

**CITY COURT OF HOUMA
TERREBONNE PARISH, LOUISIANA**

Financial Report,

Internal Control and Compliance Report

December 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: 7-28-04



CITY COURT OF HOUMA
TERRIBONNE PARISH, LOUISIANA
Annual Report
 December 31, 2003

TABLE OF CONTENTS

	<i>PAGE</i>
MANAGEMENT'S DISCUSSION & ANALYSIS	1
 FINANCIAL SECTION	
Independent Auditor's Report	7
Basic Financial Statements:	
<i>Government-Wide Financial Statements (GWFS)</i>	
Statement of Net Assets	9
Statement of Activities	10
<i>Fund Financial Statements (FFS)</i>	
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12
Reconciliation of the Net Change in Fund Balances (FFS) To the Statement of Activities (GWFS)	13
Statement of Fiduciary Net Assets – Agency Funds	14
Notes to Financial Statements	15
 ACQUIRED SUPPLEMENTAL INFORMATION SECTION	
Budget Comparison Schedule – General Fund	24
 REPORTS REQUESTED BY GAO	
Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	25
Schedule of Current Year Findings	27
 OTHER SUPPLEMENTAL INFORMATION	
Summary Schedule of Prior Audit Findings	28
Corrective Action Plan	29

CITY COURT OF HOUMA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2003

This discussion and analysis of the City Court of Houma, Louisiana's financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2003. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- Net assets of our governmental activities decreased by \$111,406 or approximately 50%.
- As a result of this year's operations, assets exceeded liabilities by \$87,947 (net assets).
- Total spending for all governmental activities was \$723,063 for the year, which was \$132,810 more than the program revenues – charges for services (\$590,253) and operating grants (\$49,882) for these activities.
- The governmental funds reported total ending fund balance of \$18,653, of which all was considered unreserved. This compares to the prior year ending fund balance – of \$128,736, showing a decrease of \$110,079 for the current year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-Wide Financial Statements) provide information about the governmental activities as a whole and present a longer-term view of the financial. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Other Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the City Court of Houma, Louisiana 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 as a whole and about 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.

CITY COURT OF HOUMA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2009

These two statements report the net assets and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the City Court of Houma, Louisiana.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws. The City Court of Houma, Louisiana uses only the governmental type of fund with the following accounting approach. Most of the basic services 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 an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

FINANCIAL ANALYSIS AS A WHOLE (CWYTD)

Net assets decreased by \$111,486, or approximately 50% as a result of this year's operations, which indicates that the overall financial position did not improve during the year. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed most of the decrease this year. The balance in net assets represents the accumulated results of all past years' operations.

Our analysis following focuses on the net assets (Table A) and changes in net assets (Table B) of the governmental-type activities:

CITY COURT OF BOSSA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2003

Table A
Condensed Statement of Net Assets

	FY 2003	FY 2002
Current and Other Assets	\$ 73,847	\$ 338,881
Capital Assets	88,202	73,627
Total Assets	142,049	308,018
Current Liabilities	88,202	118,286
Total Liabilities	88,202	118,286
Invested in Capital Assets	88,202	73,627
Uninvested	18,858	128,728
Total Net Assets	\$ 87,847	\$ 198,253

Table B
Condensed Statement of Activities

	FY 2003	FY 2002
Total program expenses	\$ (733,800)	\$ (886,408)
Total program revenues	880,883	803,811
Net program income	(702,815)	(22,898)
General revenues	20,884	20,157
Change in Net Assets	(711,400)	(20,710)
Net Assets:		
Beginning of the year	189,283	203,864
End of the year	\$ 87,847	\$ 198,253

CITY COURT OF BOUMA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2003

Program revenues for the governmental activities decreased by \$42,518 or over 6%, while expenses increased by \$28,584 or approximately 3%. General revenues consisting of interest earned and other miscellaneous revenue also decreased by \$8,583 or a little less than 10%.

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFY)

The City Court of Broussard, Louisiana uses funds to help it control and manage money for particular purposes. Looking at individual funds helps you consider whether the Court is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

The governmental fund – general fund, reported an ending fund balance of \$18,653. This reflects a decrease of \$110,071 from last year. This decrease is primarily the result of the events and programs described within the analysis of the governmental activities. Total revenues for governmental funds were \$684,813, a decrease of \$51,101 or almost 8%. Current expenditures for judicial activities were \$686,817; capital outlay equaled \$34,731 for a total of all expenditures of \$721,548, or almost 8% more than last year. The result for the year was a deficiency of revenues over expenditures of \$118,071.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenues	1,001,070
Amendments were made for:	
Decreases/Fines and Fees	(84,000)
Decreased Court Income	1,420
Increased Interest and Miscellaneous	21,087
Total revenue amendments	(61,493)
Amended Budget Revenues	939,577

CITY COURT OF HOUMA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2003

Original Budgeted Expenditures	4,894,470
Adjustments were made for:	
Decreased Current Expenditures	(18,504)
Increased Capital Outlay Expenditures	(4,000)
Total expenditure adjustments	(18,504)
Adjusted Budgeted Expenditures	\$4,875,966

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities at year-end was \$69,292. This year there was \$34,751 of additions to capital assets. Depreciation of \$36,686 was recorded on capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements.

DEBT

At year-end, the City Court of Houma, Louisiana had no debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Many factors were considered when budgeting for the current fiscal year. Possible new laws and regulations, increased rates and fees that would be charged were all considered.

Historically, the office staff and costs remain stable and should continue to do so. The Terrebonne Parish Council in their current operating budget absorbs some capital asset purchases and other operating expenses. If these estimates remain consistent, the City Court of Houma, Louisiana's General Fund balance is expected to increase accordingly by the close of 2004.

CITY COURT OF BOSSIERE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2003

Highlights of next year's adopted budget for the general fund include:

Condensed Summary of Budgeted Finances

	<u>FY 2004</u>
Anticipated revenues	\$ 602,840
Expenditures:	
Current	684,204
Capital outlay	-
Anticipated expenditures	<u>684,204</u>
Excess of revenues	<u>(\$81,364)</u>
Fund Balance:	
Beginning of the year	<u>60,272</u>
End of the year	<u>\$ -1,008</u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City Court of Bossiere, Louisiana's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr. Douglas Holloway, Acting Court Administrator
7847 Main St.
Bossier, LA 70604
Phone 855-868-4212

FINANCIAL SECTION



STAGNI & COMPANY, LLC

INDEPENDENT AUDITOR'S REPORT

To the Honorable Jake Thibodeau Fargue, Judge
City Court of Houma
Terrebonne Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the City Court of Houma, Louisiana, a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2003, which collectively comprise the basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of City Court of Houma's management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the basic financial statements referred to above present fairly, in all material respects, the financial position of City Court of Houma, Louisiana as of December 31, 2003 and the results of its operations 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 29, 2004, on our consideration of the City Court of Houma'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 an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

207 Levee Square
Terrebonne, LA 70563
Phone (504) 447-7228
Fax (504) 448-9000

11 Jean Ross, Suite 210
St. Rose, LA 70087
Phone (504) 488-0258
Fax (504) 484-1475

7

A Professional Service Organization
Member: AICPA • CPA
SAGS: www.stagni.com
INTERNET: <http://www.stagni.com>

To the Honorable Judge Theodore Fungus, Judge
City Court of Houma, Louisiana

Management's Discussion and Analysis and the Required Supplementary Information, as listed in the foregoing table of contents, are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information is the responsibility of the management of the City Court of Houma. 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 conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City Court of Houma's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City Court of Houma. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Stacy & Company

Thibodaux, Louisiana
April 29, 2004



CITY COURT OF BOUMA
TERREBONNE PARISH, LOUISIANA
Statement of Net Assets - Governmental Activities
December 31, 2003

ASSETS	
Investments	\$ 38,894
Fees & costs receivable	35,863
Capital Assets, net of depreciation	<u>69,292</u>
TOTAL ASSETS	<u><u>143,239</u></u>
LIABILITIES	
Cash over/short	\$ 3,833
Accounts payable	<u>51,859</u>
TOTAL LIABILITIES	<u><u>55,292</u></u>
NET ASSETS	
Invested in capital assets	69,292
Unrestricted	<u>18,855</u>
TOTAL NET ASSETS	<u><u>\$ 87,947</u></u>

See notes to financial statements.

CITY COURT OF BOHMA
TERREBONE PARISH, LOUISIANA
 Statement of Activities - Governmental Activities
 For the Year Ended December 31, 2003

FUNCTIONS/PROGRAMS	Expenses	Program Revenue Charged to Activity	Operating Grants	Net (Expense) Revenue
Judicial activities:				
Total governmental activities	\$733,000	\$ 541,811	\$ 48,082	\$ (143,018)
	<u>733,000</u>	<u>541,811</u>	<u>48,082</u>	<u>(143,018)</u>
GENERAL REVENUES				
Miscellaneous				1,728
Interest earned				<u>18,884</u>
TOTAL GENERAL REVENUES				<u>20,612</u>
CHANGE IN NET ASSETS				(113,406)
NET ASSETS:				
Beginning of year				188,353
End of year				<u>\$ 74,947</u>

See notes to financial statements.

CITY COURT OF HOUMA
TERREBONNE PARISH, LOUISIANA
Balance Sheet - Governmental Fund - General Fund
 December 31, 2003

ASSETS	
Investments	\$ 30,004
Fees & costs receivable	<u>35,083</u>
Total assets	<u>\$ 65,087</u>
LIABILITIES	
Cash overdraft	\$ 3,030
Due to Terrebonne Parish Consolidated Govt	<u>51,028</u>
Total liabilities	<u>54,058</u>
FUND EQUITY	
Fund balance - unreserved, undesignated	<u>10,000</u>
Total fund equity	<u>10,000</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>50,292</u>
Net assets of governmental activities	<u>\$ 67,047</u>

CITY COURT OF NOUMA
TERREBONNE PARISH, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund - General Fund
For the Year Ended December 31, 2003

REVENUES

Charges for services:	
Criminal fees	\$ 245,042
Juvenile fees	68,732
Civil fees	167,827
Building fees	72,810
Intergovernmental revenue	48,962
Miscellaneous:	
Interest	18,884
Other	1,726
Total revenues	<u>611,997</u>

EXPENDITURES

Current:	
Reimbursement to Terrebonne	
Parish Consolidated Government	288,720
Transfer to Parish for Building Fund	73,408
Salaries and employee benefits	40,413
Office supplies	33,342
Postage	18,500
Law books, dues and publications	2,907
Professional services	41,820
Telecommunications	17,820
Computer expenditures	8,890
Microfilm services	300
Community work program	687
Travel, education and seminars	72,840
Uniform and clothing allowance	12,772
Insurance	3,148
Miscellaneous	55,825
Equipment repairs and maintenance	17,835
Total current expenditures	<u>686,917</u>
Capital outlay	<u>34,791</u>
Total expenditures	<u>721,708</u>

Excess (deficiency) of revenues over expenditures (110,071)

FUND BALANCES

Beginning of year	128,728
End of year	<u>\$ 18,657</u>

See notes to financial statements.

CITY COURT OF BOUMA
TERREBONNE PARISH, LOUISIANA
Reconciliation of the Net Change in Fund Balances (FFS)
to the Statement of Activities (GFS)
For the Year Ended December 31, 2002

Net change in fund balances—total governmental funds (FFS) \$ (110,071)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$4,751
Depreciation	<u>(35,000)</u>

		<u>(3,249)</u>
Change in net assets - governmental activities (GAFS)	<u>\$</u>	<u>(113,320)</u>

See notes to financial statements.

CITY COURT OF MONROE
TERREBONNE PARISH, LOUISIANA
Statement of Fiduciary Net Assets - Agency Funds
December 31, 2002

ASSETS	Civil Court Fund	Criminal Court Fund	Bond Fund	Totals
Cash	\$ 287,888	\$ 105,000	\$ 0,467	\$ 410,013
Investments	<u>289,324</u>	<u>53,982</u>		<u>343,316</u>
Total assets	<u>\$ 577,212</u>	<u>\$ 158,982</u>	<u>\$ 0,467</u>	<u>\$ 773,309</u>
LIABILITIES				
Due to other governments	\$ 521			\$ 521
Due to other funds			\$ 51	51
Due to others			1,000	1,000
Bonds held for future disposition			4,760	4,760
Civil funds held for future disposition	590,889			590,889
Criminal funds held for future disposition		<u>139,852</u>		<u>139,852</u>
Total liabilities	<u>\$ 597,210</u>	<u>\$ 139,852</u>	<u>\$ 0,467</u>	<u>\$ 773,309</u>

See notes to the financial statements.

CITY COURT OF HOUMA
TERRIBONE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2003

INTRODUCTION

The City Court of Houma is organized under the Louisiana Revised Statute 13:1873. The City Court is a limited jurisdiction court handling civil suits up to \$20,000, adult misdemeanors and juvenile proceedings. The Honorable Judge of the City Court of Houma is an elected official whose current term ends December 31, 2008.

Note 1 Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The Judge of the City Court of Houma is an independently elected official. However, the City Court of Houma is fiscally dependent on the Terrebonne Parish Consolidated Government for office space, courtrooms, and related utility costs, as well as partial funding of salary costs.

The accompanying financial statements present information only on the funds maintained by the City Court of Houma and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are grouped into two broad categories as follows:

CITY COURT OF HOUMA
TERREBOINE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2003

Note 1 **Summary of Significant Accounting Policies (Continued)**

C. Fund Accounting (Continued)

Governmental Fund Type

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the governmental funds:

General Fund - The General Fund is used to account for all financial resources and expenditures of the City Court of Houma, Louisiana except those required to be accounted for in other funds.

Enterprise Fund Type

Agency Funds - Agency Funds are used to account for assets held by the City Court of Houma, Louisiana as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

D. Measurement Focus / Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in fund financial statements, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 pay liabilities of the current period. The court considers all revenues available if they are collected within 60 days after the fiscal year end.

CITY COURT OF HOUMA
TERREBONNE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2003

Note 1 **Summary of Significant Accounting Policies (Continued)**

B. Measurement Focus / Basis of Accounting (Continued)

Fund Financial Statements (FFS) - (Continued)

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - Court fines and fees and interest are recorded when earned and measurable.

Expenditures - The major expenditures of salaries and benefits, and court processing and clerk fees are recorded when the salary is earned and payable or when the fees are incurred.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled *Statement of Activities* are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

CITY COURT OF HOUMA
TERRIBONE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2013

Note 1 **Summary of Significant Accounting Policies (Continued)**

E. Budgets

The City Court of Houma, Louisiana presents, adopts and amends an operating budget for the general fund as required by the Louisiana Local Government Budget Act. The budget is prepared on a modified accrual basis of accounting.

The budget presented in the Budget Comparison Schedule shows the original and final amended budgets for the year.

The City Court of Houma does not utilize encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers.

F. Cash and Investments

State law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment. City Court of Houma's cash includes amounts in regular and savings accounts.

The City Court of Houma, Louisiana may invest idle funds as authorized by Louisiana Statutes, as follows:

- (a) United States bonds, treasury notes, certificates, or any other federally insured investments.
- (b) Time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the state of Louisiana.
- (c) Mutual or trust funds, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940 and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

G. Capital Assets

Capital assets are capitalized at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The court maintains a threshold level of \$500 or more for capitalizing capital assets.

CITY COURT OF HOUMA
TERRIBONE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2009

Note 1 Summary of Significant Accounting Policies (Continued)

G. Capital Assets (continued)

Capital assets are recorded in the GWFS. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	<u>Estimated Lives</u>
Furniture and equipment	5 years

H. Compensated Absences

All individuals who work at the City Court of Houma are primarily employees of the Terrebonne Parish Consolidated Government; therefore, no liability for compensated absences is recorded in these financial statements. Vacation and sick leave do not accumulate.

I. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from these estimates.

CITY COURT OF HOUMA
TERREBONNE PARISH, LOUISIANA
Notes to Financial Statements
For the Year Ended December 31, 2003

Item 2 Deposits and Investments

State law requires deposits (cash & certificates of deposit) to fully collateralized at all times. Acceptable collateralization includes the FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk:

- Category 1 includes deposits covered by federal depository insurance or by collateral held by the City Court or its agent, in the City Court's name.
- Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the City Court's name.
- Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the City Court's name.

The year-end balances of deposits are as follows:

	Category 1	Category 2	Category 3	Reported Amount
Time Deposits	\$467,132			\$467,132
Certificates of Deposit	\$8,808			\$8,808
Totals	\$547,132			\$556,940

At year-end, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of depositors. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the collateral bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

CITY COURT OF HOUMA
TERRAPONE PARISH, LOUISIANA
 Notes to Financial Statements
 For the Year Ended December 31, 2013

Note 2 Deposits and Investments (Continued)

The City Court of Houma, Louisiana's investments are categorized below to an indication of the level of risk assumed at year-end:

- Category 1 includes investments that are issued or registered in the name of the securities are held by the City Court of Houma, Louisiana or its agent in the City Court of Houma, Louisiana's name.
- Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City Court of Houma, Louisiana's name.
- Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the City Court of Houma, Louisiana's name.

Balances at December 31, 2013 were as follows:

Fair Value:	Category 1	Category 2	Category 3	Reported Amount
Government-Backed Money Market Accounts			\$96,935	\$96,935
Federal Home Loan Mortgage Corp. (FHLMC) Notes			162,679	162,679
Variable US Government Mutual Funds			122,551	122,551
Certificates of Deposit	\$80,000			\$80,000
Totals	\$80,000		\$362,165	\$442,165

CITY COURT OF HOUMA
TERRIBONE PARISH, LOUISIANA
 Notes to Financial Statements
 For the Year Ended December 31, 2013

Note 3 Capital Assets

Capital assets and depreciation activity for the year is as follows:

Governmental Activities	Beginning Balance	Additions	Deletions/Adjustments	Ending Balance
Furniture and Equipment	\$218,378	\$34,751	\$0	\$253,129
Less accumulated depreciation	\$167,951	\$36,086	\$0	\$204,037
Furniture and Equipment, net	\$50,427			\$49,092

Depreciation expense for the year recorded for governmental activities was \$36,086.

Note 4 Employee Retirement Systems

All individuals who work at City Court of Houma, Louisiana are primarily paid by the Terrebonne Parish Consolidated Government and are consequently members of the State Parochial Employer's Retirement System of Louisiana and the Louisiana State Employee's Retirement System. GASB requires certain disclosures for employers who maintain retirement plans for their employees. All individuals employed at the City Court of Houma, Louisiana are primarily compensated by others who disclose the required retirement plan information in their separately issued financial statements. The retirement plan mentioned above is administered and controlled by a separate board of trustees.

Note 5 Reimbursement to Terrebonne Parish Consolidated Government

The Terrebonne Parish Consolidated Government pays certain operating costs of the City Court of Houma, Louisiana. These costs include salaries and benefits, supplies, utilities and insurance and are not recognized as expenditures by the City Court of Houma, Louisiana and accordingly, are not included in the basic financial statements. Houma City Court reimburses the Terrebonne Parish Consolidated Government the excess of an agreed upon monthly budgeted amount (this year that amount is \$60,998 per month or \$731,957 for the year). The total amount incurred by the TPCG was \$1,687,142 of which the City Court of Houma reimbursed \$325,185.

**CITY COURT OF HOUMA
TERREBOUNE PARISH, LOUISIANA**

Notes to Financial Statements
For the Year Ended December 31, 2003

Note 6 **Risk Management**

City Court of Houma, Louisiana is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

Note 7 **Cooperative Endorsement - Building Fund**

Beginning April 9, 2001 a cooperative endorsement was entered into pursuant to a resolution of the Terrebonne Parish Council to provide for the receipt, accounting and management of fees collected under LRS Title 13, Section 1918 (renamed as Act 991 fees) that provides for a City Court Building Fund to be "dedicated exclusively to the acquisition, leasing, construction, equipping, and maintenance of new and existing city courts and for the maintenance and payment of any bond indebtedness on any such existing facilities"

The fee of not to exceed \$10 is assessed on all civil and criminal cases filed in the jurisdiction of the Houma City Court. The City Court of Houma collects these fees and remits the fees monthly to the Terrebonne Parish Consolidated Government to account for these fees as prescribed. The amount collected for the current year is \$72,610 of which \$73,438 was remitted.

***REQUIRED SUPPLEMENTAL INFORMATION
SECTION***

**CITY GOV'T OF BOONDI
TERREBONNE PARISH, LOUISIANA**

*Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2003*

	Budget		Actual	Favorable (Unfavorable) Variance
	Original	Final		
REVENUE				
Charges for services:				
Criminal fees	\$ 303,000	\$ 334,000	\$ 348,042	\$ 14,042
Juvenile fees	63,000	64,267	68,732	2,365
Civil fees	100,000	148,217	157,337	9,310
Building fees	70,000	71,240	72,818	1,578
Intergovernmental revenue	50,000	49,271	49,082	(908)
Miscellaneous:				
Interest	10,000	64,761	18,084	(15,604)
Other	2,000	1,715	1,730	15
Total revenue	695,000	895,261	977,387	(11,782)
EXPENDITURES				
Current:				
Reimbursement to Terrebonne				
Parish Consolidated Government	810,000	810,000	858,728	(7,944)
Terrebonne to Parish for Building Fund	70,000	71,240	73,488	(2,048)
Salaries and employee benefits	50,000	50,750	48,433	1,567
Office supplies	30,200	31,835	33,342	(1,477)
Postage	11,000	14,400	18,600	(3,894)
Law books, dues and publications	2,000	2,000	2,007	(7)
Professional services	30,000	38,000	41,820	(3,820)
Travel, education and seminars	48,000	68,314	73,842	(5,528)
Telephone	10,000	10,000	17,000	(7,000)
Miscell. services	2,000	300	300	-
Computer expenditures	12,700	8,000	8,000	-
Community work program	840	807	687	160
Uniform and clothing allowance	6,000	15,101	12,771	2,330
Insurance	4,500	3,345	3,148	197
Miscellaneous	25,400	28,534	69,828	(41,294)
Repairs and maintenance	12,000	12,478	17,838	(5,360)
Total current expenditures	<u>987,420</u>	<u>987,318</u>	<u>988,917</u>	<u>(2,107)</u>
Capital outlay	3,000	37,888	24,721	13,167
Total expenditures	990,420	989,828	1,013,638	(11,808)
Excess (deficiency) of revenues over expenditures	1,400	(8,567)	(110,251)	(10,600)
FUND BALANCE				
Beginning of year	-	108,728	128,328	108,728
End of year	\$ 1,400	\$ 87,221	\$ 18,077	\$ 108,627

See notes to financial statements.

REPORTS REQUIRED BY GAO



STAGNI & COMPANY, LLC

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Judge Thaddeus Fungry, Judge
City Court of Houma
Terrebonne Parish, Louisiana

We have audited the basic financial statements of the governmental activities and each major fund of the City Court of Houma, Louisiana as of and for the year ended December 31, 2003, and have issued our report thereon dated April 29, 2004. We conducted our audit in accordance with auditing standards and the standards generally accepted in the United States of America 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 City Court of Houma, Louisiana'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 these 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 City Court of Houma'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 a material weakness.

Honorable Judge Thaddeus Pingry, Judge
City Court of Houma
Terrebonne Parish, Louisiana
Page 2

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 operation that we consider to be material weaknesses.

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

Siegel & Company

April 28, 2004
Thibodaux, Louisiana



CITY COURT OF HOUMA
TERRIBONNE PARISH, LOUISIANA
SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended December 31, 2003

We have audited the basic financial statements of the City Court of Houma, Terrebonne Parish, Louisiana as of and for the year ended December 31, 2003, and have issued our report thereon dated 12, 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 December 31, 2003 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 Weakness Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards AA

Internal Control

Material Weakness Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified

For Major Programs Disclaimer Adverse

Are their findings required to be reported in accordance with Circular A-133, Section 500(a)? Yes No

c. Identification of Major Programs AA

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

Dollar threshold used to distinguish between Type A and Type II Programs: \$ _____
Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? Yes No

Section II - Financial Statement Findings

NONE



OTHER SUPPLEMENTAL INFORMATION

PRIOR AUDIT FINDINGS

The follow-up and corrective action taken on all prior audit findings is presented in the summary schedule of prior audit findings.

CORRECTIVE ACTION PLAN

The corrective action plan for current year audit findings is presented in this schedule.

CITY COURT OF HOUMA
TERREBONNE PARISH, LOUISIANA
 Summary Schedule of Prior Year Findings
 For the Year Ended December 31, 2003

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE	

NOTES TO SCHEDULE:

This summary schedule includes all prior audit findings and management letter findings.

In the reference number, the first 4 digits are the year that the audit finding related to.

**CITY COURT OF MONROE
TERREBONNE PARISH, LOUISIANA**

Comprehensive Action Plan
For the Year Ending December 31, 2003

SECTION 1 - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
NONE	
SECTION 2 - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION 3 - MANAGEMENT LETTER	
NONE ISSUED	

NOTES TO SCHEDULE:

This schedule includes current and prior audit findings and management letter comments.

In the reference number, the first 4 digits are the year that the audit finding related to.