

CITY COURT OF PORT ALLEN

**A COMPONENT UNIT OF
THE CITY OF PORT ALLEN, LOUISIANA**

**FINANCIAL REPORT
(Compiled)**

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 9-1-04

Provost Certified
Salter Public
Harper Accountants
Alford LLC Business
Advisors

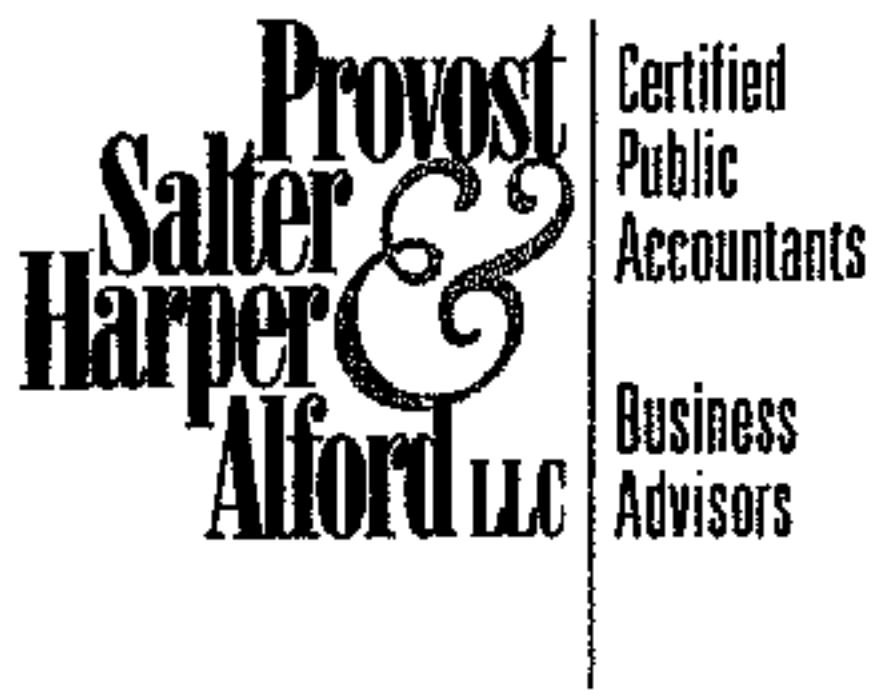
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CITY COURT OF PORT ALLEN, LOUISIANA

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INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable William T. Kleinpeter
City Court of Port Allen

We have compiled the accompanying financial statements and supplementary information, which is presented only for supplementary analysis purposes, of the City Court of Port Allen, Louisiana, a component unit of the City of Port Allen, Louisiana as of and for the year ended December 31, 2003 as listed in the accompanying table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management of the City Court of Port Allen, Louisiana. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 15, 2004, on the results of our agreed-upon procedures.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

June 15, 2004

CITY COURT OF PORT ALLEN, LOUISIANA

Combined Balance Sheet - Fund Type and Account Group

December 31, 2003

	Governmental Fund Type General	Fiduciary Funds Agency Funds	General Fixed Asset Account Group	Totals (Memorandum Only)
ASSETS				
Cash	\$ 60,621	\$ 65,451	\$ -	\$ 126,072
Investments	211,232	-	-	211,232
Due from other funds	20,374	-	-	20,374
Equipment and leasehold improvements	-	-	76,476	76,476
Total Assets	\$ 292,227	\$ 65,451	\$ 76,476	\$ 434,154
LIABILITIES AND FUND EQUITY				
Liabilities				
Due to other governments	\$ -	\$ 14,115	\$ -	\$ 14,115
Deposits	-	30,962	-	30,962
Accounts payable and accrued expenses	721	-	-	721
Due to other funds	-	20,374	-	20,374
Total liabilities	721	65,451	-	66,172
Fund Equity				
Investment in general fixed assets	-	-	76,476	76,476
Fund balances				
Unreserved, undesignated	291,506	-	-	291,506
Total fund equity	291,506	-	76,476	367,982
Total Liabilities and Fund Equity	\$ 292,227	\$ 65,451	\$ 76,476	\$ 434,154

CITY COURT OF PORT ALLEN, LOUISIANA

*Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Fund Type - General Fund*

For the Year Ended December 31, 2003

Revenues	
Court fees, fines, and cost	\$ 241,072
Intergovernmental	73,042
Interest	<u>2,186</u>
 Total revenues	 <u>316,300</u>
 Expenditures	
Current	
Intergovernmental	84,147
Personnel services	116,025
Travel	10,884
Dues and subscriptions	610
Office expense and maintenance	8,117
Other fees and services	<u>17,567</u>
 Total current expenditures	 237,350
 Capital outlays	 <u>28,012</u>
 Total expenditures	 <u>265,362</u>
 Revenues Over Expenditures	 50,938
 Fund Balance	
Beginning	<u>240,568</u>
 Ending	 <u>\$ 291,506</u>

CITY COURT OF PORT ALLEN, LOUISIANA

*Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget (Legal Basis) and Actual -
Governmental Fund Type - General Fund*

For the Year Ended December 31, 2003

	Actual on GAAP Basis	Adjustment to GAAP BASIS	Actual (Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
Revenues					
Court fees, fines, and cost	\$ 241,072	\$ -	\$ 241,072	\$ 240,000	\$ 1,072
Intergovernmental	73,042	(62,152)	10,890	11,000	(110)
Interest	2,186	-	2,186	2,500	(314)
Total revenues	316,300	(62,152)	254,148	253,500	648
Expenditures					
Current					
Intergovernmental	84,147	-	84,147	85,000	853
Personnel services	116,025	(62,152)	53,873	53,000	(873)
Travel	10,884	-	10,884	10,000	(884)
Dues and subscriptions	610	-	610	600	(10)
Office expense and maintenance	8,117	-	8,117	8,000	(117)
Other fees and services	17,567	-	17,567	17,000	(567)
Total current expenditures	237,350	(62,152)	175,198	173,600	(1,598)
Capital outlays	28,012	-	28,012	30,000	1,988
Total expenditures	265,362	(62,152)	203,210	203,600	390
Revenues Over Expenditures	50,938	-	50,938	49,900	1,038
Fund Balance					
Beginning	240,568	-	240,568	241,300	(732)
Ending	\$ 291,506	\$ -	\$ 291,506	\$ 291,200	\$ 306

See Accountant's Report and Notes to Financial Statements.

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements

December 31, 2003

1. Summary of Significant Accounting Policies

The financial statements of the City Court of Port Allen have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The more significant of the Court's accounting policies are described below.

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

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria determining which component units should be considered part of the City of Port Allen for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and;
 - a. The ability of the City to impose its will on that organization; and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the City provides financial support to the City Court, the City Court was determined to be a component unit of the City of Port Allen, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Court and do not present information on the City, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

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

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds and account groups are classified as follows in the balance sheet.

Governmental Fund - General Fund. The general fund is the general operating fund of the Court. It is used to account for all financial resources.

General Fixed Assets Account Group. The general fixed assets account group is used to account for all Court general fixed assets.

Agency Funds. Agency funds account for assets that are held by the city court in a custodial capacity pending their transfer to the proper recipient, as provided by Louisiana law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of Accounting. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The modified accrual basis of accounting is used by all governmental fund types. 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 be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Cash. Cash includes amounts in demand deposits. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

Investments. Investments are stated at market value.

General Fixed Assets. General fixed assets are those acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental fund and capitalized at cost in the General Fixed Assets Account Group.

Depreciation is not provided on general fixed assets and interest is not capitalized.

Budgets. The proposed budget for the 2003 fiscal year was made available for public inspection at the City Court's office on December 31, 2002. The budget is legally adopted and amended, as necessary, by the City Court Judge. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

The budget for the General Fund is prepared on a basis that is consistent with generally accepted accounting principles (GAAP). However, the Court does not budget on-behalf payments (see Note 8); therefore, adjustments were made on page 4 to remove on-behalf payments from the actual amounts for comparison purposes to the budgeted amounts.

Memorandum Only - Total Columns. Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Risk Management. The City Court is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City Court is covered by insurance provided by the City of Port Allen at levels which management believes is adequate to protect the City Court. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

2. Cash

At December 31, 2003, the City Court of Port Allen has cash in demand deposit accounts with a book balance of \$126,072.

Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2003, the Court has \$121,799 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$21,799 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Court that the fiscal agent has failed to pay deposited funds upon demand.

3. Investments

In accordance with GASB Codification Section I50.126, the investment in LAMP at December 31, 2003 \$211,232 is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities have contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchased agreements collateralized by those securities.

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

4. Changes in General Fixed Assets

A summary of changes in General Fixed Assets follows:

	Balance January 1, 2003	Additions	Deletions	Balance December 31, 2003
Equipment	\$ 43,498	\$ 28,011	\$ -	\$ 71,509
Leasehold improvements	4,967	-	-	4,967
	<u>\$ 48,465</u>	<u>\$ 28,011</u>	<u>\$ -</u>	<u>\$ 76,476</u>

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

5. Retirement Commitments

Louisiana State Employees' Retirement System (LASERS)

Plan Description and Provisions. The City Court's Judge participates in the LASERS, a statewide cost sharing multiple employer defined benefit pension plan administered by a separate Board of Trustees. LASERS provides retirement, disability, and survivor benefits to plan members and beneficiaries. Benefits are established and amended by state statute. LASERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, Post Office Box 44213, Baton Rouge, Louisiana, 70804-4213, or by calling (225) 922-0600. Benefits granted by LASERS are guaranteed by the State of Louisiana by provisions of the Louisiana Constitution of 1974.

Description of Funding Policy. The City Court Judge is required by State statute to contribute 11.5% of his annual covered salary and the Court is required to contribute at an actuarially determined rate. The current employer rate is 14.1% of annual covered payroll. The contribution requirements of plan members and the employer are established by, and may be amended by, state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Court's contributions to LASERS for the years ended December 31, 2003, 2002 and 2001, were \$3,836, \$3,325 and \$2,872, respectively, and were equal to the required contributions for each year.

6. Changes In Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Civil Funds	\$ 16,921	\$ 65,988	\$ 54,119	\$ 28,790
Fines, Fees, & Court Cost	10,314	381,083	354,736	36,661
	<u>\$ 27,235</u>	<u>\$ 447,071</u>	<u>\$ 408,855</u>	<u>\$ 65,451</u>

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

7. Related Party Transactions

The City of Port Allen, Louisiana incurs expenditures on behalf of the Court. During the year ended December 31, 2003, the City paid the following expenditures on behalf of the Court, all of which are not included in the accompanying financial statements.

Other services and supplies	<u>\$ 12,525</u>
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The Court distributes a portion of all fines collected to the City. During the year ended December 31, 2003, the portion of fines collected by the Court, which were available for distribution to the City, totaled \$20,736.

The Court has agreed to reimburse the City for a portion of two of the Court's employees. Under this agreement, the Court incurred cost of \$36,823.

8. On-Behalf Payments for Fringe Benefits and Salaries

In accordance with GASB Statement 24, on-behalf payments made by the City of Port Allen, the West Baton Rouge Parish Council, and the State of Louisiana are recognized as revenues and expenditures in these financial statements. The on-behalf payments are shown as intergovernmental revenue in these financial statements. Amounts equal to the revenue recognized have been included as expenditures in the personal services category. The total of the payments was \$62,152, for the year ended December 31, 2003.

City of Port Allen	\$ 24,824
State of Louisiana	32,716
West Baton Rouge Parish	<u>4,612</u>
	<u>\$ 62,152</u>

CITY COURT OF PORT ALLEN, LOUISIANA

Notes to Financial Statements, Continued

December 31, 2003

9. GASB 34 Implementation

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 established new financial reporting requirements for all state and local governments and consists of the following:

- A. Management Discussion and Analysis (MD&A) section providing an analysis of the government entity’s overall financial position and results of operations.
- B. Basic Financial Statements:
 - 1. Government-wide financial statements prepared using the economic resources measurement focus and the accrual basis of accounting. These statements are designed to provide a broad overview of a government entity’s finances, in a manner similar to private sector business.
 - 2. Fund financial statements, consisting of a series of statements that focus on a government’s major governmental funds, using the modified accrual basis of accounting, and enterprise funds, if any.
 - 3. Notes to the financial statements that include various disclosures for the government-wide and fund financial statements to ensure that a complete picture is presented.
 - 4. Required supplementary information, such as budgetary comparison schedules.

In addition, this new GASB statement requires depreciation expense to be reported in the government-wide financial statements. However, depreciation expense will not be reported in the fund statements that use the modified accrual basis of accounting.

The Court will implement the general provisions of GASB Statement No. 34 by the fiscal year ending December 31, 2004.

CITY COURT OF PORT ALLEN, LOUISIANA

Schedule of Internal Control Structure Reportable Condition

December 31, 2003

Material Weakness

Inadequate Segregation of Duties

Condition. The Court is not large enough to permit an adequate segregation of employee duties for effective internal control over the purchasing (invoice approval, processing and general ledger) and reporting (journal entry preparation, approval and recordation) cycles.

Criteria. The processing of purchases and journal entries under the control of one person represents a failure to segregate the incompatible accounting activities.

Effect. The effect is such that errors, either intentional or unintentional, in the processing of purchases and journal entries could occur and not be detected in a timely manner and in the ordinary course of operations.

Cause. The size of the Court and the limited number of employees did not permit an adequate segregation of incompatible duties.

Recommendation. Due to the size of the City Court's operations it does not have sufficient staff to establish adequate segregation of duties. Management should consider if the cost associated with reducing this deficiency in the design or operation of the internal control structure is considered to be justified.

Auditee Response. Management has noted this condition and has determined that the cost necessary to establish adequate segregation of duties is not justifiable at the current time.

Comments on Resolution of Prior Findings

The internal control matter above was reported in the prior years. There were no other prior year findings for which the Court has not implemented the corrective action recommended.

CITY COURT OF PORT ALLEN, LOUISIANA

Combining Balance Sheet - Fiduciary Funds - Agency Funds**December 31, 2003**

ASSETS	Fines, Fees & Court Cost	Civil	Total
Cash and cash equivalents	\$ 36,661	\$ 28,790	\$ 65,451
LIABILITIES			
Deposits	\$ 8,270	\$ 22,692	\$ 30,962
Due to other funds	18,696	1,678	20,374
Due to other governments	9,695	4,420	14,115
Total liabilities	\$ 36,661	\$ 28,790	\$ 65,451

CITY COURT OF PORT ALLEN, LOUISIANA

*Schedule of Changes in Unsettled Balances - Fiduciary Funds - Agency Funds**December 31, 2003*

	Fines, Fees & Court Cost	Civil	Total
Unsettled deposits at beginning of year	\$ 10,314	\$ 16,921	\$ 27,235
Additions			
Deposits:			
Civil suits	-	65,988	65,988
Fines and court costs	381,083	-	381,083
Total additions	381,083	65,988	447,071
Reductions			
Deposits settled to:			
Intergovernmental	113,664	18,622	132,286
Personnel services	-	31,593	31,593
Court cost	-	3,321	3,321
Postage	-	583	583
Transfer to general fund	241,072	-	241,072
Total reductions	354,736	54,119	408,855
Unsettled deposits at end of year	\$ 36,661	\$ 28,790	\$ 65,451

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURES**

To the Honorable William T. Kleinpeter
City Court of Port Allen

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of City Court of Port Allen, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about City Court of Port Allen's compliance with certain laws and regulations during the year ended December 31, 2003, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Governmental Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000 or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-R.S. 38:2211-2251 (the public bid law).

No expenditures exceeding \$15,000 were made during the year for materials, supplies or public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and all amendments.

6. Trace the budget adoption and amendment to a court order adoption.

We traced the adoption of the original budget to a signed order dated December 18, 2002 and the amendment to a signed order dated June 15, 2003, which indicated that the original and amended budgets had been adopted.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. On a budgetary basis, actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account;

Payments were properly coded to the correct fund and general ledger account for the six selected disbursements.

- c. and determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and Judge Kleinpeter.

Meetings.

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:1 (the open meetings law).

As there are no board of directors, there are no public meeting required.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits, which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances, which would indicate payments to employees, which would constitute bonuses, advances, or gifts.

Our schedule of internal control structure reportable condition summarizes our prior comments and unresolved matters.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City Court of Port Allen, Louisiana, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

PROVOST, SALTER, HARPER & ALFORD, L.L.C.

Provost, Salter, Harper & Alford, L.L.C.

June 15, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
_____ (Date Transmitted)

Provost, Salter, Harper + Alford, LLC
8550 United Plaza Blvd Suite 600
Baton Rouge, LA 70809

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..
Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.
Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.
Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.
Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.
Yes No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.
Yes No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

N/A Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Secretary _____ Date

Treasurer _____ Date

William T. Kluge

President _____ Date
Judge *6/30/04*

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.