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the Court's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Total columns on combined statements:

Total columns presented in the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. No consolidating entries or other eliminations were made in the aggregation of the totals; thus, they do not present consolidated information and do not purport to present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles.

To be consistent with current year classifications, some items from the previous year have been reclassified, with no effect on net income or excess (deficiency) of revenues over expenditures.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Cash and Cash Equivalents

For reporting purposes, the Court considers all highly liquid investment securities purchased with a maturity of three months or less to be cash equivalents. All deposits at August 31, 1998, are fully secured by FDIC insurance.

NOTES TO FINANCIAL STATEMENTS

Note 3. Compensated Absences

Sick leave and vacation leave are awarded on a calendar year basis and cannot be carried over to the next calendar year. As of August 31, 1998, the amount of the liability for vacation leave untaken is immaterial to the financial statements taken as a whole and is therefore not recorded.

Note 4. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance, August 31, <u>1997</u>	<u>Additions</u>	<u>Deletions</u>	Balance, August 31, <u>1998</u>
Equipment	<u>\$ 11,906</u>	<u>\$ 29,745</u>	<u>\$ (2,500)</u>	<u>\$ 39,151</u>

Note 5. Retirement Commitments and Pension Plans

1. Louisiana State Employees' Retirement System:

Plan description:

The City Judge of the City Court of Crowley, Louisiana, participates in the Louisiana State Employees' Retirement System. The Judge receives fees from the City Court Civil Fund and Small Claims Fund. The Louisiana State Employees' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS), controlled and administered by a separate Board of Trustees.

All State permanent employees are mandated by State law to participate in the System and all elected or appointed officials are eligible to participate in the System. Employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 2-1/2 percent of their average annual compensation for every year of credible service plus \$300. Average compensation is the employee's monthly earnings during the 36 consecutive months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

NOTES TO FINANCIAL STATEMENTS

The Louisiana State Employees' Retirement System issues a publicly available report that includes financial statements and required supplementary information. That report may be obtained by writing Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213.

Funding policy:

Plan members (judges) are required to contribute 11.50% of their annual covered salary and the Court is required to contribute at an actuarially determined rate. The current rate was 12.40% of annual covered payroll through June 30, 1997, and 13.00% thereafter. The contribution requirements of the Plan members and the Court are established and may be amended by the System's Board of Trustees. The Court's contributions to the System for the years ended August 31, 1998, 1997, and 1996 were \$4,452, 2,935, and 1,457, respectively, equal to the required contributions for each year.

2. Municipal Employees' Retirement System of Louisiana

Plan description:

The Municipal Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer public employee retirement system (PERS) as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All full-time employees of the Court are members of Plan A.

Note 6. Changes in Agency Funds

A summary of changes in agency funds is as follows:

	Balance, September 1, <u>1997</u>	Additions	Reductions	Balance, August 31, <u>1998</u>
Cash and cash equivalents	\$ 42,652	\$ 63,627	\$ (59,083)	\$ 47,196
Accounts receivable	330	45	(206)	169
Due from other funds	<u>3,508</u>	<u>-</u>	<u>(3,508)</u>	<u>-</u>
	<u>\$ 46,490</u>	<u>\$ 63,672</u>	<u>\$ (62,797)</u>	<u>\$ 47,365</u>
Payroll tax payable	\$ 49	\$ 117	\$ (49)	\$ 117
Due to other funds	3,463	-	(3,463)	-
Unsettled deposits	<u>42,978</u>	<u>61,779</u>	<u>(57,509)</u>	<u>47,248</u>
	<u>\$ 46,490</u>	<u>\$ 61,896</u>	<u>\$ (61,021)</u>	<u>\$ 47,365</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosure, as part of the Combined Statements, of certain information concerning individual funds including individual fund interfund receivable and payable balances. Such balances at August 31, 1998, include:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds:		
State Court Fund	\$ 6,206	\$ -
City Court Fund	<u>-</u>	<u>6,206</u>
	<u>\$ 6,206</u>	<u>\$ 6,206</u>

Also, the City Court Fund has a deficit fund balance at August 31, 1998, of \$7,715. Management expects to eliminate this deficit through additional fees and revenue from the City of Crowley.

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

CITY COURT FUND - to account for the receipt of court costs derived from city charges and the payment of court expense reports as well as the operating expenses of the court.

STATE COURT FUND - to account for the receipt of court costs derived from state charges and the payment of court expense reports as well as the operating expenses of the court.

JUVENILE FUND - to account for the collection of juvenile court costs.

CITY COURT OF CROWLEY, LOUISIANA
 ALL SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
 August 31, 1998
 With Comparative Totals for August 31, 1997

ASSETS	<u>City Court Fund</u>	<u>State Court Fund</u>
Cash and cash equivalents	\$ 2,105	\$ 21,720
Due from other governmental agencies	781	-
Due from other funds	<u>-</u>	<u>6,206</u>
Total assets	<u>\$ 2,886</u>	<u>\$ 27,926</u>
 LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 4,084	\$ 7,302
Payroll tax payable	311	538
Due to other funds	<u>6,206</u>	<u>-</u>
Total liabilities	\$ 10,601	\$ 7,840
FUND BALANCES - UNRESERVED	<u>(7,715)</u>	<u>20,086</u>
Total liabilities and fund balances	<u>\$ 2,886</u>	<u>\$ 27,926</u>

Juvenile Fund	Totals	
	1998	1997
\$ 3,789	\$ 27,614	\$ 44,260
-	781	-
-	<u>6,206</u>	-
<u>\$ 3,789</u>	<u>\$ 34,601</u>	<u>\$ 44,260</u>
\$ -	\$ 11,386	\$ -
-	849	639
-	<u>6,206</u>	<u>45</u>
\$ -	\$ 18,441	\$ 684
<u>3,789</u>	<u>16,160</u>	<u>43,576</u>
<u>\$ 3,789</u>	<u>\$ 34,601</u>	<u>\$ 44,260</u>

CITY COURT OF CROWLEY, LOUISIANA
ALL SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended August 31, 1998
With Comparative Totals for Year Ended August 31, 1997

	<u>City Court Fund</u>	<u>State Court Fund</u>
Revenues:		
Fines	\$ 42,810	\$ 75,665
Intergovernmental -		
Appropriations from City of Crowley	12,500	-
Appropriations from Acadia Parish Police Jury	-	38,500
Interest on investments	-	842
Miscellaneous	-	652
Total revenues	<u>\$ 55,310</u>	<u>\$115,659</u>
Expenditures:		
Current -		
General government:		
Salaries	\$ 21,586	\$ 34,385
Payroll taxes	384	1,433
Retirement	4,452	-
Supplies and seminars	-	9,007
Louisiana Commission on Law Enforcement fee	1,556	1,721
Crime lab fee	5,980	10,030
Crime victim reparation fee	3,952	6,248
Indigent defender fee	20,633	22,818
Trial Court Management Information System fee	1,474	1,778
Traumatic Head and Spinal Cord Injury fee	1,405	1,050
Drug abuse education and treatment fee	-	50
Audit and accounting	750	10,670
Dues and subscriptions	60	3,265
Maintenance agreements	-	3,882
Miscellaneous	814	2,818
Capital outlays	<u>38</u>	<u>27,245</u>
Total expenditures	<u>\$ 63,084</u>	<u>\$136,400</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (7,774)</u>	<u>\$ (20,741)</u>
Other financing sources (uses):		
Operating transfers in	\$ -	\$ 4,000
Operating transfers out	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 4,000</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses	<u>\$ (7,774)</u>	<u>\$ (16,741)</u>
Fund balances, beginning	<u>59</u>	<u>36,827</u>
Fund balances, ending	<u>\$ (7,715)</u>	<u>\$ 20,086</u>

Juvenile Fund	Totals	
	1998	1997
\$ 1,470	\$119,945	\$ 98,318
-	12,500	12,500
-	38,500	38,500
134	976	1,725
-	652	154
<u>\$ 1,604</u>	<u>\$172,573</u>	<u>\$151,197</u>
\$ -	\$ 55,971	\$ 50,571
-	1,817	1,372
-	4,452	2,935
-	9,007	12,027
-	3,277	2,627
-	16,010	13,770
-	10,200	8,242
-	43,451	34,625
-	3,252	2,874
-	2,455	1,755
-	50	50
-	11,420	9,679
-	3,325	2,237
-	3,882	1,807
505	4,137	1,851
-	27,283	13,253
<u>\$ 505</u>	<u>\$199,989</u>	<u>\$159,675</u>
<u>\$ 1,099</u>	<u>\$ (27,416)</u>	<u>\$ (8,478)</u>
\$ -	\$ 4,000	\$ 9,765
(4,000)	(4,000)	(9,765)
<u>\$ (4,000)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ (2,901)	\$ (27,416)	\$ (8,478)
<u>6,690</u>	<u>43,576</u>	<u>52,054</u>
<u>\$ 3,789</u>	<u>\$ 16,160</u>	<u>\$ 43,576</u>

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AGENCY FUNDS

To account for assets held by other funds. Agency funds are purely custodial and do not involve the measurement of the results of operations.

CIVIL COURT FUND - is an imprest account which accounts for the collection and distribution of civil suit deposits.

SMALL CLAIMS FUND - is an imprest account which accounts for the collection and distribution of small claim suit deposits.

RESTITUTION FUND - is an imprest account which accounts for the collection and distribution of restitutions.

TRUANCY FUND - is an imprest account which accounts for the collection and distribution of truant fines.

CITY COURT OF CROWLEY, LOUISIANA
ALL AGENCY FUNDS

COMBINING BALANCE SHEET
August 31, 1998
With Comparative Totals for August 31, 1997

ASSETS	Civil Court Fund	Small Claims Fund	Restitution Fund	Truancy Fund	<u>Totals</u>	
					1998	1997
Cash and cash equivalents	\$ 21,701	\$ 20,747	\$ 2,856	\$ 1,892	\$ 47,196	\$ 42,652
Accounts receivable	45	124	-	-	169	330
Due from other funds	-	-	-	-	-	3,508
 Total assets	 <u>\$ 21,746</u>	 <u>\$ 20,871</u>	 <u>\$ 2,856</u>	 <u>\$ 1,892</u>	 <u>\$ 47,365</u>	 <u>\$ 46,490</u>
 LIABILITIES						
Payroll tax payable	\$ 117	\$ -	\$ -	\$ -	\$ 117	\$ 49
Due to other funds	-	-	-	-	-	3,463
Unsettled deposits	<u>21,629</u>	<u>20,871</u>	<u>2,856</u>	<u>1,892</u>	<u>47,248</u>	<u>42,978</u>
 Total liabilities	 <u>\$ 21,746</u>	 <u>\$ 20,871</u>	 <u>\$ 2,856</u>	 <u>\$ 1,892</u>	 <u>\$ 47,365</u>	 <u>\$ 46,490</u>

CITY COURT OF CROWLEY, LOUISIANA
 AGENCY FUNDS
 CIVIL COURT FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended August 31, 1998

ASSETS	Balance, September 1, <u>1997</u>	<u>Additions</u>	<u>Reductions</u>	Balance, August 31, <u>1998</u>
Cash and cash equivalents	\$ 22,842	\$ 54,574	\$(55,715)	\$ 21,701
Accounts receivable	160	45	(160)	45
Due from other funds	<u>45</u>	<u>-</u>	<u>(45)</u>	<u>-</u>
Total assets	<u>\$ 23,047</u>	<u>\$ 54,619</u>	<u>\$(55,920)</u>	<u>\$ 21,746</u>
LIABILITIES				
Payroll tax payable	\$ 49	\$ 117	\$ (49)	\$ 117
Due to other funds	3,463	-	(3,463)	-
Unsettled deposits	<u>19,535</u>	<u>54,574</u>	<u>(52,480)</u>	<u>21,629</u>
Total liabilities	<u>\$ 23,047</u>	<u>\$ 54,691</u>	<u>\$(55,992)</u>	<u>\$ 21,746</u>

CITY COURT OF CROWLEY, LOUISIANA
 AGENCY FUNDS
 SMALL CLAIMS FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended August 31, 1998

ASSETS	Balance, September 1, <u>1997</u>	<u>Additions</u>	<u>Reductions</u>	Balance, August 31, <u>1998</u>
Cash and cash equivalents	\$ 16,674	\$ 4,073	\$ -	\$ 20,747
Accounts receivable	170	-	(46)	124
Due from other funds	<u>3,463</u>	<u>-</u>	<u>(3,463)</u>	<u>-</u>
Total assets	<u>\$ 20,307</u>	<u>\$ 4,073</u>	<u>\$ (3,509)</u>	<u>\$ 20,871</u>
 LIABILITIES				
Unsettled deposits	<u>\$ 20,307</u>	<u>\$ 2,225</u>	<u>\$ (1,661)</u>	<u>\$ 20,871</u>

CITY COURT OF CROWLEY, LOUISIANA
 AGENCY FUNDS
 RESTITUTION FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended August 31, 1998

	Balance, September 1, <u>1997</u>	Additions	Reductions	Balance, August 31, <u>1998</u>
ASSETS				
Cash and cash equivalents	<u>\$ 1,798</u>	<u>\$ 4,057</u>	<u>\$ (2,999)</u>	<u>\$ 2,856</u>
LIABILITIES				
Unsettled deposits	<u>\$ 1,798</u>	<u>\$ 4,057</u>	<u>\$ (2,999)</u>	<u>\$ 2,856</u>

CITY COURT OF CROWLEY, LOUISIANA
AGENCY FUNDS
TRUANCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended August 31, 1998

	Balance, September 1, <u>1997</u>	<u>Additions</u>	<u>Reductions</u>	Balance, August 31, <u>1998</u>
ASSETS				
Cash and cash equivalents	<u>\$ 1,338</u>	<u>\$ 923</u>	<u>\$ (369)</u>	<u>\$ 1,892</u>
LIABILITIES				
Unsettled deposits	<u>\$ 1,338</u>	<u>\$ 923</u>	<u>\$ (369)</u>	<u>\$ 1,892</u>



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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

Lafayette, LA
(318) 988-4930

Opelousas, LA
(318) 942-5217

Abbeville, LA
(318) 898-1497

New Iberia, LA
(318) 364-4554

Church Point, LA
(318) 684-2855

Eunice, LA
(318) 457-0071

The Honorable T. Barrett Harrington,
City Judge
City Court of Crowley, Louisiana

We have audited the financial statements of the City Court of Crowley, Louisiana, as of and for the year ended August 31, 1998, and have issued our report thereon dated February 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the 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 Court's 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 Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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

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Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dupas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Michael P. Crochet, CPA*
George J. Trappey III, CPA*
Daniel E. Gilder, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*

Retired:
Sidney L. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breaux, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996

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The Honorable T. Barrett Harrington,
City Judge
City Court of Crowley, Louisiana

in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Court's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs 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 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 internal control over financial reporting would not necessarily disclose all matters in 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, we consider the reportable conditions described above to be material weaknesses.

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

BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.

Crowley, Louisiana
February 22, 1999

CITY COURT OF CROWLEY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended August 31 1998

We have audited the financial statements of the City Court of Crowley, Louisiana, as of and for the year ended August 31, 1998, and have issued our report thereon dated February 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of August 31, 1998, resulted in an unqualified opinion.

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

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Section II Financial Statement Findings

#98-1 - General Administration

Finding: In reviewing the internal control structure, we noted inadequate segregation of duties existed within the receipts and disbursements function.

Cause: Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions.

Recommendation and response: The Court has evaluated this inadequacy and concluded the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation.

#98-2 - Subsidiary Ledgers

Finding: In reviewing activities for the agency funds, we noted that subsidiary ledgers are not maintained to account for the unsettled deposits for each court case.

Cause: Inadequate controls exist in accounting for funds held for others.

CITY COURT OF CROWLEY, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended August 31 1998

Recommendation and response: The Court has evaluated this inadequacy and concluded that in order to maintain adequate internal control, subsidiary ledgers should be maintained. The ledgers should account for each court case in which advance deposits are collected and disbursements are made on its behalf.

#98-3 - Monthly Court Reports

Finding: In reviewing monthly reports filed to various agencies, we noted several errors in the reporting of cases.

Cause: Clerical errors were made by personnel preparing the reports.

Recommendation and response: We recommend that all reports be reviewed to ensure completeness. The Court has considered this inadequacy and agrees to exercise greater care in the future.

CITY COURT OF CROWLEY, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended August 31, 1998

I. Internal Control and Compliance Material to the Financial Statements

#97-1 General Administration

Finding: In reviewing the internal control structure, we noted inadequate segregation of duties existed within the receipts and disbursements function.

Recommendation and response: The Court has evaluated this inadequacy and concluded the related costs versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation.

Current status: The Court continues to have inadequate segregation of duties within the receipts and disbursements function. This finding is disclosed in the current schedule of findings and questioned costs as item #98-1.

#97-2 - Subsidiary Ledgers

Finding: In reviewing activities for civil, small claims, and restitution funds (agency funds), we noted that subsidiary ledgers are not maintained to account for the unsettled deposits for each court case.

Recommendation and response: The Court has evaluated this inadequacy and concluded that in order to maintain adequate internal control, subsidiary ledgers should be maintained. The ledgers should account for each court case in which advance deposits are collected and disbursements are made on its behalf.

Current status: The Court still does not maintain subsidiary ledgers for unsettled deposits for each court case. This finding is disclosed in the current schedule of findings and questioned costs as item #98-2.

#97-3 - Monthly Court Reports

Finding: In reviewing monthly reports filed to various agencies, we noted several errors in the reporting of cases.

Recommendation and response: We recommend that all reports be reviewed to ensure completeness. The Court has considered this inadequacy and agrees to exercise greater care in the future.

Current status: The Court continues to make clerical errors in reporting cases to various agencies. This finding is disclosed in the current schedule of findings and questioned costs as item #98-3.

CITY COURT OF CROWLEY, LOUISIANA

MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended August 31, 1998

Section I Internal Control and Compliance Material to the Financial Statements

- | | | |
|--------|---|---|
| 1998-1 | The number of employees does not allow for an adequate segregation of duties. | Management has segregated as much as possible. |
| 1998-2 | The District does not maintain subsidiary ledgers on unsettled deposits. | The District will begin to maintain subsidiary ledgers. |
| 1998-3 | The District does not review the clerical accuracy of monthly court reports. | All reports will be viewed to ensure accuracy and completeness. |



Responsible Party: Judge T. Barrett Harrington