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**CITY COURT OF LAFAYETTE**  
**FINANCIAL REPORT**  
**OCTOBER 31, 2003**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 5.5.04

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## INDEPENDENT AUDITORS' REPORT

The Honorable Frances Bouillion and  
The Honorable Doug Saloom  
City Judges  
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of City Court of Lafayette, Louisiana, a component unit of Lafayette City-Parish Consolidated Government, as of and for the year ended October 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of City Court of Lafayette, Louisiana as of October 31, 2003, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated April 8, 2004, on our consideration of the Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of our audit performed in accordance with Government Auditing Standards and should be used in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the City Court of Lafayette, Louisiana's basic financial statements. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Broussard, Locke, Lewis & Beauregard, L.L.P.*

Lafayette, Louisiana  
April 8, 2004

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of City Court of Lafayette, Louisiana's financial performance provides an overview of City Court's financial activities for the fiscal year ended October 31, 2003. Please read it in conjunction with the Court's financial statements, which begin on page 8.

### I. FINANCIAL HIGHLIGHTS

City Court's net assets increased by \$175,084 or 6% as a result of this year's operations.

City Court's total program revenues were \$1,772,882 compared to \$1,730,761 last year, an increase of \$42,121 or 2%.

Total expenses for City Court during the year ending October 31, 2003 were \$1,630,894.

### II. USING THIS ANNUAL REPORT

This report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (pages 8 and 9) provide information about City Court's activities as a whole and present a longer-term view of City Court's finances. Fund financial statements start on page 12. These statements tell how the services were financed in the short-term as well as what remains for future spending. Fund financial statements also report City Court's operations in more detail than the government-wide statements by providing information about City Court's most significant funds. The remaining statements provide financial information about activities for which City Court acts solely as a trustee or agent for the benefit of those outside of the government.

#### A. REPORTING CITY COURT AS A WHOLE

##### 1. THE STATEMENT OF NET ASSETS AND THE STATEMENT OF ACTIVITIES

Our analysis of City Court as a whole begins on page 4. One of the most important questions asked about City Court's finances is, "Is City Court, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about City Court as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report City Court's net assets and the changes in them. These net assets, the difference between the assets and the liabilities, is one way to measure City Court's financial position or financial health. Over time, increases or decreases in City Court's net assets are one indicator of whether its financial health is improving or deteriorating.

We record the funds maintained by the City Court as governmental activities in the Statement of Net Assets and the Statement of Activities.

B. REPORTING CITY COURT'S MOST SIGNIFICANT FUNDS

1. FUND FINANCIAL STATEMENTS

The fund financial statements begin on page 12 and provide detailed information about the most significant funds, not the Court as a whole. City Court has also established other funds, which are for proceeds legally restricted to expenditures for special purposes.

All of City Court's expenses are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual method, which measures cash and all other financial assets that could be readily converted to cash. The governmental fund statements provide a detailed short-term view of City Court's general operations and the expenses paid from these funds. The information in the governmental funds helps determine if there are more or less financial resources to finance future City Court expenses. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmentals funds in a reconciliation at the bottom of the fund financial statements.

C. THE CITY COURT AS A TRUSTEE

City Court is a trustee for agency funds for its civil and criminal divisions. All of City Court's fiduciary funds are reported in Statements of Fiduciary Net Assets on page 19. We exclude these activities from City Court's other financial statements because City Court cannot use these assets to finance its operations. City Court is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

III. CITY COURT AS A WHOLE

The following table reflects the condensed Statement of Net Assets for 2003 with comparative figures for 2002:

TABLE I  
NET ASSETS  
October 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Current assets	\$3,057,623	\$2,864,798
Capital assets	<u>265,074</u>	<u>282,815</u>
Total assets	<u>\$3,322,697</u>	<u>\$3,147,613</u>
Net assets:		
Invested in capital assets	\$ 265,074	\$ 282,815
Restricted	416,586	396,061
Unrestricted	<u>2,641,037</u>	<u>2,468,737</u>
Total net assets	<u>\$3,322,697</u>	<u>\$3,147,613</u>

Net assets of City Court's governmental activities increased by \$175,084 or 6% over the prior year. Unrestricted net assets, the part of net assets that can be used to finance City Court expenses without constraints or other legal requirements increased from \$2,468,737 at October 31, 2002 to \$2,641,037 at October 31, 2003.

The table below provides a summary of the changes in net assets for the year ended October 31, 2003, with comparative figures for 2002.

TABLE II  
CHANGE IN NET ASSETS  
For the Years Ended October 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Revenues:		
Program revenues -		
Fines and fees and operating contributions	\$1,772,882	\$1,730,761
General revenues -		
Investment earnings	34,702	42,888
Loss on disposal of assets	<u>(1,606)</u>	<u>-</u>
Total revenues	<u>\$1,805,978</u>	<u>\$1,773,649</u>
Expenses:		
General governmental	<u>\$1,630,894</u>	<u>\$1,536,646</u>
Increase in net assets	<u>\$ 175,084</u>	<u>\$ 237,003</u>

During the fiscal year ended October 31, 2003, fines and fees received increased by \$42,121 or approximately 2%.

Expenses, excluding depreciation expense of \$71,599, increased by \$91,903 or approximately 6%. The majority of this increase was the result of the increased personnel costs during the current year. These costs are accounted for in the General Fund which is maintained by the Lafayette City-Parish Consolidated Government.

IV. GENERAL FUND BUDGETARY HIGHLIGHTS

As explained in Note 2 of the Notes to the Financial Statements, the budget for the General Fund operations is adopted by the Lafayette City-Parish Consolidated Government for its appropriations in accordance with its budgetary regulations and on a basis consistent with generally accepted accounting principles. Any comments regarding budget variances are included in the Lafayette City-Parish Consolidated Government Management's Discussion and Analysis.

V. CAPITAL ASSETS

At the end of 2003, City Court had \$265,074 invested in capital assets. This amount represents a net decrease of \$17,741, or 6.27% under last year.

This year's major additions included:

Second installment of the civil case management application software	\$ 21,667
Computers	<u>31,815</u>
	<u>\$ 53,482</u>

VI. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

As explained in Section IV, the General Fund budget is adopted by the Lafayette City-Parish Consolidated Government. For the other funds, the Court's management considered many factors when setting the operating budget for the fiscal year ending October 31, 2004; the main one is the decrease in the case load that the Court has been experiencing. In addition, the Court anticipates replacing/updating database software in fiscal year 2004, as well as buying hardware and software to equip the Court for video conferencing and video arraignments.

VII. CONTACTING THE CITY COURT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the funds maintained by City Court and to show City Court's accountability for the money it receives. If you have any questions or need additional financial information, contact City Court of Lafayette, Louisiana, Clerk/Court Administrator at Post Office Box 3344, Lafayette, Louisiana 70502.



GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY COURT OF LAFAYETTE, LOUISIANA

STATEMENT OF NET ASSETS

October 31, 2003

ASSETS	
Cash	\$ 3,023,126
Due from external parties	34,497
Capital assets, depreciable, net	<u>265,074</u>
Total assets	<u>\$ 3,322,697</u>
NET ASSETS	
Invested in capital assets	\$ 265,074
Restricted	416,586
Unrestricted	<u>2,641,037</u>
Total net assets	<u>\$ 3,322,697</u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE, LOUISIANA

STATEMENT OF ACTIVITIES  
For the Year Ended October 31, 2003

<u>Function/Program</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Fees and Fines</u>	<u>Operating Contributions</u>	<u>Governmental Activities</u>
Governmental activities -				
General government	\$ 1,630,894	\$ 404,916	\$ 1,367,966	\$ 141,988
Total general government	<u>\$ 1,630,894</u>	<u>\$ 404,916</u>	<u>\$ 1,367,966</u>	<u>\$ 141,988</u>
General revenues:				
				\$ 34,702
				<u>(1,606)</u>
				<u>\$ 33,096</u>
				\$ 175,084
				<u>3,147,613</u>
				<u>\$ 3,322,697</u>

See Notes to Financial Statements.

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FUND FINANCIAL STATEMENTS

CITY COURT OF LAFAYETTE, LOUISIANA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
October 31, 2003

ASSETS	General (Note 1)	Criminal Court Operating Fund	OWI Assessment Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Cash	\$ -	\$ 2,163,674	\$ 414,236
Due from other funds	<u>-</u>	<u>26,339</u>	<u>2,350</u>
Total assets	<u>\$ -</u>	<u>\$ 2,190,013</u>	<u>\$ 416,586</u>
FUND EQUITY			
Undesignated and unreserved	<u>\$ -</u>	<u>\$ 2,190,013</u>	<u>\$ 416,586</u>

See Notes to Financial Statements.

Other Governmental Funds	Total Governmental Funds
\$ 445,216	\$ 3,023,126
5,808	34,497
<u>\$ 451,024</u>	<u>\$ 3,057,623</u>
 <u>\$ 451,024</u>	 <u>\$ 3,057,623</u>

CITY COURT OF LAFAYETTE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
October 31, 2003

Total fund balances for governmental funds	\$ 3,057,623
Total net assets reported for governmental activities in the statement is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of -	
Furniture and equipment, net of \$354,134 accumulated depreciation	<u>265,074</u>
Total net assets of governmental activities	<u><u>\$ 3,322,697</u></u>

See Notes to Financial Statements.



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CITY COURT OF LAFAYETTE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended October 31, 2003

	<u>General</u>	<u>Criminal Court Operating Fund</u>	<u>OWI Assessment Fund</u>
Revenues:			
Intergovernmental	\$ 1,367,966	\$ -	\$ -
Fines and forfeits	-	313,662	19,639
Investment earnings	-	31,942	886
	<u>\$ 1,367,966</u>	<u>\$ 345,604</u>	<u>\$ 20,525</u>
Total revenues			
Expenditures:			
Current -			
General government	<u>\$ 1,367,966</u>	<u>\$ 199,486</u>	<u>\$ -</u>
Excess of revenues over expenditures	\$ -	\$ 146,118	\$ 20,525
Fund balances, beginning	<u>-</u>	<u>2,043,895</u>	<u>396,061</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 2,190,013</u></u>	<u><u>\$ 416,586</u></u>

See Notes to Financial Statements.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 1,367,966
71,615	404,916
1,874	34,702
<u>\$ 73,489</u>	<u>\$ 1,807,584</u>
<u>\$ 47,307</u>	<u>\$ 1,614,759</u>
\$ 26,182	\$ 192,825
424,842	2,864,798
<u>\$ 451,024</u>	<u>\$ 3,057,623</u>

CITY COURT OF LAFAYETTE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended October 31, 2003

Net change in fund balances - total governmental funds	\$ 192,825
The change in net assets reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and is reported as depreciation expense. This is the amount by which depreciation (\$71,599) exceeded capital outlays in the current period.	(16,135)
The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, and donations, is to decrease net assets.	<u>(1,606)</u>
Change in net assets of governmental activities	<u>\$ 175,084</u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE, LOUISIANA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
October 31, 2003

	<u>Agency Funds</u>
ASSETS	
Cash held in trust	<u>\$ 984,976</u>
LIABILITIES	
Attorneys' deposits	\$ 683,339
Bonds posted	64,303
Due to external parties	34,497
Due to other governmental agencies	<u>202,837</u>
Total liabilities	<u>\$ 984,976</u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of City Court of Lafayette, Louisiana, are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant of the Court's accounting policies are described below.

Reporting entity:

Included in the financial statements are all funding activities of City Court of Lafayette, a component unit of Lafayette City-Parish Consolidated Government, including funding provided by the Lafayette City-Parish Consolidated Government which is also reported as departmental expenditures in the financial statements of that entity.

The City Marshal's office is administered by a separately elected City Marshal. These financial statements do not include separate funds received and administered directly by the City Marshal or by the Lafayette City-Parish Consolidated Government on behalf of the City Marshal's office.

Basis of Presentation:

*Government-wide Statements:* The statement of net assets and the statement of activities display information about the Court as a whole. These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities are generally financed through intergovernmental revenues and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and fines paid by the recipients of goods or services offered by the programs and (b) contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

## NOTES TO FINANCIAL STATEMENTS

*Fund Financial Statements:* The fund financial statements provide information about the Court's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Court reports the following major governmental funds:

*General Fund:* The normal operating expenditures of City Court are the responsibility of the Lafayette City-Parish Consolidated Government and are included in the General Fund of that entity. The applicable portion of the financial report of that entity is reproduced for this report with offsetting appropriations shown as intergovernmental revenues.

*Criminal Court Operating Fund:* This fund is used to account for various costs associated with the operation of the Court. Revenues consist of court costs levied in connection with non-civil cases.

*OWI Assessment Fund:* Revenues of this fund are derived from assessments levied in court cases to support the sobriety program and are transferred to that program as needed.

Additionally, the Court reports the following fund type:

*Agency Funds:* These funds account for monies held (bonds posted) by plaintiffs to cover estimated court costs in connection with criminal and civil suits. Any monies remaining after settlement of the suits are refunded to the plaintiffs.

Basis of accounting:

*Government-wide and Fiduciary Fund Financial Statements:* The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

*Governmental Fund Financial Statements:* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when 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. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Interest revenue is susceptible to accrual. Fines and forfeits are not susceptible to accrual because generally they are not measurable until received in cash.

NOTES TO FINANCIAL STATEMENTS

Capital assets:

The majority of the fixed assets of the Court are purchased by the Lafayette City-Parish Consolidated Government and are accounted for in the government-wide financial statements of that entity.

The Court's purchases of capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their fair value at the date of donation. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives by type of asset is as follows:

Furniture and fixtures	10 Years
Computer equipment	5 Years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Net assets:

Net assets represent the difference between assets and liabilities. Net assets invested in capital, net of related debt consists of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use by external parties such as creditors, grantors, laws or regulation of other governments. The Court first utilizes restricted resources to finance qualifying activities.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2. Legal Compliance - Budgets

The budget for General Fund operations is adopted by the Lafayette City-Parish Consolidated Government for its appropriations in accordance with its budgetary regulations and on a basis consistent with generally accepted accounting principles.

Budgets for the special revenue funds are adopted on a basis consistent with generally accepted accounting principles. Budgets are prepared by the City Court administrative staff and approved by the City Judges. Revisions in the budget after its original adoption must be approved by the City Judges.



NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits

At year end, the carrying amount of the Court's deposits was \$4,008,102 and the bank balance was \$4,008,699. Of the bank balance, \$800,184 was covered by federal depository insurance and \$3,208,515 was covered by collateral held by the Court's agent in the Court's name.

Note 4. Interfund Balances

Interfund balances at October 31, 2003 consist of the following:

	<u>Receivable</u>	<u>Payable</u>
Criminal Court Operating Fund	\$ 26,339	\$ -
OWI Assessment Fund	2,350	-
Other Governmental Funds	5,808	-
Agency Funds	<u>-</u>	<u>34,497</u>
	<u>\$ 34,497</u>	<u>\$34,497</u>

Note 5. Employee Retirement Systems

Substantially all Court employees participate in one of the following retirement systems:

Municipal Employees' Retirement Systems (MERS)

Plan description:

Virtually all of the Court's employees participate in the MERS, a multiple-employer, cost-sharing pension plan established by the Louisiana Legislature. Employees are eligible to retire under Plan A of the System at age 60 with 10 years of creditable service, or at any age with 25 years of creditable service. Monthly benefits consist of 3% of a member's final compensation, multiplied by years of service with certain limitations. The System also provides disability and survivor benefits. All benefits are established by State statute. MERS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

Funding policy:

Plan members are required to contribute 9.25% of their annual covered salary and the Court is required to contribute at an actuarially determined rate. The Court contributed 8% of the employees' annual covered payroll through June 30, 2003. Beginning July 1, 2003, the contribution rate increased to 11%. The contribution requirements of plan members and the Court are established by statute. The Court's contributions to MERS for the years ended October 31, 2003, 2002 and 2001

## NOTES TO FINANCIAL STATEMENTS

were \$38,452, \$27,620 and \$27,347, respectively, equal to the required contribution each year.

### Parochial Employees' Retirement System (PERS)

#### Plan description:

Three employees of the Court participate in the PERS of Louisiana, a multiple-employer, cost-sharing pension plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with ten years of service at age 60. Benefit rates are 1% of final compensation (average monthly earnings during the highest 36 consecutive months, or joined months if service was interrupted) plus \$2.00 per month for each year of service credited prior to January 1, 1980, and 3% of final compensation for each year of service after January 1, 1980. The System also provides disability and survivor benefits. Benefits are established by State statute. PERS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, P. O. Box 14619, Baton Rouge, Louisiana 70898.

#### Funding policy:

Plan members are required to contribute 9.50% of their annual covered salary to the plan and the Court is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. The contribution requirements of plan members and the Court are established by statute. The Court's contribution to PERS for the years ended October 31, 2003, 2002 and 2001 were \$21,982, \$20,175 and \$18,628, respectively, equal to the required contribution each year.

### Louisiana State Employees' Retirement System (LASERS)

#### Plan description:

Two City Court judges participate in the Louisiana State Employees' Retirement System, a multiple-employer, cost-sharing pension plan established by the Louisiana Legislature. Members of the System may retire at age 70 without regard to the number of years of creditable service as a judge, at age 55 with 12 years of creditable service as a judge, and at age 50 with 20 years of creditable service, at least 12 years of which were as a judge. In addition, any person who has accumulated a total of 18 years of creditable service as a judge can retire without regard to age. When a member has earned benefits equal to one hundred percent of his average compensation, no further contribution shall be required of him. The Court, however, must continue to pay to the System the employer's contribution. The System also provides disability and survivor benefits. Benefits are established by State statute. LASERS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804.

NOTES TO FINANCIAL STATEMENTS

Funding policy:

Plan members are required to contribute 11.5% of their annual covered salary to the plan and the Court is required to contribute at an actuarially determined rate. The current rate is 14.10%. The contribution requirements of plan members and the Court are established by statute. The Court's contribution to LASERS for the years ended October 31, 2003, 2002 and 2001 were \$20,447, \$17,830 and \$16,634, respectively, equal to the required contribution each year.

Note 6. Capital Assets

The amounts of capital assets reported in Lafayette City-Parish Consolidated Government's October 31, 2003 audit report for City Court of Lafayette are as follows:

Land	\$ 396,768
Buildings	3,244,581
Vehicles	12,542
Equipment	<u>47,557</u>
	<u>\$3,701,448</u>

In addition, City Court purchases some of its own fixed assets with Court funds. These assets are not included in the Lafayette City-Parish Consolidated Government's report. City Court accounts for these in its basic financial statements.

Capital asset activity for the year ended October 31, 2003 was as follows:

	<u>Balance,</u> <u>10/31/02</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance,</u> <u>10/31/03</u>
Equipment	\$ 638,318	\$ 55,464	\$ (74,574)	\$ 619,208
Less accumulated depreciation	<u>(355,503)</u>	<u>(71,599)</u>	<u>72,968</u>	<u>(354,134)</u>
Governmental activities capital assets, net	<u>\$ 282,815</u>	<u>\$ (16,135)</u>	<u>\$ (1,606)</u>	<u>\$ 265,074</u>

Depreciation expense was charged to functions as follows:

General government	<u>\$ 71,599</u>
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REQUIRED SUPPLEMENTARY INFORMATION

CITY COURT OF LAFAYETTE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

For the Year Ended October 31, 2003

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,445,437	\$ 1,454,179	\$ 1,367,966	\$ (86,213)
Total revenues	<u>\$ 1,445,437</u>	<u>\$ 1,454,179</u>	<u>\$ 1,367,966</u>	<u>\$ (86,213)</u>
Expenditures:				
Current -				
General government	\$ 1,445,437	\$ 1,454,179	\$ 1,367,966	\$ 86,213
Total expenditures	<u>\$ 1,445,437</u>	<u>\$ 1,454,179</u>	<u>\$ 1,367,966</u>	<u>\$ 86,213</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE  
 CRIMINAL COURT OPERATING FUND  
 For the Year Ended October 31, 2003

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Fines and forfeits	\$ 305,000	\$ 261,650	\$ 313,662	\$ 52,012
Investment earnings	37,000	37,000	31,942	(5,058)
Total revenues	<u>\$ 342,000</u>	<u>\$ 298,650</u>	<u>\$ 345,604</u>	<u>\$ 46,954</u>
Expenditures:				
Current -				
General government	\$ 219,950	\$ 195,490	\$ 199,486	\$ (3,996)
Total expenditures	<u>\$ 219,950</u>	<u>\$ 195,490</u>	<u>\$ 199,486</u>	<u>\$ (3,996)</u>
Excess of revenues over expenditures	\$ 122,050	\$ 103,160	\$ 146,118	\$ 42,958
Fund balance, beginning	<u>2,028,273</u>	<u>2,028,273</u>	<u>2,043,895</u>	<u>15,622</u>
Fund balance, ending	<u><u>\$ 2,150,323</u></u>	<u><u>\$ 2,131,433</u></u>	<u><u>\$ 2,190,013</u></u>	<u><u>\$ 58,580</u></u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE

OWI ASSESSMENT FUND

For the Year Ended October 31, 2003

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Fines and forfeits	\$ 20,000	\$ 18,440	\$ 19,639	\$ 1,199
Investment earnings	2,200	2,200	886	(1,314)
Total revenues	<u>\$ 22,200</u>	<u>\$ 20,640</u>	<u>\$ 20,525</u>	<u>\$ (115)</u>
Expenditures:				
Current -				
General government	\$ -	\$ -	\$ -	\$ -
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of revenues over expenditures	\$ 22,200	\$ 20,640	\$ 20,525	\$ (115)
Fund balance, beginning	<u>394,843</u>	<u>394,843</u>	<u>396,061</u>	<u>1,218</u>
Fund balance, ending	<u><u>\$ 417,043</u></u>	<u><u>\$ 415,483</u></u>	<u><u>\$ 416,586</u></u>	<u><u>\$ 1,103</u></u>

See Notes to Financial Statements.



OTHER SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

To account for revenues generated from assessments of Court costs which are imposed in associated with civil cases heard by the Court.

Civil Court Funds:

Judges' Fees Account - These funds are used to account for fees allocated to the judges from civil cases. A separate fund is maintained for each judge. Resources of the funds are used by the judges as discretionary funds for payment of court related costs.

CITY COURT OF LAFAYETTE, LOUISIANA

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 October 31, 2003

	Civil Court		Total
	Judges' Fees Account- Bouillion	Judge's Fees Account- Saloom	
<b>ASSETS</b>			
Cash	\$ 233,090	\$ 212,126	\$ 445,216
Due from other funds	2,904	2,904	5,808
Total assets	<u>\$ 235,994</u>	<u>\$ 215,030</u>	<u>\$ 451,024</u>
<b>FUND EQUITY</b>			
Unreserved and undesignated	<u>\$ 235,994</u>	<u>\$ 215,030</u>	<u>\$ 451,024</u>
Total fund balances	<u>\$ 235,994</u>	<u>\$ 215,030</u>	<u>\$ 451,024</u>

See Notes to Financial Statements.

CITY COURT OF LAFAYETTE

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended October 31, 2003

	Civil Court		Total
	Judges' Fees Account- Bouillion	Judges' Fees Account- Saloom	
Revenues:			
Fines and forfeits	\$ 35,826	\$ 35,789	\$ 71,615
Investment earnings	49	1,825	1,874
Total revenues	<u>\$ 35,875</u>	<u>\$ 37,614</u>	<u>\$ 73,489</u>
Expenditures:			
Current -			
General government	<u>\$ 23,758</u>	<u>\$ 23,549</u>	<u>\$ 47,307</u>
Excess of revenues over expenditures	\$ 12,117	\$ 14,065	\$ 26,182
Fund balances, beginning	<u>223,877</u>	<u>200,965</u>	<u>424,842</u>
Fund balances, ending	<u><u>\$ 235,994</u></u>	<u><u>\$ 215,030</u></u>	<u><u>\$ 451,024</u></u>

See Notes to Financial Statements.

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

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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

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Martha B. Wyatt, CPA\*  
Troy J. Breaux, CPA\*  
Fayctta T. Dupré, CPA\*  
Mary A. Castille, CPA\*  
Joey Breaux, CPA\*  
Terrel P. Dressel, CPA\*

*Retired:*

Sidney L. Broussard, CPA\* 1980  
Leon K. Poché, CPA 1984  
James H. Breaux, CPA 1987  
Erma R. Walton, CPA 1988  
George A. Lewis, CPA\* 1992  
Geraldine J. Wimberley, CPA\* 1995  
Rodney L. Savoy, CPA\* 1996  
Larry G. Broussard, CPA\* 1997  
Lawrence A. Cramer, CPA\* 1999  
Michael P. Crochet, CPA\* 1999  
Ralph Friend, CPA 2002

*Members of American Institute of  
Certified Public Accountants  
Society of Louisiana Certified  
Public Accountants*

To the Honorable Frances Bouillion  
and the Honorable Doug Saloom  
City Judges  
Lafayette, Louisiana

We have audited the basic financial statements of City Court of Lafayette, Louisiana, as of and for the year ended October 31, 2003, and have issued our report thereon dated April 8, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, 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 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. Our 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 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. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

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

*Broussard, Poché, Lewis & Breau, L.L.P.*

Lafayette, Louisiana  
April 8, 2004



CITY COURT OF LAFAYETTE  
LAFAYETTE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended October 31, 2003

We have audited the basic financial statements of City Court of Lafayette, Louisiana as of and for the year ended October 31, 2003, and have issued our report thereon dated April 8, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 October 31, 2003 resulted in an unqualified opinion.

Section I - Summary of Auditors' Reports

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

Internal Control

Material Weaknesses    \_\_\_ Yes    X No  
Reportable Conditions   \_\_\_ Yes    X None Reported

Compliance

Compliance Material to Financial Statements   \_\_\_ Yes    X No

Section II - Financial Statement Findings

No matters were reported.

CITY COURT OF LAFAYETTE, LOUISIANA

SCHEDULE OF PRIOR FINDINGS  
For the Year Ended October 31, 2003

Section I. Internal Control and Compliance Material to the Financial Statements

None reported.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.