

CITY COURT OF BASTROP
Bastrop, Louisiana

Financial Statements
For the Year Ended June 30, 2025

**CITY COURT OF BASTROP
BASTROP, LOUISIANA**

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**CITY COURT OF BASTROP
BASTROP, LOUISIANA**

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INDEPENDENT AUDITORS' REPORT

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of the City Court of Bastrop, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the City Court of Bastrop, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City Court of Bastrop and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City Court of Bastrop's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City Court of Bastrop's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurances.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

The Schedule of Compensation, Benefits and Other Payments to Agency Head and the Justice System Funding Reporting Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head and Justice System Funding Reporting Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2025 on our consideration of the City Court of Bastrop's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bastrop City Court's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Bastrop City Court's internal control over financial reporting and compliance.

David M. Hart, CPA (SPSC)

West Monroe, Louisiana
September 4, 2025

BASIC FINANCIAL STATEMENTS

Statement A

CITY COURT OF BASTROP
BASTROP, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 396,609
Capital Assets:	
Depreciable	11,287
Total Assets	<u>407,896</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Related to Pensions	<u>59,947</u>
 <u>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	 <u>\$ 467,843</u>
 <u>LIABILITIES</u>	
Accounts Payable	1,380
Due To Fiduciary Funds	51
Other Liabilities	7,192
Non-Current Liabilities	
Net Pension Liability	306,213
Total Liabilities	<u>314,836</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Related to Pensions	<u>33,870</u>
 <u>TOTAL INFLOWS OF RESOURCES AND LIABILITIES</u>	 348,706
 <u>NET POSITION</u>	
Net Investment in Capital Assets	11,287
Restricted Net Position	23,562
Unrestricted, Unreserved	<u>84,288</u>
 <u>TOTAL NET POSITION</u>	 <u>\$ 119,137</u>

The accompanying notes are an integral part of this financial statement.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General Fund	\$ 375,737	\$ 311,834	\$ 206,241	\$ -	\$ 142,338
Judicial Building Fund	14,203	-	-	-	(14,203)
Total Governmental Activities	<u>\$ 389,940</u>	<u>\$ 311,834</u>	<u>\$ 206,241</u>	<u>\$ -</u>	<u>\$ 128,135</u>
General Revenues:					
			Interest Income		670
			Transfer In		-
			Total General Revenues		<u>670</u>
			Changes in Net Position		128,805
			Net Position - Beginning		<u>(9,668)</u>
			Net Position - Ending		<u>\$ 119,137</u>

The accompanying notes are an integral part of this financial statement.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2025

	Programs of the General Fund		Total General Fund
	General Fund	Judicial Building Fund	
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ 375,928	\$ 20,681	\$ 396,609
Due From Other Funds	1,730	-	1,730
<u>TOTAL ASSETS</u>	<u>\$ 377,658</u>	<u>\$ 20,681</u>	<u>\$ 398,339</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 1,330	\$ 50	\$ 1,380
Payroll Taxes Payable	51	-	51
Due To Other Funds	7,192	1,730	8,922
Total Current Liabilities	8,573	1,780	10,353
<u>FUND BALANCE</u>			
Restricted	-	18,901	18,901
Unassigned	369,085	-	369,085
Total Fund Balance	369,085	18,901	387,986
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 377,658</u>	<u>\$ 20,681</u>	<u>\$ 398,339</u>

The accompanying notes are an integral part of these financial statements.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

GENERAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GENERAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

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

Total Fund Balance - General Funds	\$ 387,986
Capital assets of \$212,699 net of accumulated depreciation of \$201,412, are not financial resources and, therefore, are not reported in the funds.	11,287
Pension liability not reported in the fund financial statements.	(306,213)
The deferred outflows of expenditures for the Court's pension obligation are not a use of current resources, and therefore, are not reported in the fund financial statements.	59,947
The deferred inflows of contributions for the Court's pension obligation are not available resources, and therefore, are not reported in the fund financial statements.	(33,870)
Net Position of Governmental Activities	<u>\$ 119,137</u>

The accompanying notes are an integral part of these financial statements.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2025

	Programs of the General Fund		Total General Fund
	General Fund	Judicial Building Fund	
<u>Revenues</u>			
Article 895 Income	\$ 103,270	\$ -	\$ 103,270
Court Costs	125,847	9,542	135,389
Diversion Income	43,930	-	43,930
Probation Income	17,838	-	17,838
Grant Income	-	-	-
On-Behalf Payments	206,241	-	206,241
Other Revenue	11,407	-	11,407
Interest Income	670	-	670
Total Revenues	509,203	9,542	518,745
<u>Expenditures</u>			
General Fund	411,906	-	411,906
Judicial Building Fund	-	14,203	14,203
Capital Outlay	-	-	-
Total Expenditures	411,906	14,203	426,109
<u>Excess of Revenues Over</u> <u>Expenditures</u>	97,297	(4,661)	92,636
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
<u>Excess of Revenues and Other</u> <u>Financing Sources Over</u> <u>Expenditures and Other</u> <u>Financing Uses</u>	97,297	(4,661)	92,636
<u>Fund Balance at Beginning of Year</u>	271,788	23,562	295,350
<u>FUND BALANCE AT</u> <u>END OF YEAR</u>	\$ 369,085	\$ 18,901	\$ 387,986

The accompanying notes are an integral part of these financial statements.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

GENERAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GENERAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

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

Net Changes in Fund Balances - Total General Funds	\$	92,636
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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 reported as depreciation

Capital expenditures	\$	-	
Depreciation expense		(5,110)	(5,110)

Differences between the amounts reported as an expense in the statement of activities and those reported as an expense in the fund financial statements

Pension expense		41,279
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Change in Net Assets of Governmental Activities	\$	128,805
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The accompanying notes are an integral part of these financial statements.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025

	<u>Custodial Funds</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 192,224
Investments, at Cost	72,177
Due From Other Funds	<u>7,192</u>
Total Assets	<u>\$ 271,593</u>
 <u>FIDUCIARY NET POSITION RESTRICTED FOR:</u>	
Bonds, Fines, and Court Costs Held for Future Disposition	\$ 223,615
Due To Others	<u>47,978</u>
Total Fiduciary Net Position	<u>\$ 271,593</u>

The accompanying notes are an integral part of this financial statement.

Statement H

CITY COURT OF BASTROP
BASTROP, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

Custodial
Funds

Additions

Contributions

Fines Collected

\$ 574,049

Bonds Collected

4,500

Total Additions

578,549

Deductions

Fines Disbursed

\$ 609,405

Bonds Refunded

3,500

Total Deductions

612,905

Net Decrease in Fiduciary Net Position

(34,356)

Net Position, Beginning

305,949

Net Position, Ending

\$ 271,593

The accompanying notes are an integral part of this financial statement.

**City Court of Bastrop
Notes to Financial Statements**

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are presented in conformity with generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant accounting policies affecting their presentation.

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City Court of Bastrop as a whole excluding fiduciary activity. Individual funds are not displayed.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

The City Court of Bastrop has implemented GASB 63 which requires the presentation of a Statement of Net Position instead of a Statement of Net Assets in the government-wide financial statements.

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns.

Fiduciary Financial Statements

The City Court of Bastrop has adopted the provisions of GASB 84 which require the presentation of both a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Reporting Entity - In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not only criteria for including a potential component unit within the reporting entity, is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criteria involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criteria used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The City Court of Bastrop is fiscally dependent on the City of Bastrop. The City provides funds for salaries and other expenses. Because the City Court of Bastrop is fiscally dependent on the City of Bastrop, the City Court of Bastrop was determined to be a component unit of the City of Bastrop, the financial reporting entity. The accompanying financial statements presents information only on the funds maintained by the City Court of Bastrop and does not present information on the City of Bastrop, the general governmental services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

Governmental Funds -

General Fund - The General Fund is the general operating fund of City Court of Bastrop. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Judicial Building Fund - Fees are collected from each suit that comes through the court. These fees are used at the Judge's discretion to pay for building and equipment upkeep. The net position of the Building Fund is restricted.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fiduciary Funds -

Fiduciary Funds - Fiduciary funds are used to account for assets held by City Court of Bastrop as an agent for other governmental departments, other organizations and other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Civil Court Fund - Advance court costs are deposits made by plaintiffs who file civil suits. These deposits are recorded as a liability. The court acts only as a collection agent for fees in civil matters. As the suits are processed, the various fees earned are paid out on a monthly basis. After a case is dismissed, any excess deposit is refunded to the plaintiff.

Criminal Court Fund - This fund is used to account for the collection and ultimate disposition of bonds posted by citizens who have been issued citations for traffic violations or arrested for criminal offenses. Bonds posted by violators are held until their cases are heard in City Court of Bastrop. At that time, the bonds for persons convicted of violations are distributed to various agencies.

Cash Bond Fund - This fund is used to account for cash bonds posted by defendants that are arrested by Bastrop City Police. Upon final disposition of the case, a defendant is entitled to a refund of cash bonds posted. Forfeited bonds are distributed to the proper agencies on a periodic basis.

City Court Registry - This fund is used to account for unclaimed funds that were seized from a defendant in a court case over 20 years ago. The plaintiff received the full amount of the judgment of the court, and the amount in this fund has not been claimed by the rightful heirs.

Basis of Accounting

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Fiduciary fund financial statements report using the same focus and basis of accounting.

Governmental fund financial statements are accounted for using 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).

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

"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. Fiduciary fund revenues and expenses or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. The City Court of Bastrop has four fiduciary funds, which are purely custodial and thus do not involve measurement of results of operations.

Fund Balances - Fund Financial Statements

City Court of Bastrop adopted the provisions of GASB 54 related to the classification of the governmental fund balances. The governmental fund balances are classified as follows:

Restricted - Restricted fund balances are amounts that are constrained for a specific purpose through restrictions of external parties or by constitutional provision or enabling legislation.

Unassigned - Unassigned fund balance is the residual classification and includes all amounts that are not restricted or constrained in any other classification of fund balance.

Budgets and Budgetary Accounting

The City Court of Bastrop adopts a budget on a basis consistent with GAAP for the General Fund and Special Revenue Fund. The City Court of Bastrop is required to present the adopted and final amended budgeted revenues and expenditures for the General Fund and Special Revenue Fund. The City Court of Bastrop establishes the fiscal year as the twelve-month period beginning July 1. The budget is made available for public inspection.

The Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual presents a comparison of budgetary data to actual results of operations for which annual budgets have been adopted. These funds utilize the same basis of accounting for both budgetary purposes and actual results.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the City 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 Bastrop
Notes to Financial Statements**

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are limited by R.S. 33:2955 and the City Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are recorded at cost which approximates market value.

Interfund Receivables and Payables

The fiduciary funds occasionally incur costs such as check printing and bank charges. The General Fund reimburses the fiduciary funds for these costs. Interest revenues earned on the fiduciary funds are used to offset these charges. Interfund balances between the General Fund and Special Revenue Fund are eliminated in the Government-Wide financial statements.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System and the Louisiana State Employees' Retirements System, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of 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 these amounts.

**City Court of Bastrop
Notes to Financial Statements**

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

Net position is reported as restricted when constraints placed on net position are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where the City Court of Bastrop receives restricted and unrestricted monies for the same purpose, the restricted monies are used first.

2. CASH AND INVESTMENTS

Cash balances are insured to Federal Depository Insurance Corporation limits of \$250,000. City Court of Bastrop has deposits in banks that exceed the FDIC limits in the amount of \$322,593. This excess is secured by a collateral pledge by the bank.

As of June 30, 2025, the City Court of Bastrop has a certificate of deposit in the amount of \$72,177. The certificate bears interest at a rate of 1.0%, has an original maturity of 60 months and matures in April 2028. Any penalties for early withdrawal would not have a material effect on the financial statements.

3. COURT COSTS PAYABLE

These various liabilities represent charges against advance court costs deposited for each case and are based on the processing of the case by the Judge and/or Marshal. As activity occurs in the suit, the advance court costs account is decreased and the related liability account is decreased. These amounts are included in bonds and fines held for future disposition in the Statement of Fiduciary Net Position.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

4. INTERFUND RECEIVABLES AND PAYABLES

A summary of the interfund receivables and payables by fund at June 30, 2025 is presented below:

	<u>Interfund Payables</u>	<u>Interfund Receivables</u>
General Fund	\$ 7,192	\$ 1,730
Judicial Building Fund	1,730	-
Registry Fund	-	-
Civil Fund	-	5,211
Criminal Fund	-	1,881
Cash Bond	-	100
	<u>\$ 8,922</u>	<u>\$ 8,922</u>

5. CAPITAL ASSETS

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus.

All government fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheet.

All capital assets are stated at historical cost. Historical costs include not only the purchase price and construction costs, but also ancillary charges to place the asset in its intended location and condition for use. Capital assets are depreciated using the straight-line method over their estimated useful lives.

Capital asset activity for the year ended June 30, 2025 was as follows:

	<u>Balance 6/30/24</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/25</u>
Office equipment	\$ 212,699	\$ -	\$ (0)	\$ 212,699
Accumulated Depreciation	<u>(196,302)</u>	<u>(5,110)</u>	<u>0</u>	<u>(201,412)</u>
Capital assets, net	<u>\$ 16,397</u>	<u>(5,110)</u>	<u>0</u>	<u>\$ 11,287</u>

Depreciation expense for the year ended June, 30, 2025 was \$5,110.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

6. COMPENSATED ABSENCES

The City Court of Bastrop's obligation for employees' rights to receive compensation for future absences (such as vacation) was not material as of June 30, 2025, and thus, is not recognized in the accompanying financial statements.

7. ECONOMIC DEPENDENCY

All revenues of the City Court of Bastrop are derived from criminal and civil cases filed in the court system. Decrease in activity of the City Court could result from declining population or a change in state law that could affect the ability of a municipal court to oversee civil and criminal cases.

8. ON-BEHALF PAYMENTS

Employees receive payments directly from the City of Bastrop for salaries, payroll taxes, health insurance, and retirement plan contributions. On-behalf payments made by the City of Bastrop during the year ended June 30, 2025 were \$206,241.

9. PENSION PLANS

The City Court's employees are provided with benefits through the following plans:

- Municipal Employees Retirement System (Plan A) ("MERS") provides retirement benefits to employees of all incorporated villages, towns and cities within the state which did not have their own retirement system and which elected to become members of the system.
- Louisiana State Employees Retirement System ("LASERS") provides retirement benefits to the City Judge.

General information about the Plans:

- MERS is a cost-sharing, multiple-employer defined benefit pension plan. Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership, with exceptions outlined in the Louisiana Revised Statutes.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

The City Court participates in Plan A and provides retirement benefits to any member of Plan A who was hired before January 1, 2013 meeting one of the following criteria:

- Any age with 25 or more years of creditable service
- Age 60 with a minimum of 10 years creditable service
- Any age with 5 years of creditable service for disability benefits
- Survivor's benefits require 5 years of creditable service at death of member
- Any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit.

For members hired after January 1, 2013, benefits are provided to any member of Plan A meeting one of the following criteria:

- Age 67 with 7 or more years of creditable service
- Age 62 with 10 or more years of creditable service
- Age 55 with 30 or more years of creditable service
- Any age with 25 years of service, exclusive of military service and unused side leave, with an actuarially reduced early benefit.

General the monthly retirement allowance for any member of Plan A consists of an amount equal to 3% of the member's monthly average final compensation times years of creditable service. Survivor, death and disability benefits are also provided under the plan.

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During such period, employer contributions continue but employee contributions cease. Monthly benefits that the member would have received during the DROP period are paid into the DROP fund. Interest is earned when the member has completed DROP participation, based on the actual rate of return on the investments identified as DROP funds for the period. No cost-of-living increases are payable to participants until employment has been terminated for at least one full year.

For the year ended June 30, 2025 (plan year ended June 30, 2024), the actual employer contribution rate was 29.50%, determined actuarially. According to state statute, the contribution requirements for all employers are actuarially determined each year.

The plan receives ad valorem and state revenue sharing funds as employer contributions and those amounts are considered support from nonemployer contributing entities, but are not considered as special funding situations.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

Actuarial assumptions:

- Valuation date June 30, 2024
- Actuarial cost method Entry age normal
- Expected remaining service lives 3 years
- Investment rate of return 6.85%
- Inflation rate 2.5%
- Salary increases, including inflation:
 - 1 to 2 years of service 9.0%
 - More than 2 years of service 4.4%
- Mortality tables PubG-2010(B) employee table set equal to 115% for males and females, adjusted using MP2021 scales
- Funded percentage 79.05%

The estimated real rate of return for each major asset class is as follows:

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Expected Portfolio Real Rate of Return</u>
Public fixed income	29%	1.26%
Public equity	56%	2.44%
Alternatives	<u>15%</u>	<u>0.65%</u>
Totals	<u>100%</u>	4.35%
Inflation		<u>2.50%</u>
Expected Arithmetic Nominal Return		<u>6.85%</u>

- LASERS is a cost-sharing, multiple-employer defined benefit pension plan. Membership is mandatory for eligible employees of the state. For members hired before July 1, 2006, the plan provides retirement benefits to any member who has:
 - 30 years of creditable service, or
 - 25 years of creditable service who has attained age 55, or
 - 10 years of service who has attained age 60

Benefit rates are 2.5% to 3.5% of average compensation (average monthly earnings during the highest 36 consecutive months) times the number of years' service, not to exceed 100% of final salary.

For members hired after July 1, 2006 and June 30, 2015, a member is eligible for benefits after 5 years of creditable service at age 60. Those hired on or after July 1, 2015 may retire at age 62 upon completion of 5 years of creditable service.

The plan also provides survivor, death and disability benefits.

**City Court of Bastrop
Notes to Financial Statements**

June 30, 2025

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During such period, both employer and employee contributions cease. Monthly benefits that the member would have received during the DROP period are paid into the DROP fund. Interest is earned when the member has completed DROP participation, based on the actual rate of return less one-half percentage point on the investments identified as DROP funds for the period. No cost-of-living increases are payable to participants until employment has been terminated for at least one full year.

Contributions by employers are actuarially determined by law, and vary depending on class of member. For the year ended June 30, 2025 (plan year ended June 30, 2024), employer contributions for judges hired prior to January 1, 2011 were 40.17%.

The plan also receives insurance premium tax monies appropriated by the state legislature as additional employer contributions and considered support from a nonemployer contributing entity, but not considered a special funding situation.

Actuarial assumptions:

• Valuation date	June 30, 2024
• Actuarial cost method	Entry age normal
• Expected remaining service lives	2 years
• Investment rate of return	7.25%
• Inflation rate	2.4%
• Salary increases, including inflation:	
◦ Judges	2.4% - 4.8%
• Mortality tables	PubG-2010 Healthy Retiree, MP-2021
• Funded percentage	76.60%

The estimated real rate of return for each major asset class is as follows:

<u>Asset Class</u>	<u>Expected Portfolio Real Rate of Return</u>
Cash	0.76%
Domestic Equity	4.29%
Domestic Fixed Income	2.04%
International Equity	5.22%
International Fixed Income	5.24%
Alternative Investments	<u>8.19%</u>
Total Fund	<u>5.61%</u>

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2025 the City Court reported a total of \$306,213 for its proportionate shares of the net pension liabilities of the Plans, as follows:

<u>Plan</u>	
MERS	\$ 62,091
LASERS	<u>244,122</u>
Total	<u>\$ 306,213</u>

The net pension liabilities were measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City Court's proportion of the net pension liability was based on a projection of the City Court's long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025 (plan year ended June 30, 2024), the City Court's proportions of each plan were as follows:

<u>Plan</u>	<u>Proportionate share</u>
MERS	0.022065%
LASERS	0.00449%

For the year ended June 30, 2025, the City Court recognized pension expense as follows:

<u>Plan</u>	
MERS	\$ 1,979
LASERS	<u>25,079</u>
Total	<u>\$ 27,058</u>

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

In addition, the City Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Plan</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
<u>MERS</u>		
Changes in proportion	\$ 205	\$ 1,261
Differences between expected and actual experience	-	2,056
Changes in assumptions		
Net difference between projected and actual earnings on pension plan investments	836	367
City Court contributions subsequent to the measurement date	<u>15,302</u>	<u>-</u>
	<u>\$ 16,343</u>	<u>\$ 3,684</u>
<u>LASERS</u>		
Changes in proportion	\$ -	\$ -
Differences between expected and actual experience		1,080
Changes in assumptions	1,706	
Net difference between projected and actual earnings on pension plan investments	-	29,106
City Court contributions subsequent to the measurement date	<u>41,898</u>	<u>-</u>
	<u>\$ 43,604</u>	<u>\$ 30,186</u>
Total	<u>\$ 59,947</u>	<u>\$ 33,870</u>

The deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

City Court of Bastrop
Notes to Financial Statements

June 30, 2025

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	\$ (20,730)
2027	11,777
2028	(13,349)
2029	(8,821)
2030	-
Thereafter	-

Sensitivity of the of the City's proportionate share of the net pension liabilities to changes in the discount rate:

The following presents the City's proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the City's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2025:

	1% Decrease	Current Discount Rate	1% Increase
MERS (current rate 6.95%)	\$ 93,500	\$ 62,091	\$ 35,576
LASERS (current rate 7.25%)	337,126	244,122	165,090
Total	<u>\$ 430,626</u>	<u>\$ 306,213</u>	<u>\$ 200,666</u>

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separately issued financial statements of the Plans.

Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2024 Comprehensive Annual Financial Report at www.lasersonline.org.

10. SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 4, 2025, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

REQUIRED SUPPLEMENTAL INFORMATION

CITY COURT OF BASTROP
BASTROP, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Certified Mail Fees	2,159	\$ 1,713	\$ 1,713	\$ -
Scanning Fees	1,820	1,685	1,685	-
Article Income	75,000	103,270	103,270	-
BCC - Court Costs	100,000	125,847	125,847	-
Bond Forfeiture Income	6,500	6,949	6,946	(3)
Miscellaneous	100	-	-	-
Diversion Income	40,000	43,930	43,930	-
Department of Public Safety	1,000	1,063	1,063	-
Probation Income	12,000	17,838	17,838	-
Other Revenue	-	-	670	670
Total Revenues	238,579	302,295	302,962	667
<u>Expenditures</u>				
Ad hoc Fees	3,000	4,048	4,048	-
Audit Fees	21,000	14,500	14,500	-
Bank Supplies	300	-	-	-
Bond Fees	-	-	1,094	(1,094)
Computer Expenses	-	-	-	-
Conferences and Seminars	7,475	7,132	10,363	(3,231)
Court Reporter	-	350	350	-
Dues	-	-	775	(775)
Retirement Expense	42,812	41,898	57,200	(15,302)
Law Library	15,970	16,483	16,483	-
Miscellaneous	-	-	-	-
Office Expense	6,301	4,510	2,111	2,399
Payroll Expense	67,066	74,133	85,268	(11,135)
PER Judge	3,025	3,025	3,025	-
Postage	3,000	2,000	2,188	(188)
Shredding	-	-	-	-
Supplies	-	-	8,260	(8,260)
Total Expenditures	169,949	168,079	205,665	(37,586)
<u>Excess of Revenues</u>				
Over Expenditures	68,630	134,216	97,297	38,253
<u>Other Financing Sources (Uses)</u>	-	-	-	-
<u>Net Change in Fund Balance</u>	68,630	134,216	97,297	38,253
<u>Fund Balance at Beginning of Year</u>	271,788	198,905	271,788	(72,883)
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 340,418</u>	<u>\$ 333,121</u>	<u>\$ 369,085</u>	<u>\$ (34,630)</u>

The accompanying notes are an integral part of this financial statement.

CITY COURT OF BASTROP
BASTROP, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
JBF Civil	3,600	\$ 3,430	\$ 3,430	\$ -
JBF Criminal	8,500	6,112	6,112	-
Grant Income	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	12,100	9,542	9,542	-
<u>Expenditures</u>				
Computer Expenses	5,900	7,903	11,660	(3,757)
Copier	2,020	2,020	2,020	-
Supplies	300	-	-	-
Law Library	-	145	145	-
Postage	374	378	378	-
Shredding	600	600	-	600
Capital Outlay	-	-	-	-
Total Expenditures	9,194	11,046	14,203	(3,157)
<u>Excess of Revenues</u>				
<u>Over Expenditures</u>	2,906	(1,504)	(4,661)	3,157
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing				
Sources (Uses)	-	-	-	-
<u>Net Change in Fund Balance</u>	2,906	(1,504)	(4,661)	3,157
<u>Fund Balance at Beginning of Year</u>	23,562	23,562	23,562	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 26,468</u>	<u>\$ 22,058</u>	<u>\$ 18,901</u>	<u>\$ 3,157</u>

The accompanying notes are an integral part of this financial statement.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY - LASERS
FOR THE YEAR ENDED JUNE 30, 2025

Fiscal Year	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2016	0.395800%	\$ 269,204	\$ 74,563	361.04%	62.70%
2017	0.414100%	\$ 325,174	\$ 74,168	438.43%	57.70%
2018	0.427400%	\$ 300,840	\$ 79,221	379.75%	62.50%
2019	0.429400%	\$ 292,916	\$ 78,881	371.34%	64.30%
2020	0.416500%	\$ 301,823	\$ 81,046	372.41%	62.90%
2021	0.383200%	\$ 316,932	\$ 82,582	383.78%	58.00%
2022	0.349900%	\$ 332,041	\$ 84,118	394.73%	72.80%
2023	0.451000%	\$ 341,096	\$ 89,351	381.75%	63.70%
2024	0.004570%	\$ 305,760	\$ 93,477	327.10%	68.40%
2025	0.449000%	\$ 244,122	\$ 93,478	261.15%	74.60%

Amounts presented were determined as of the measurement date (previous fiscal year end).

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SCHEDULE OF EMPLOYER CONTRIBUTIONS - LASERS
FOR THE YEAR ENDED JUNE 30, 2025

Fiscal Year	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency	Agency's covered payroll	Contributions as a percentage of covered payroll
2016	\$ 28,184	\$ 28,184	\$ -	\$ 74,168	38.00%
2017	\$ 38,777	\$ 38,777	\$ -	\$ 79,221	48.95%
2018	\$ 31,631	\$ 31,631	\$ -	\$ 78,881	40.10%
2019	\$ 34,363	\$ 34,363	\$ -	\$ 81,046	42.40%
2020	\$ 35,097	\$ 35,097	\$ -	\$ 81,046	43.31%
2021	\$ 35,097	\$ 35,097	\$ -	\$ 82,582	42.50%
2022	\$ 37,825	\$ 37,825	\$ -	\$ 84,118	44.97%
2023	\$ 37,825	\$ 37,825	\$ -	\$ 89,351	42.33%
2024	\$ 42,812	\$ 42,812	\$ -	\$ 93,477	45.80%
2025	\$ 37,550	\$ 37,550	\$ -	\$ 93,478	40.17%

Amounts presented were determined as of the end of the fiscal year.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The accompanying notes are an integral part of this financial statement.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND

SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY - PAROCHIAL
FOR THE YEAR ENDED JUNE 30, 2025

Fiscal Year	Agency's proportion of the net pension liability (asset)	Agency's proportionate share of the net pension liability (asset)	Agency's covered payroll	Agency's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2016	0.000000%	\$ -	\$ -	0.00%	66.18%
2017	0.000000%	\$ -	\$ -	0.00%	63.34%
2018	0.000000%	\$ -	\$ -	0.00%	63.49%
2019	0.024780%	\$ 102,594	\$ -	0.00%	65.60%
2020	0.027400%	\$ 114,479	\$ 50,715	225.73%	66.14%
2021	0.031830%	\$ 137,618	\$ 60,840	226.20%	66.26%
2022	0.026180%	\$ 72,820	\$ 51,840	140.47%	79.14%
2023	0.023070%	\$ 95,828	\$ 44,220	216.71%	69.56%
2024	0.021970%	\$ 80,301	\$ 44,160	181.84%	73.25%
2025	0.022065%	\$ 62,091	\$ 44,949	138.14%	79.05%

Amounts presented were determined as of the measurement date (previous fiscal year end).

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PAROCHIAL
FOR THE YEAR ENDED JUNE 30, 2025

Fiscal Year	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency	Agency's covered payroll	Contributions as a percentage of covered payroll
2015	\$ -	\$ -	\$ -	\$ -	0.00%
2016	\$ -	\$ -	\$ -	\$ -	0.00%
2017	\$ -	\$ -	\$ -	\$ -	0.00%
2018	\$ -	\$ -	\$ -	\$ -	0.00%
2019	\$ 13,186	\$ 13,186	\$ -	\$ 50,715	26.00%
2020	\$ 16,883	\$ 16,883	\$ -	\$ 60,840	27.75%
2021	\$ 15,293	\$ 15,293	\$ -	\$ 51,840	29.50%
2022	\$ 13,045	\$ 13,045	\$ -	\$ 44,220	29.50%
2023	\$ 13,027	\$ 13,027	\$ -	\$ 44,160	29.50%
2024	\$ 13,260	\$ 13,260	\$ -	\$ 44,950	29.50%
2025	\$ 13,260	\$ 13,260	\$ -	\$ 44,949	29.50%

Amounts presented were determined as of the end of the fiscal year.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The accompanying notes are an integral part of this financial statement.

CITY COURT OF BASTROP
BASTROP, LOUISIANA
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2025

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the City of Bastrop Court House during the month of June for comments from taxpayers. The budget is then legally adopted by the Court and amended during the year, as necessary. The budget is established and controlled by the Court at the object level of expenditure. Appropriations lapse at year end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

Two accounts had unfavorable variances in excess of 5% as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Retirement Expense	\$ 41,898	\$ 57,200	\$ (15,302)
Payroll Expense	\$ 74,133	\$ 85,268	\$ (11,135)

SUPPLEMENTARY INFORMATION

CITY COURT OF BASTROP
BASTROP, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2025

	Honorable Phillip Lester Judge
<i>Purpose:</i>	
Salary	\$ 104,302
Retirement	53,893
Conferences, Travel & Lodging	1,455
Total	<u>\$ 159,650</u>

Bastrop City Court**Justice System Funding Schedule - Collecting/Disbursing Schedule**

Cash Basis Presentation

As Required by La. R.S. 24:515.2

	Amount for 07/01/2024 - 12/31/2024	Amount for 01/01/2025 - 06/30/2025
1. Beginning Cash Balance	296,023	338,748
2. Collections		
a. Civil Fees	61,769	55,585
b. Bond Fees	1,068	5,793
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	233,823	219,950
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collected	296,660	281,328
3. Deductions: Collections Retained by the Bastrop City Court		
I. Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
II. Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
III. Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
a. Civil Fees	1,811	1,587
b. Bond Fees	-	-
c. Cash Bonds	1,068	5,793
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	149,057	148,841
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees [excluding amounts reported in bullets I and II above]	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
Total Collections Retained by the Bastrop City Court	151,936	156,221
4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
a. Collection/Processing Fees Paid to Third Party Entities	-	-
b. Civil Fee Refunds	2,143	1,528
c. Bond Refunds	2,250	1,250
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits	4,393	2,778
5. Deductions: Total Disbursements to Other Governments & Nonprofits	97,606	83,751
6. Total Amounts Disbursed/Retained	253,935	242,750
7. Ending Cash Balance	338,748	377,326
8. Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
9. Other Information:		

Bastrop City Court**Justice System Funding Schedule - Disbursements to Other Governments & Nonprofits Form**

Cash Basis Presentation

As Required by La. R.S. 24:515.2

5. Details of Disbursements To Other Governments & Nonprofits(Do not include amounts retained by your entity in this table.)

Agency Receiving Money	Disbursement Description	Legal Authority to Disburse Money	Disbursement Type	Amount for	Amount for
	[Fund, Program, etc.] (Optional)			07/01/2024 - 12/31/2024	01/01/2025 - 06/30/2025
Out of State: Louisiana Judicial College	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	266	194
East Baton Rouge Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	468	593
East Carroll Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	33
Caldwell Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	42	-
Out of State: Morehouse Parish Clerk	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	525	420
Lincoln Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	55	84
Monroe City Marshal	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	30	30
Morehouse Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	280	276
Orleans Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	30
Ouachita Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	701	330
Richland Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	42	214
Out of State: St. Tammany Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	43	-
Union Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	125	48
Vernon Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	54	-
Washington Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	44
West Carroll Parish Sheriff	\$5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	88	82
Out of State: North LA Crime Lab	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	9,294	6,747
Out of State: City of Bastrop, LA	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	55,757	48,459
Out of State: Bastrop, LA Police Department	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	978	3,543
Out of State: Bastrop, LA Marshal	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	9,687	6,623
Out of State: Crimestoppers	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	686	468
Out of State: Fourth Judicial District IDB	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	16,331	14,052
Out of State: DHH-TH/SCI	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	405	180
Out of State: LA Commission on Law Enforcement	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	723	596
Out of State: State of Louisiana Treasurer	\$2266.1.1. Fees and costs of court	R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	1,026	705

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING*
STANDARDS AND BY OFFICE OF MANAGEMENT AND BUDGET
UNIFORM GUIDANCE

**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

We have audited in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Bastrop (A Governmental entity), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City Court of Bastrop's basic financial statements, and have issued our report thereon dated September 4, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City Court of Bastrop's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Court of Bastrop's internal control. Accordingly, we do not express an opinion on the effectiveness of the City Court of Bastrop's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-01 and 2025-02 that we consider to be material weaknesses.

The Honorable Phillip Lester
City Court of Bastrop
Bastrop, Louisiana
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Court of Bastrop's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 no disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City Court of Bastrop's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City Court of Bastrop's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. City Court of Bastrop's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

David M. Smith, CPA (CAPAC)

West Monroe, Louisiana
September 4, 2025

CITY COURT OF BASTROP
Bastrop, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Honorable Judge Phillip Lester
City Court of Bastrop
Bastrop, Louisiana

We have audited the financial statements of the City Court of Bastrop, as of and for the year ended June 30, 2025, and have issued our report thereon dated September 4, 2025. 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 June 30, 2025, resulted in an unqualified opinion.

Section I- Summary of Auditor's Results

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

Internal Control

Material Weakness ☐ yes ☒ no

Significant Deficiencies not considered to be

Material Weaknesses ☒ yes ☐ no

Compliance

Compliance Material to Financial Statements ☐ yes ☒ no

B. Federal Awards – N/A

Material Weakness Identified ☐ yes ☐ no

Significant Deficiencies not considered to be

Material Weaknesses ☐ yes ☐ no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ☐ Qualified ☐

Disclaimer ☐ Adverse ☐

Are there findings required to be reported in accordance with the Uniform Guidance, Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster) CFDA Number(s) N/A

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a “low-risk” auditee, as defined by the Uniform Guidance? N/A

CITY COURT OF BASTROP
Bastrop, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section II - Financial Statement Findings

2025-01 Segregation of Duties

Statement of condition - The City Court of Bastrop does not have adequate segregation of duties within the administrative office.

Criteria - A system of internal control procedures requires a segregation of duties so no individual handles a transaction from start to finish.

Effect on condition - A lack of oversight which could lead to improperly recorded transactions.

Cause of condition - There is a small number of personnel employed by the City Court of Bastrop.

Recommendation - The City Court of Bastrop should monitor the assignment of duties to ensure as much segregation of duties as possible.

Management's response - The Court, does not consider the cost of hiring additional personnel as exceeding any benefit. Duties will be segregated as much as possible, with oversight from the Judge.

2025-02 Skills, Knowledge and Experience

Statement of condition - The City Court of Bastrop does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Criteria - A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Effect of condition - The City Court of Bastrop needed assistance in preparing the annual financial statements.

Cause of condition - There was no written job description available to ensure hiring of staff that have appropriate training in applying generally accepted accounting principles.

Recommendation - The City Court of Bastrop should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Management's response – While management understands the nature of the finding and the necessity of personnel with qualifications that are higher than our current job descriptions, the benefits of hiring personnel with increased qualifications do not outweigh the costs.

Section III - Management Letter

No management letter was issued.

CITY COURT OF BASTROP
Bastrop, Louisiana
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

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

Finding 2024-01

Statement of condition - The City Court of Bastrop does not have adequate segregation of duties within the administrative office.

Criteria - A system of internal control procedures requires a segregation of duties so no individual handles a transaction from start to finish.

Effect on condition - A lack of oversight which could lead to improperly recorded transactions.

Cause of condition - There is a small number of personnel employed by the City Court of Bastrop.

Recommendation - The City Court of Bastrop should monitor the assignment of duties to ensure as much segregation of duties as possible.

Action Taken – See current year finding 2025-01.

Finding 2024-02

Statement of condition - The City Court of Bastrop does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

Criteria - A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

Effect of condition - The City Court of Bastrop needed assistance in preparing the annual financial statements.

Cause of condition - There was no written job description available to ensure hiring of staff that have appropriate training in applying generally accepted accounting principles.

Recommendation - The City Court of Bastrop should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

Action Taken – See current year finding 2025-02.

Section II - Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III - Management Letter

This section is not applicable for this entity.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Judge Phillip Lester, City Court of Bastrop, Louisiana and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Honorable Judge Phillip Lester, City Court of Bastrop, Louisiana (the Court) and the Louisiana Legislative Auditor (LLA), on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The Court's management is responsible for those C/C areas identified in the SAUPs.

Honorable Judge Phillip Lester, City Court of Bastrop, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and related exceptions obtained are described in the attachment to this report.

We were engaged by the Honorable Judge Phillip Lester, City Court of Bastrop, Louisiana to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Honorable Judge Phillip Lester, City Court of Bastrop, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

David M. Hartt, CPA (APAC)

West Monroe, Louisiana
September 4, 2025

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions noted in the above procedures.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No board/finance committee minutes are kept.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions were noted in the above procedures.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted in the above procedures.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

No exceptions noted in the above procedures.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)
- D. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe

whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted in the above procedures.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted in the above procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted in the above procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the

pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted in the above procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exceptions noted in the above procedures.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

This section is not applicable to this entity.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted in the above procedures.

13) Information Technology Disaster Recovery/Business Continuity

Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management":**

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management,

and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedures and discussed the results with management. No exceptions were noted

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

No exceptions noted in the above procedures.