Pineville City Court Pineville, Louisiana

Financial Statements
For the Year Ended December 31, 2024

Pineville City Court

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Independent Auditor's Report

To the Honorable Judge Gary Hays Pineville City Court Pineville, Louisiana

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the Pineville City Court (Court) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements 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 and each major fund of the Court as of December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Court and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Court's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 auditor's 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 GAAS 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 of the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the 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 on 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Court'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.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States requires 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 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.

Accounting principles generally accepted in the United States of America require that the pension information and budgetary comparison information on pages 23 through 26 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 inquiries, the basic financial statements, and other knowledge we obtained during our 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 assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Court's basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 27 and the justice system funding schedule on pages 28-29 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated June 13, 2025, on our consideration of the Court'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Court's internal control over financial reporting and compliance.

Ruston, Louisiana June 13, 2025

Wade ; Herry

	Statement A
Pineville City Court	
Statement of Financial Position	
As of December 31, 2024	
ASSETS	
Cash and cash equivalents	\$238,789
Accounts receivable	12,721
Capital assets (net of accumulated depreciation)	60,374
Total Assets	311,884
DEFERRED OUTFLOWS OF RESOURCES	102,886
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$414,770
LIABILITIES Current liabilities Accounts payable	\$550
Total current liabilities	550
Long term liabilities Pension liability	246,950
Total liabilities	247,500
DEFERRED INFLOWS OF RESOURCES	8,970
NET POSITION:	
Invested in capital assets, net of related debt	60,374
Restricted for building maintenance/improvements	51,700
Unrestricted	46,226
Total Net Position	158,300
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES	
AND NET POSITION	\$414,770

	Statement B
Pineville City Court	
Statement of Activities	
For the Year Ended December 31, 2024	
GOVERNMENTAL ACTIVITIES:	
Judicial expenses	\$272,178
Total Expenses	272,178
PROGRAM REVENUES	
Judicial fees, fines & charges for services	315,105_
Total program revenues	315,105
Net Program Expense	42,927
GENERAL REVENUES	
Miscellaneous	4,548
Investment earnings	0
Total General Revenues	4,548
Change in Net Position	47,475
Net Position - Beginning	110,825
Prior period adjustment	0
Net Position - Ending	\$158,300

Pineville City Court Balance Sheet, Governmental Funds December 31, 2024

		Judicial	
	General	Building	
	Fund	Fund	Total
ASSETS			
Cash	\$186,539	\$52,250	\$238,789
Accounts receivable	12,721		12,721
TOTAL ASSETS	\$199,260	\$52,250	\$251,510
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$0	\$550	\$550
Withholdings payable	0		0
Total liabilities	0	550	550
Fund equity - fund balances:			
Restricted	0	51,700	51,700
Unassigned	199,260		199,260
Total fund balances	199,260	51,700	250,960
TOTAL LIABILITIES AND FUND BALANCES	\$199,260	\$52,250	\$251,510

Pineville City Court
Reconciliation of the Balance Sheet
to the Statement of Net Position
For the Year Ended December 31, 2024

Total fund balances - governmental funds, Statement C

\$250,960

Capital assets used in governmental activities are not financial resources and therefore, are not reported in governmental funds:

Cost of capital assets at end of year
Less Accumulated depreciation at end of year

400,881

(340,507) 60,374

Pension liabilities and related deferred inflows and outflow of resources are not reported in the governmental funds but are reported in the government-wide financial statements:

Pension liability
Deferred inflows of resources
Deferred outflows of resources

(246,950)

(8,970) 102,886

(153,034)

Total net position of governmental activities, Statement A

\$158,300

Pineville City Court Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds For the Year Ended December 31, 2024

		Judicial	
	General	Building	
	<u>Fund</u>	Fund	<u>Total</u>
REVENUES			
Court costs	\$195,128	\$44,703	\$239,831
Probation fees	75,274		75,274
Miscellaneous revenues	4,427_	121_	4,548
Total Revenues	274,829	44,824	319,653
EXPENDITURES			
Current:			
General fund	278,070	0	278,070
Building fund	0	43,304	43,304
Capital outlay	0_	11,929	11,929
Total Expenditures	278,070	55,233	333,303_
Excess (Deficiency) of Revenues over Expenditures	(3,241)	(10,409)	(13,650)
OTHER FINANCING SOURCES (USES)			
Other financing sources (uses)	0	0	0
Operating transfers in (out)	0	0_	0
Total Other Financing Sources (Uses)	0	0	0
Excess (Deficiency) of Revenues over Expenditures and			
Other Financing Sources (Uses)	(3,241)	(10,409)	(13,650)
Fund Balances – beginning	202,501	62,109	264,610
Prior period adjustment	0	0	0
Fund Balances – ending	\$199,260	\$51,700	\$250,960

Pineville City Court
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

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

Net Change in Fund Balances, Total governmental funds Statement E

(\$13,650)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$11,929) exceeds depreciation (\$11,451).

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

Pension expense
Change in Net Position of Governmental Activities, Statement B

60,647

\$47,475

Pineville City Court Statement of Fiduciary Net Position December 31, 2024	Statement G
	Custodial Funds
Assets	
Cash	\$730,507
TOTAL ASSETS	\$730,507
Net Position	
Restricted:	
Individuals, organizations, and other governments	\$730,507
TOTAL NET POSITION	\$730,507

	Statement H
Pineville City Court	
Statement of Changes in Fiduciary Net Position	
For the Year Ended December 31, 2024	
	Custodial
	Funds
ADDITIONS	
Civil fees collected	\$184,051
Court costs and fines collected	525,120
Total additions	709,171
DEDUCTIONS	
Civil fee refunds	159,756
Court costs and fines disbursed	514,740
Total deductions	674,496_
Net increase (decrease) in fiduciary net position	34,675
Net position – beginning	686,260
Prior period adjustment	9,572
Net position – ending	\$730,507

INTRODUCTION

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Pineville City Court (the Court) was established under the authority of Louisiana Revised Statutes 13;1871-2512. Its territorial jurisdiction extends throughout Wards 9, 10, and 11 of Rapides Parish in which the City of Pineville is located. The Court is composed of a City Judge (elected) and a clerk of court (appointed by the City Judge).

Funds flowing though the Court consist mainly of court costs and penalties in criminal cases, probation fees, and deposits in civil cases. In all criminal matters, the Judge assesses court costs in accordance with state statutes. The Judge uses these revenues to defray the operating expenses of the Court or for the payment of clerical fees and similar expenditures as approved by the Judge.

The financial statements of the Court have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and interpretations), constitutes GAAP for governmental units.

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. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable.

Some of the criteria considered under "legally separate organization" are: (1) the capacity for the organization to have its own name; (2) the right for the organization to sue and be sued in its own name without recourse to the primary government; and (3) the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to be considered "financially accountable" include: (1) appointment of a voting majority to impose its will on the organization; (2) potential to provide specific financial benefits to or improve specific financial burdens on the primary government; and (3) fiscal dependence of the organization.

The Pineville City Court is a potential component unit of the City of Pineville, Louisiana. However, the Court is a separate reportable entity from the City of Pineville because it is an autonomous unit and is a separate political division of the Judicial Division of the State of Louisiana. The City Judge, an elected official, has the ability to exercise accountability for fiscal matters. The Court is financially independent from the City of Pineville, Louisiana.

Governmental Funds

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

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.

Fiduciary Funds

Custodial funds - Custodial funds are used to account for assets held by Pineville City Court as an agent for other governmental departments, other organizations, and other funds. The Pineville City Court implemented GASB 84 - Fiduciary Activities for the 2020 fiscal year.

Civil Fees 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.

Court Costs and Fines Fund - Court costs and fines are fees of the Court. The Court collects these fees in order to distribute the funds to other government agencies.

Criminal Bonds Fund -The 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 Pineville City Court. At that time, the bonds for persons convicted of violations are distributed to various agenies.

Appeals Bonds Fund - This fund is used to account for cash bonds posted by defendants that have appealed the outcome of their case.

B. BASIS OF PRESENTATION

The Court of court's basic financial statements include government-wide financial statements which include a Statement of Net Position and a Statement of Activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole, excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities from business-type activities.

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.

Fund Financial Statements

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

C. FUND FINANCIAL STATEMENTS

The Court uses the funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds

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

General Fund

The General Fund, as provided by state law, is the principal fund of the Court and accounts for the operations for the Court's office. The various fees and charges due to the Court's office are accounted for in this fund. General operating expenditures are paid from this fund.

Building Fund

The Judicial Building Fund accounts for court fees assessed under Revised Statute 13:1910. All monies collected under this statute are dedicated exclusively to the acquisition, leasing, construction, equipping, and maintenance of new and existing city courts and for the maintenance and payment of any bond indebtedness on any such existing facilities. Management plans to use these fees for acquisition of equipment and building renovations and improvements.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, and focuses on net position and changes in net position. These custodial funds are used to account for assets held by Pineville City Court as an agent for other governmental departments, other organizations, and other funds.

D. BASIC 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 staten lents 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). "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 Court has three fiduciary funds, all of which are agency funds and are purely custodial and thus do not involve measurement of results of operations.

Fund Balances - Fund Financial Statements

Pineville City Court 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 balances are the residual classifications and include all amounts that are not restricted or constrained in any other classification of fund balance.

E. CASH AND CASH EQUIVALENTS

Under state law, the Court should deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Cash consisted of amounts in demand deposit accounts.

In the governmental fund and agency funds, cash and cash equivalents include amounts in all demand deposits, interest bearing demand deposits, and time deposits with original maturities of three months or less from the date of acquisition.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from/to other funds in the fund financial statements. These interfund receivables/payables are eliminated for reporting in the statement of net position.

G. CAPITAL ASSETS

In the Government-Wide Financial Statements, capital assets are capitalized and depreciated on a straight-line method over their estimated useful lives. The Court has adopted a capitalization threshold of \$1,000 for reporting purposes. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, if any, are valued at their estimated fair market value on the date received. Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives or improve their efficiency or capacity are capitalized, whereas expenditures for repairs and maintenance are expensed.

All capital assets are depreciated using the straight-line method over the following useful lives:

	Estimated
<u>Description</u>	Lives
Leasehold improvements	39 years
Records storage building	15 years
Furniture & equipment	7-10 years
Office equipment	3-7 years

In the Fund Financial Statements, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. No provision is made for depreciation on capital assets in the Fund Financial Statements since the full cost is recorded as expenditures at the time of purchase.

H. INTERFUND TRANSACTIONS

In the government funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

I. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting In the government funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

2. CASH

At December 31, 2024, the Court has cash and cash equivalents (book balances) totaling \$969,296 as follows:

	Activities Fund	Agency Funds
Demand deposits including interest-bearing deposits	\$238,789	\$730,507
Total	\$238,789	\$730,507

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the court that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Court's name.

These deposits are secured as follows:

Bank balances	\$972,037
Federal deposit insurance	\$972,037
Pledged securities (uncollateralized)	0
Total	\$972,037

3. CHANGES IN CAPITAL ASSETS

A summary of property and equipment and accumulated depreciation at December 31, 2024 follows:

	Beginning Balance	_Increases_	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land				\$0
Other				0_
Total capital assets not being depreciated	0_	0	0	0
Capital assets being depreciated:				
Furniture & equipment	\$344,652	\$11,929		356,581
Leasehold improvements	44,300			44,300
Total capital assets being depreciated	388,952	11,929	0_	400,881
Less:				
Accumulated depreciation	329,056	11,451		340,507
Total capital assets being depreciated, net	\$59,896	\$478	\$0	\$60,374

4. COMPENSATED ABSENCES

The Pineville City Court's obligation for employees' rights to receive compensation for future absences (such as vacation) was not material as of December 31, 2024, and thus, is not recognized in the accompanying financial statements.

5. ECONOMIC DEPENDENCY

All revenues of the Pineville City Court 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.

6. PENSION PLAN

The retirement contributions were filed and paid by the Pineville City Court to the Louisiana State Employees' Retirement System (LASERS), a cost sharing multiple-employer, public employee retirement system, controlled and administered by a separate board of trustees. All state employees, except certain classes excluded by statute, become members of LASERS as a condition of employment unless they elect to continue as a contributing member in any other retirement system for which they are eligible for membership. Elected officials and officials appointed by the Governor may, at their option, become members of LASERS.

LASERS provides retirement, death, and disability benefits to Plan members and beneficiaries. Benefits are established by state statute. The Louisiana State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, by calling (800) 256-3000, or by visiting www.laseronline.org.

Covered employees are required by state statute to contribute 13.0% of their salary to the Plan. The Court contributes an actuarially determined rate, which was set at 44.7% of the member's annual salary through June 30, 2024 and 38.31% from July 1, 2024 through December 31, 2024. Contributions to LASERS for the 2024 were \$40,621.

General Information about the Plan

All state employees, except those specifically excluded by statute, become members of the System's Defined Benefit Plan (DBP) as a condition of employment, unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials, including the Judge of the Pineville City Court, and officials appointed by the Governor may, at their option, become members of LASERS. Members of the Plan who were hired prior to July 1, 2006 may retire and receive benefits in accordance with the following:

- o Any age with 30 or more years of creditable service
- o Age 55 with a minimum of 25 years creditable service
- o Age 60 with a minimum of 10 years creditable service

Members of the Plan who were hired between July 1, 2006 and June 30, 2015 may retire and receive benefits in accordance with the following:

o Age 60 with a minimum of 5 years creditable service

Members of the Plan who were hired on or after July 1, 2015 may retire and receive benefits in accordance with the following:

o Age 62 with a minimum of 5 years creditable service

The basic annual retirement benefit is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Average compensation is the member's average annual compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For men1bers hired after July 1, 2006, average compensation is based on the average annual compensation for the highest 60 consecutive months of service. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity.

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the defined 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 fond. Interest is earned when the member has completed DROP participation, based on the actual rate of return on the investments identified as DROP fonds for the period. No cost-of-living increases are payable to participants until employment has been terminated for at least one full year.

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

As of December 31, 2024, the Court reported a total of \$246,950 for its proportionate share of the net pension liability of the Plan. The net pension liability was 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 Court's proportionate share of the net pension liability was based on a projection of the Court's long-term contributions to the Plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Court's proportionate share of the Plan was 0.00454%.

The Court recognized pension expense in the statement of activities in the amount of \$27,545 for the year ended December 31, 2024.

The Court reported deferred outflows of resources and deferred inflows of resources related to the pension plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion		
Changes in proportionate contributions		
Differences between expected and actual experience		\$1,092
Changes in assumptions	\$1,726	
Net difference between projected and actual earnings on		
pension plan investments		29,444
Court contributions subsequent to the measurement date		
Total	\$1,726	\$30,536

The deferred outflows of resources related to pensions resulting from Court contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024 in the amount of \$40,621. 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 ending December 31	
2025	(\$17,706)
2026	7,607
2027	(11,348)
2028	(7,363)
Actuarial Assumptions	
Inflation	2.30%
Salary increases	2.60% to 5.10%

Investment rate of return

7.60%

Actuarial Cost Method

Entry age normal

Expected remaining service lives

2 years

Mortality rates for LASERS were based on the RP-2014 Blue Collar and White Collar Healthy Annuitant Tables for non-disabled members and the RP-2000 Disabled Retiree Mortality Tables for disabled annuitants. Rate assumptions for termination, disability, and retirement were based on experience studies performed on plan data based on a five-year (2014-2018) experience study of the System's members for 2021.

The investment rates of return were determined based on expected cash flows which assume that contributions from Plan members will be made at current contribution rates and that contributions from the Court will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the investment rate of return on Plan's investments was applied as the discount rate to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Court's proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the Court'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:

	Current	
1% Decrease	Discount Rate	1% Increase
\$341,031	\$246,950	\$167,002

Pension plan fiduciary net position:

Detailed information about the Plan's fiduciary net position is available in the separate issued LASERS 2021 Comprehensive Annual Financial Report at www.lasersonline.org.

7. RISK MANAGEMENT

The Court is exposed to various risks of loss related to torts; damage to, theft of or destruction of assets, errors and omissions, injuries to employees and the public; and natural disasters. The City of Pineville carries commercial insurance including workers' compensation and employee health and accident insurance. In addition, the Court carries fidelity bonds on the clerks. No claims from these risks have exceeded commercial insurance coverage in any of the past three years.

8. PRIOR PERIOD ADJUSTMENT

The custodial funds were adjusted by \$9,572 for an underreported deposit.

9. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 13, 2025. This date represents the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Pineville City Court Schedule of Employer's Share of Net Pension Liability December 31, 2024

Fiscal Year*	Employer proportion of the net pension liability (asset)	Employer proportionate share of the net pension liability (asset)	Employer's covered employee payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana State E	mployees' Retire	ment System			
2016	0.00352%	\$276,331	\$68,853	401%	62.7%
2017	0.00408%	\$287,114	\$81,887	351%	62.5%
2018	0.00490%	\$306,351	\$82,872	370%	64.3%
2019	0.00450%	\$325,949	\$83,831	389%	64.3%
2020	0.00428%	\$354,233	\$83,122	426%	58.0%
2021	0.00461%	\$253,623	\$87,623	289%	72.8%
2022	0.00484%	\$366,194	\$90,639	404%	63.7%
2023	0.00473%	\$316,537	\$95,652	331%	68.4%
2024	0.00454%	\$246,950	\$97,897	252%	74.6%

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

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

Pineville City Court Schedule of Employer Contributions December 31, 2024

Fiscal Year*	Statutorily required contribution	Contributions in relations to statutorily required contribution	Contribution deficiency (Excess)	Employer's covered employee payroll	Contributions as a percentage of covered employee payroll
Louisiana S	tate Employees' Ret	irement System			
2016	\$26,216	\$26,216	\$0	\$68,853	38.1%
2017	\$31,256	\$31,256	\$0	\$81,887	38.2%
2018	\$32,569	\$32,569	\$0	\$82,872	39.3%
2019	\$33,971	\$33,971	\$0	\$83,831	40.5%
2020	\$35,577	\$35,577	\$0	\$83,122	42.8%
2021	\$37,940	\$37,940	\$0	\$87,623	43.3%
2022	\$39,348	\$39,348	\$0	\$90,639	43.4%
2023	\$42,336	\$42,336	\$0	\$95,652	44.3%
2024	\$40,621	\$40,621	\$0	\$97,897	41.5%

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

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

Notes to Required Supplementary Information

Changes of Benefit Terms

There were no changes of benefit terms for the year ended June 30, 2024.

Changes of Assumptions

There were no changes of assumptions for the year ended June 30, 2024.

Pineville City Court Budgetary Comparison Schedule - General Fund For the Year Ended December 31, 2024

Tof the Teal Effect December 31, 2024					
	Budgeted Amounts		Actual (Budgetary	Favorable (Unfavorable)	
	Original	Final	Basis)	Variance	
REVENUES					
Court costs	\$272,000	\$272,000	\$270,402	(\$1,598)	
Other revenues			4,427	4,427	
Total Revenues	272,000	272,000	274,829	2,829	
EXPENDITURES					
Supplemental salaries	180,000	180,000	197,322	(17,322)	
Payroll taxes	0	0	8,841	(8,841)	
Lunch meetings	1,000	1,000	0	1,000	
Office supplies	2,000	2,000	3,235	(1,235)	
Repairs and maintenance	2,000	2,000	0	2,000	
Professional fees	30,000	30,000	13,136	16,864	
Postage	3,500	3,500	3,427	73	
Dues, subscriptions, and books	0	0	990	(990)	
Document shredding	0	0	0	0	
Seminars	1,000	1,000	825	175	
Per diem	1,000	1,000	918	82	
LASERS retirement	43,000	43,000	40,621	2,379	
MERS retirement	7,000	7,000	7,698	(698)	
Salary reimbursement	0	0	0	0	
Travel and lodging	2,500	2,500	0	2,500	
Judge's benefit	0	0	0	0	
Mileage	2,000	2,000	767	1,233	
Miscellaneous	1,000	1,000	290	710	
Capital expenditures	0	0	0	0	
Total Expenditures	276,000	276,000	278,070	(2,070)	
Excess (Deficiency) of Revenues					
over (under) Expenditures	(4,000)	(4,000)	(3,241)	759	
` · · ·	```				
OTHER FINANCING SOURCES (USES)	•	•	•	^	
Other financing sources (uses)	0	0	0	0	
Operating transfers in (out)	0_		0	0	
Total Other Financing Sources (Uses)	0	0	0	0	
Net Change in Fund Balances	(4,000)	(4,000)	(3,241)	759	
Fund Balance (Deficit) at Beginning of Year	199,551	199,551	202,500	2,949	
Prior year adjustment	0	0	0	0	
Fund Balance (Deficit) at End of Year	\$195,551	\$195,551	\$199,259	\$3,708	

See accompanying note to budgetary comparison schedule.

Pineville City Court Budgetary Comparison Schedule - Special Revenue Funds For the Year Ended December 31, 2024

,	Budgeted	Amounts	Actual (Budgetary	Favorable (Unfavorable)
	Original	Final	Basis)	Variance
REVENUES				
Court costs	\$34,000	\$34,000	\$44,703	\$10,703
Other revenues	0_	<u> </u>	121	121
Total Revenues	34,000	34,000	44,824	10,824
EXPENDITURES				
Office supplies	9,000	9,000	13,137	(4,137)
Computer expenses	2,000	2,000	599	1,401
Repairs and maintenance	5,000	5,000	2,060	2,940
Professional fees	0	0	11,964	(11,964)
Security	500	500	300	200
Cleaning services	11,000	11,000	12,266	(1,266)
Travel and lodging	0	0	2,273	(2,273)
Miscellaneous	700	700	705	(5)
Capital expenditures	0	0	11,929	(11,929)
Total Expenditures	28,200_	28,200_	55,233	(27,033)
Excess (Deficiency) of Revenues				
over (under) Expenditures	5,800	5,800	(10,409)	(16,209)
OTHER FINANCING SOURCES (USES)				
Other financing sources (uses)	0	0	0	0
Operating transfers in (out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	5,800	5,800	(10,409)	(16,209)
Fund Balance (Deficit) at Beginning of Year	62,114	62,114	62,109	(5)
Prior year adjustment	0	0	0_	0
Fund Balance (Deficit) at End of Year	\$67,914	\$67,914	\$51,700	(\$16,214)

See accompanying note to budgetary comparison schedule.

Pineville City Court
Schedule of Compensation, Benefits and Other Payments
to Agency Head
For the Year Ended December 31, 2024

Agency Head Name:

Gary Hays, Pineville City Judge

Salary - City of Pineville	\$20,933
Salary - Pineville City Court	97,896
Salary - Supreme Court	55,219
Benefits - insurance - Supreme Court	15,724
Benefits - retirement - Pineville City Court	42,336
Benefits - retirement - Supreme Court	24,987
Travel mileage reimbursements	767
Per diem	918_
Total	\$258,780

Pineville City Court

Justice System Funding Schedule - Collecting/Disbursing Schedule

Cash Basis Presentation
As Required by La. R.S. 24:515.2

As Required by La. R.S. 24:515.2		
	Amount for 01/01/2024 - 06/30/2024	Amount for 07/01/2024 - 12/31/2024
1. Beginning Cash Balance	667,130	654,406
2. Collections		
a. Civil Fees	93,457	90,594
b, Bond Fees		-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	*
f. Criminal Court Costs/Fees	269,843	255,277
g. Criminal Fines – Contempt	-	-
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	_	-
k. Service Fees	+	-
I. Collection Fees	-	-
m. Interest Earnings on Collected Balances		
n, interest Earnings on Collected Balances n, Other	=	
A1920/1920/1920/1920/1920/1920/1920/1920/	262 200	345,871
Total Collected	363,300	545,8/1
3. Deductions: Collections Retained by the Pineville 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	32,973	28,248
b. Bond Fees		-
c. Cash Bonds		
d. Asset Forfeiture/Sale		*
1,04,1,04,1,04,1,04,1,04,1,04,1,04,1,04		
e. Pre-Trial Diversion Program Fees		73,161
f. Criminal Court Costs/Fees	84,373	/3,101
g. Criminal Fines – Contempt		-
h. Criminal Fines – Other/Non-Contempt		-
i. Restitution		-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
I. Collection Fees [excluding amounts reported in bullets and II above]	-	*
m. Interest Earnings on Collected Balances	-	-
n. Other	-	_
Total Collections Retained by the Pineville City Court	117,346	101,409
4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits		
		The same
a. Collection/Processing Fees Paid to Third Party Entities	13,229	10,105
b. Civil Fee Refunds	13,229	10,105
c. Bond Refunds	-	-
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit		
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	5,788	6,969
Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits	19,017	17,074
5. Deductions: Total Disbursements to Other Governments & Nonprofits	239,661	170,419
6. Total Amounts Disbursed/Retained	376,024	288,902
		744 276
7. Ending Cash Balance	654,406	711,376
8. Ending Balance of "Partial Payments" Collected but not Disbursed	*** <u>**********************************</u>	en e
or straing values of 1 artial rayments concessed pas not planuaged		
9. Other Information:		
		•

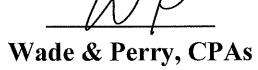
I. Ending Balance of Amounts Assessed but Not Yet Collected	**	-
[i.e. total ending receivable balances]		
II. Total Waivers During the Fiscal Period	-	-
[i.e. non-cash reduction of receivable balances, such as time served or community service]		

Pineville City Court

Justice System Funding Schedule - Disbursements to Other Governments & Nonprofits Form

Cash Basis Presentation As Required by La. R.S. 24:515.2

	ents & Nonprofits (Do not include amounts retained by your entity in this table.) Disbursement Description			Amount for	Amount for
	. , . , . ,	[Fund, Program, etc.] Legal Authority to		01/01/2024 -	07/01/2024 -
Agency Receiving Money	(Optional)	Disburse Money	Disbursement Type	06/30/2024	12/31/2024
	§10.3. Judges' Supplemental		"		
	Compensation Fund; creation; sources of				
Department of the Treasury	funds	R.S. 13:10.3	a. Civil Fees	9,499	9,21:
Grant Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	335	45
East Baton Rouge Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	979	1,41
Rapides Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	641	14
Avoyelles Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	51	4
Evangeline Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	69	-
Lafayette Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	64	3
Vernon Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	
Allen Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	2
LaSalle Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	30	
Orleans Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	60	_
Iberville Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	-	
Jefferson Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Cîvil Fees	-	6
Caddo Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Cívil Fees	44	
Natchitoches Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees	89	-
Concordia Parish Sheriff	§5530. Fees in civil matters	R.S. 13:5530	a. Civil Fees		5
	Art. 895.4. Probation; fees; certified				
Crime Stoppers of CENLA Inc	crime stoppers organizations	CCRP 895.4	f. Criminal Court Costs/Fees	2,098	1,41
LA Commission on Law Enforcement and					
Administration of Criminal Justice		R.S. 46:1816(E)	f. Criminal Court Costs/Fees	3,349	1,78
	§1908. Rapides Parish; criminal matters;				
Children's Advocacy Network	additional costs for CASA programs	R.S. 13:1908	f. Criminal Court Costs/Fees	5,249	3,54
	§86. Judicial College; education account;				
Supreme Court	sources of funds	R.S. 13:86	f. Criminal Court Costs/Fees	820	55
Pineville City Marshal		R.S. 13:1899	f. Criminal Court Costs/Fees	32,135	22,17
Alexandria City Marshal	§5807. Fees and costs	R.S. 13:5807	a. Civil Fees	406	60
	§86. Judicial College; education account;				
Supreme Court	sources of funds	R.S. 13:86	a. Civil Fees	162	! 15
Pineville City Marshal	§5807. Fees and costs	R.S. 13:5807	a. Civil Fees	20,842	18,94
City of Pineville		R.S. 15:571.11	f. Criminal Court Costs/Fees	80,834	51,22
Criminalistics Laboratory North Louisiana		R.S. 40:2266.1.1	f. Criminal Court Costs/Fees	29,659	22,83
Rapides Parish Sheriff		R.S. 13:5535	f. Criminal Court Costs/Fees	174	12
Department of Justice	§5530. Fees in civil matters	R.S. 13:5530	k. Service Fees	156	***
	§2633. Traumatic Head and Spinal Cord				
Louisiana Department of Health	Injury Trust Fund	R.S. 46:2633	f. Criminal Court Costs/Fees	2,097	1,74
9th Judicial District Public Defender		R.S. 15:168	f. Criminal Court Costs/Fees	48,874	
	§1911. Legal assistance program;			10,07	32,00
Acadiana Légal Service Corporation	additional filing fee in civil matters	R.S. 13:1911	a. Civil Fees	948	88



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

Independent Auditor's Report

To the Honorable Judge Gary Hays Pineville City Court Pineville, Louisiana

We were engaged to 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pineville City Court ("Court") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements, and have issued our report thereon dated June 13, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of current and prior year findings, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the findings described in the accompanying schedule of current year findings and questioned costs as items 2024-01, 2024-02, and 2024-03 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as item 2024-04.

Court's Response to Findings

Court's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This report is intended solely for the information of management and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Ruston, Louisiana

June 13, 2025

Pineville City Court Schedule of Findings and Quesitoned Costs For the Year Ended December 31, 2024

A. Summary of Audit Results

- 1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Pineville City Court.
- 2. Three material weaknesses disclosed during the audit of the basic financial statements are reported in the 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*.
- 3. One instance of noncompliance material to the financial statements of the Pineville City Court was disclosed during the audit.

B. Financial Statements Findings

2024-01. Lack of segregation of duties

Condition: Pineville City Court does not have adequate segregation of duties within the administrative office. This is a repeat finding.

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

Cause: There is a small number of personnel employed by the Court.

Effect: Lack of oversight that could lead to improperly recorded transactions.

Recommendation: The Court should monitor the assignment of duties to insure as much segregation of duties as possible.

2024-02. General accounting is inadequate

Condition: Pineville City Court 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 the financial statements in accordance with GAAP without any outside assistance.

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

Effect: The Court needed assistance in preparing the annual financial statements.

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

2024-03. Bank account not reconciled timely

Condition: The Court did not have bank reconciliations completed for the Costs and Fines Fiduciary Fund.

Criteria: Bank accounts should be reconciled in a timely manner.

Cause: The Court was not in compliance with procedures.

Effect: Failure to reconcile cash accounts can result in undetected misappropriation of assets, cash overdrafts, and misstatements in the financial statements.

Recommendation: All bank accounts should be reconciled on a timely basis.

2024-04. Budget violation

Condition: For the year ended December 31, 2024, the Building fund actual expenditures exceeded budgeted expenditures by more than 5%.

Criteria: According to LRS 39:1310, failing to amend the budget when necessary is a violation of the local government budget act.

Cause: The budget was not amended for additional expenditures.

Effect: Noncompliance with local budget law

Recommendation: The Court should monitor budget and actual figures and amend as necessary before the year ends.

Pineville City Court Summary of Prior Year Findings For the Year Ended December 31, 2024

2023-01. Lack of segregation of duties

Status: Unresolved - see 2024-01

2023-02. The Court does not have a person on staff who has the qualifications and training to apply GAAP in

recording financial transactions or preparing the financial statements.

Status: Unresolved - see 2024-02

2023-03. Bank accounts not reconciled on a timely basis.

Status: Unresolved - see 2024-03

2023-04. Budget violation

Status: Unresolved - see 2024-04

Pineville City Court Pineville, LA 71001

CORRECTIVE ACTION PLAN For the Year Ended December 31, 2024

The Pineville City Court hereby submits the following corrective action plan as referenced in the Findings and Questioned Costs:

- 2024-01. 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.
- 2024-02. 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.
- 2024-03. The Court will ensure that all bank accounts are reconciled in a timely manner in accordance with Court policies.
- 2024-04. The Court agrees with the recommendations and intends to implement them immediately.

Wade & Perry, CPAs

A Professional Accounting Corporation Members: AICPA/ Society of LCPA's

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED DECEMBER 31, 2024

To the Governing Board of Pineville City Court (Entity) and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 January 1, 2024 through December 31, 2024. 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 associated findings are as follows:

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:¹
 - 1. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - 2. **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.

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

- 3. **Disbursements**, including processing, reviewing, and approving.
- 4. **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).
- 5. **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.
- 6. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- 7. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- 8. **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).
- 9. **Ethics**², 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.
- 10. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 11. 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

² The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

- (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- 12. **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.

Written policies and procedures were provided and address the functions listed above except for the following instances. The purchasing policy does not address the preparation and approval process of purchase requisitions and purchase orders.

2. Board or Finance Committee³

- 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
 - 1. 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.

No exceptions

2. 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 funds⁴, 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 funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.

³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

⁴Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act. ⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

3. 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.

No exceptions

4. 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.⁶

No exceptions

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 accounts⁷ (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:
 - 1) 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);

No exceptions

2) 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

No exceptions

3) 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.

⁶ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings. ⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

No documentation showing reconciling items have been researched.

4. Collections (excluding electronic funds transfers)8

A. Obtain a listing of deposit sites⁹ 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 locations¹⁰ 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
 - 1) Employees responsible for cash collections do not share cash drawers/registers;
 - Employees do share cash drawers.
 - 2) 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., prenumbered receipts) to the deposit;
 - No exceptions
 - 3) 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
 - No exceptions
 - 4) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or

⁸ The Collections category is not required to be performed if the entity has a third-party contractor performing all collection functions (e.g., receiving collections, preparing deposits, and making deposits).

⁹ A deposit site is a physical location where a deposit is prepared and reconciled.

¹⁰ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office. For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited.

custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions

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.

No exceptions

- 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
 - 1) Observe that receipts are sequentially pre-numbered.¹¹ Sequentially pre-numbered receipts are not used.
 - 2) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions

- Trace the deposit slip total to the actual deposit per the bank statement.
 No exceptions
- 4) Observe that the deposit was made within one business day of receipt¹² 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).

2 of the 8 deposits were not made timely

Trace the actual deposit per the bank statement to the general ledger.
No exceptions

¹¹ The practitioner is not required to test for completeness of revenues relative to classroom collections by teachers.

¹² As required by Louisiana Revised Statute 39:1212.

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).

No exceptions

- 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
 - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 No exceptions.
 - 2) At least two employees are involved in processing and approving payments to vendors;

No exceptions.

3) 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;

No exceptions

4) 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

No exceptions

5) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT)¹³, wire transfer, or some other electronic means.

No exceptions

[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.]

¹³ Electronic disbursements do not include transfers from one bank account to another within the agency (i.e. operating account to payroll account).

- 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
 - 1) 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

No exceptions

2) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

No exceptions.

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

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 cards¹⁴. Obtain management's representation that the listing is complete.

No exceptions

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

¹⁴ Including cards used by school staff for either school operations or school activity fund operations.

1) 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

No exceptions

2) Observe that finance charges and late fees were not assessed on the selected statements.

2 of 2 cards tested incurred a finance charge.

- 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)¹⁵. 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.
 - (1) No exceptions
 - (2) No exceptions
 - (3) No exceptions

7. Travel and Travel-Related Expense Reimbursements¹⁶ (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

¹⁵ For example, if 3 of the 5 cards selected were fuel cards, transactions would only be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #6B were fuel cards, procedure #6C would not be applicable.

¹⁶ Non-travel reimbursements are not required to be inspected under this category.

expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

No exceptions

1) 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.qsa.gov);

No exceptions

2) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

No exceptions

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

No exceptions

4) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions

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
 - Observe whether the contract was bid in accordance with the Louisiana Public Bid Law¹⁷ (e.g., solicited quotes or bids, advertised), if required by law;

¹⁷ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" (R.S. 38:2211 *et seq*) with "Louisiana Procurement Code."

 Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

No exceptions

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

No exceptions

4) 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

9. Payroll and Personnel

A. Obtain a listing of employees and officials¹⁸ 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.

No exceptions

- 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
 - 1) Observe that all selected employees or officials¹⁹ documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - 3) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - 4) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

¹⁸ "Officials" would include those elected, as well as board members who are appointed.

¹⁹ Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.

- 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.
 - No exceptions
- 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

10. Ethics²⁰

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - 1) 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
 - 0 of the 5 employees could demonstrate completion of the ethics training.
 - 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.
 - No exceptions. There were no changes to the ethics policy.
 - 3) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
 - The entity has not appointed an ethics designee.

²⁰ The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the procedures should be performed.

11. Debt Service²¹

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.

No exceptions

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).

No exceptions

12. Fraud Notice²²

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.

No exceptions

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.

²¹ This AUP category is generally not applicable to nonprofit entities. However, if applicable, the procedures should be performed.

²² Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs. The notice is available for download at www.lla.la.gov/hotline

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.

We performed the procedure and discussed the results with management.

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.

We performed the procedure and discussed the results with management.

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.

We performed the procedure and discussed the results with management.

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.

We performed the procedure and discussed the results with management.

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. 42:1267²³. The requirements are as follows:

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²³ While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.

- 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 procedure and discussed the results with management.

14. Prevention of Sexual Harassment²⁴

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.

No exceptions

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).

The entity has not posted its sexual harassment policy and complaint procedure on its website or premises.

- 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:
 - 1) Number and percentage of public servants in the agency who have completed the training requirements;

0;0%

2) Number of sexual harassment complaints received by the agency;

Ω

3) Number of complaints which resulted in a finding that sexual harassment occurred;

0

4) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

²⁴ While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.

0

5) Amount of time it took to resolve each complaint.

0

We were engaged by Pineville City Court 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 Pineville City Court 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.

Wade & Perry Ruston, LA

June 13, 2025

Pineville City Court 904 Main Street Pineville, LA 71303

June 13, 2025

Wade & Perry, CPAs Ruston, LA

The following is Management's Response to the 2024 AUP report submitted for Pineville City Court.

Written policies and procedures

A. 2) The Court does not use purchase requisitions and purchase orders but will consider checks and balances for all parts of the purchasing operations.

Bank reconciliations

A. 3) Management will research and document reconciling items that have been outstanding for more than 12 months.

Collections

- B. 1) Management will work toward implementing checks and balances for this procedure.
- D. 4) Management will work toward making timely deposits.

Credit cards

B. 2) Management will work toward making timely payments to not incur finance charges and late fees.

Ethics

- A. 1) Management will work toward maintaining documentation of all employees' ethics training.
 - 2) Management will work toward appointing a designee.

Sexual Harassment

- B. Management will work toward posting the sexual harassment policy on the premises.
- C. 1) Management will work toward maintaining documentation of all employees' sexual harassment training.