

FINANCIAL STATEMENTS
OF THE
CITY COURT AND CITY MARSHAL
OF JENNINGS, LOUISIANA
(A Component Unit of the City of Jennings, Louisiana)
AS OF JUNE 30, 2011

RICHARD BULLER CPA SERVICES LLC
345 E. Academy Avenue
Jennings, Louisiana 70546

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 22 2012**

**CITY COURT AND CITY MARSHAL
OF JENNINGS, LOUISIANA**

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INDEPENDENT AUDITORS' REPORT

Honorable Judge Daniel Stretcher
Honorable Marshal Clarence Cormier Jr.
City Court and Marshal of Jennings
Jennings, Louisiana

Gentlemen:

We have audited the financial statements of the governmental activities of the City Court and City Marshal of Jennings, Louisiana as of and for the year ended June 30, 2011, which collectively comprise the City Court and City Marshal of Jennings, Louisiana's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City Court and City Marshal of Jennings Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City Court and City Marshal of Jennings, Louisiana, as of June 30, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated January 26, 2012, on our consideration of the City Court and City Marshal of Jennings, Louisiana's internal control over financial reporting and our test on its compliance with certain provisions of laws, contracts, and grants. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on pages 19-22 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express an opinion on it.

The City Court and City Marshal has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.


Richard Buller CPA Services LLC

January 26, 2012

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

		<u>Governmental Activities</u>
ASSETS		
Cash and cash equivalents	\$	196,955
Interfund receivables		1,978
Property, plant and equipment, net		<u>15,384</u>
TOTAL ASSETS		<u><u>214,317</u></u>
LIABILITIES		
Accounts payable		7,913
Interfund payables		<u>1,031</u>
Total Liabilities		<u>8,944</u>
NET ASSETS		
Investment in capital assets, net of related debt		15,384
Unrestricted net assets		<u>189,989</u>
Total Net Assets	\$	<u><u>205,373</u></u>

The accompanying notes are an integral part of the financial statements

CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

		<u>Total Governmental Activities</u>
EXPENSES		
Personal services and related benefits	\$	62,939
Operating services		38,895
Materials and supplies		27,161
Intergovernmental:		
Jeff Davis Parish Sheriff-Fuel		1,047
		<u>130,042</u>
Total Expenditures		130,042
REVENUES		
Charges for services, fines, and forfeitures		<u>141,285</u>
Change in net assets		11,243
Net Assets, Beginning of Year		<u>194,130</u>
Net Assets, End of Year	\$	<u><u>205,373</u></u>

The accompanying notes are an integral part of the financial statements

FUND FINANCIAL STATEMENTS (FFS)

**CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
BALANCE SHEET-GOVERNMENTAL FUNDS
AS OF JUNE 30, 2011**

	<u>City Court Criminal Fund</u>	<u>City Court Civil Fund</u>	<u>Marshal's Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash Equivalents	\$ 94,978	\$ 6,538	\$ 95,439	\$ 196,955
Interfund receivables	230		1,428	1,658
Due From Other Governments			320	320
TOTAL ASSETS	<u>95,208</u>	<u>6,538</u>	<u>97,187</u>	<u>198,933</u>
LIABILITIES AND FUND BALANCE				
Liabilities.				
Accounts payable	3,666	3,689	558	7,913
Interfund payables	9	1,022		1,031
Total Liabilities	<u>3,675</u>	<u>4,711</u>	<u>558</u>	<u>8,944</u>
Fund Balance.				
Unreserved-undesignated	<u>91,533</u>	<u>1,827</u>	<u>96,629</u>	<u>189,989</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 95,208</u>	<u>\$ 6,538</u>	<u>\$ 97,187</u>	<u>\$ 198,933</u>

The accompanying notes are an integral part of the financial statements

**CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011**

Total fund balance for governmental funds at June 30, 2011	\$	189,989
<p>Total net assets reported for governmental activities in the statement of net assets is different because.</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of</p>		
Cost of furniture and fixtures	\$	725
Accumulated depreciation furniture and fixtures		(725)
Cost of machinery and equipment		16,839
Accumulated depreciation machinery and equipment		(16,025)
Cost of transportation equipment		18,599
Accumulated depreciation transportation equipment		(4,029)
		15,384
Net assets at June 30, 2011	\$	205,373

The accompanying notes are an integral part of the financial statements

CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>City Court Criminal Fund</u>	<u>City Court Civil Fund</u>	<u>Marshal's Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Fees, charges, and commissions for services:				
Court costs, fees, and fines	\$ <u>52,320</u>	\$ <u>45,265</u>	\$ <u>43,700</u>	\$ <u>141,285</u>
Total Revenue	<u><u>52,320</u></u>	<u><u>45,265</u></u>	<u><u>43,700</u></u>	<u><u>141,285</u></u>
EXPENDITURES				
Current				
Personal services and related benefits	10,516	45,212	7,211	62,939
Operating services	17,130		17,330	34,460
Materials and supplies	23,521		3,640	27,161
Intergovernmental:				
Jeff Davis Parish Sherfff-Fuel			<u>1,047</u>	<u>1,047</u>
Total Expenditures	<u><u>51,167</u></u>	<u><u>45,212</u></u>	<u><u>29,228</u></u>	<u><u>125,607</u></u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,153	53	14,472	15,678
FUND BALANCE AT BEGINNING OF PERIOD	<u>90,380</u>	<u>1,774</u>	<u>82,157</u>	<u>174,311</u>
FUND BALANCE AT END OF PERIOD	\$ <u><u>91,533</u></u>	\$ <u><u>1,827</u></u>	\$ <u><u>96,629</u></u>	\$ <u><u>189,989</u></u>

The accompanying notes are an integral part of the financial statements

**CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2011**

Total net changes in fund balance for the year ended June 30, 2011 per statement of revenues, expenditures, and changes in fund balance	\$	15,678
<p>Some expenses in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense</p>		
Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balances	\$	(0)
Depreciation expense for the year ended June 30, 2011		<u>(4,435)</u>
		<u>(4,435)</u>
Change in net assets at June 30, 2011	\$	<u><u>11,243</u></u>

The accompanying notes are an integral part of the financial statements

**CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
 FIDUCIARY FUNDS -- AGENCY FUNDS BALANCE SHEET
 AS OF JUNE 30, 2011**

	<u>Total Agency Funds</u>
ASSETS	
Cash and cash Equivalents	\$ 121,799
Interfund receivables – Criminal Oper., Civil Oper.	<u>801</u>
TOTAL ASSETS	<u><u>122,600</u></u>
 LIABILITIES	
Deposits Due To Others At Beginning Of Period	<u>112,818</u>
 Additions:	
Civil suits	87,603
Garnishments	174,257
Fines and court costs	221,499
Bonds	<u>6,640</u>
Total Additions	<u>489,999</u>
 Reductions	
Jennings City Court	46,734
City of Jennings	68,988
City Marshal	41,803
District Attorney	8,710
Indigent Defender Board	35,896
Other Agencies	17,801
Refunds	2,715
City Judge	54,157
Others	<u>204,841</u>
Total Reductions	<u>481,645</u>
Deposits Due To Others At End of Period	121,172
Due To Other Funds – Marshal’s Fund	<u>1,428</u>
TOTAL LIABILITIES	\$ <u><u>122,600</u></u>

The accompanying notes are an integral part of the financial statements

CITY COURT AND CITY MARSHAL
OF JENNINGS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS

A. Nature of Operation

The City Court was created under the authority of LSA-RS 13:1871 - 2512. The Court of Jennings, Louisiana, has one elected judge and one elected Marshal.

B. Reporting Entity

The city court judge and marshal are independently elected officials. However, the City Court is fiscally dependent on the City of Jennings for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the City Court is fiscally dependent on the city, the City Court was determined to be a component unit of the City of Jennings, the financial reporting entity.

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

C. Basis of Presentation

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

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the City Court and City Marshal as a whole. These statements include all the financial activities of the City Court and City Marshal. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

Fund Financial Statements (FFS)

The City Court and City Marshal use funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain City Court and City Marshal functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Various funds are classified into two categories governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a

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NOTES TO THE FINANCIAL STATEMENTS
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separate column. A fund is considered major if it is the primary operating fund of the City Court and City Marshal or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10% of the corresponding total for all governmental funds. The funds of the City Court and City Marshal are described below.

Governmental Funds

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

Criminal Court Fund – to account for the receipt of court costs derived from city charges and payment of court operating expenses necessary to support activities relevant to conducting criminal court cases.

Civil Court Fund – to account for the receipt of court costs derived from city charges and payment of court operating expenses necessary to support activities relevant to conducting civil court cases

Marshal Fund – to account for the receipt of fees derived from city charges and payment of operating expenses incurred by the marshal in the normal course of his duties.

Fiduciary Funds

Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the court are agency funds. The agency funds account for assets held by the court as an agent for litigants pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City Court and City Marshal maintain four agency funds as described below:

Criminal Agency Fund – to account for the collection and distribution of fines or fees, from adjudication or other means, originating from criminal court cases, tickets, misdemeanors, etc. These funds are distributed to other agencies, entities, and programs related to the criminal cases involved or as deemed by statute.

Civil Agency Fund – to account for the collection and distribution of fees and costs associated with civil case process. These funds are distributed to plaintiffs, defendants, and other agencies, entities and programs deemed appropriate by adjudication or statute.

Garnishment Agency Fund – to account for the collection and distribution of garnished wages to the rightful parties.

Bond Agency Fund – to account for the collection and distribution of bonds, deposited on behalf of defendants. These amounts are either refunded upon appearance at court, used to pay restitution and other fines/fees, or forfeited to the city marshal

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

CITY COURT AND CITY MARSHAL
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NOTES TO THE FINANCIAL STATEMENTS
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The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Measurable means that the amount of the transaction is collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City Court and City Marshal consider all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as a fund liability when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The governmental funds use the following practices in recording revenues and expenditures.

1. Revenues

Revenues such as court costs, fees, and fines are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City Court and City Marshal consider all revenues available when collected and are recognized as revenue at that time.

2. Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

E. Budget Practices

Formal budgetary accounting is not employed as part of the accounting system; however, an encumbrance ledger is used for budget comparisons for management control. An annual operating budget is adopted each year through the passage of an annual budget and amended as required for the City Court Criminal, Civil, and Marshal Funds and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Furthermore, the City Court and City Marshal of Jennings, Louisiana also employs procedures in establishing the budgetary data reflected in these general purpose financial statements as follows

1. A summary of the total proposed budget is published and the public notified that the proposed budget is available for public inspection. After publication and public hearing the budget is adopted.
2. All appropriations lapse at year-end.
3. The annual budget for the City Court Criminal, Civil, and Marshal Funds are prepared in accordance with the basis of accounting utilized by each fund

Budgeted amounts included in the accompanying general purpose financial statements include any amended budget amounts. The 2010-2011 budgets for the City Court Criminal and Civil Funds were adopted on June 13, 2010 and the budget for the City Court Marshal Fund was adopted on June 13, 2010 and is in compliance with Act 186 of 1984.

F Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, interest bearing demand deposits, and time deposits. Under state law, the City Court and City Marshal of Jennings, Louisiana may deposit funds within a fiscal agent bank organized under the laws of the United States, or under the laws of the State

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**NOTES TO THE FINANCIAL STATEMENTS
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of Louisiana, or any other state in the union. Further, the City and City Marshal may invest in time deposits or certificates of deposit of state banks organized under Louisiana Law and national banks having principle offices in Louisiana, or in obligations guaranteed by the federal government.

The City Court and City Marshal of Jennings, Louisiana had cash and cash equivalents totaling \$ 318,754 at June 30, 2011

Custodial Risk at June 30, 2011 was as follows:

Deposits insured by the FDIC or FSLIC	\$ 318,754
Deposits deposits which are uninsured and unregistered, with pledged securities held by counterparty, not in City Court City Marshal's name	-0-

G. Interfund Receivables/ Payables

During the course of operations, transactions occur between individual funds under various circumstances. Unpaid amounts remaining at financial statement preparation time are classified as interfund receivables / payables on the balance sheet. Short – term interfund loans, if applicable, are also classified as interfund receivables / payables.

H. Fixed Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Court and City Marshal maintains a threshold level of \$ 250 or more for capitalizing capital assets. Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation. All depreciable capital assets are depreciated using the straight-line method over the following useful lives:

Equipment and Furniture	5-10 years
Transportation Equipment	5 years

I. Fund Equity

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable, to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested” in capital assets, net of related debt.

**CITY COURT AND CITY MARSHAL
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**NOTES TO THE FINANCIAL STATEMENTS
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In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

J. Vacation and Sick Leave

The City Court's and City Marshal's policy is that sick leave and vacation leave does not accumulate or vest from year to year. Sick leave and vacation leave is available only during each employee's tenure, annually, and is not payable upon retirement or termination.

In the funds financial statements, vacation time that is expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the general fund. Amounts not expected to be liquidated with expendable available financial resources are not reported in the funds financial statements.

2. CHANGES IN ACCUMULATED DEPRECIATION AND CAPITAL ASSETS

Summary of changes:

	<u>Accumulated Depreciation</u>	<u>Assets</u>	<u>Net Assets</u>
Balance at June 30, 2010	\$ 16,344	\$ 36,163	\$ 19,819
Additions:			
2010-2011	4,435		(4,435)
Deductions:			
2010-2011			
Balance at June 30, 2011	<u>\$ 20,779</u>	<u>\$ 36,163</u>	<u>\$ 15,384</u>

3. COMPENSATED ABSENCES

The entire compensated absence liability is reported in the government wide financial statements when it exists. As of June 30, 2011, the amount of the liability for compensated absences is immaterial to the financial statements taken as a whole and is therefore not recorded.

4. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following individual funds had actual expenditures over budgeted appropriations for the year ended June 30, 2011:

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
City Court Civil	42,781	44,969	45,212	243

5. PENSION PLAN

Substantially all employees of the City Court and City Marshal are members of the Municipal Employees Retirement System of Louisiana, a (cost-sharing) multiple employer defined benefit pension plan administered by a separate board of trustees. The pension plan issues a stand-alone financial report, which is available to the public. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefits provisions. All employees of the City Court and City Marshal are members of Plan B.

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All permanent employees working at least 35 hours per week and who are paid wholly or in part from municipal funds are eligible to participate in the system. Under Plan B, employees may retire at or after age 60 with at least 10 years of credible service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final-average monthly salary in excess of \$ 100 for each year of credible service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60 with basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years creditable service. In any case, monthly retirement benefits under Plan B cannot exceed 100% of final average salary. Final average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. Under plan B members are required by state statute to contribute 9.25 % over their annual covered salary. The City Court and City Marshal are required to contribute the current employer rate of 5.75% of annual covered payroll. The City Court and City Marshal contributions to the System under Plan B for the years ending June 30, 2010, 2009, 2008, and 2007 were \$ 0, since no employee salaries were paid from City Court and City Marshal Funds.

The City Judge is a member of the Louisiana State Employees' Retirement System (LASERS), a cost sharing multiple employer defined benefits pension plan administered by a separate board of trustees. The system was established and provided for within Title 11, Subtitle II, Chapter 1, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11.441-501.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. Once the member reaches the appropriate age for retirement, benefits become payable at a rate of 2.5% of the average of the highest three consecutive years of compensation, multiplied by the number of years of creditable service.

The following provides other disclosures required by GASB 27:

	06/30/11
Required Contribution Rates:	
Employees	11.5%
Employer	19.1%
Current Year Covered Payroll	25,212

6. INTERFUND RECEIVABLES / PAYABLES

Interfund receivables and payables at June 30, 2011, are as follows:

	Due from Other Funds & Govts	Due to Other Funds
General Funds:		
Criminal Fund	\$ 230	\$ 9
Civil Fund		1,022
Marshal's Fund	1,748	
Agency Funds:		
Criminal Fund	9	1,428
Civil Fund	792	
Other Governments		
City of Jennings		320
Total	\$ 2,779	\$ 2,779

**CITY COURT AND CITY MARSHAL
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NOTES TO THE FINANCIAL STATEMENTS

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**7. EXPENDITURES OF THE CITY COURT AND CITY MARSHAL PAID BY
THE CITY OF JENNINGS**

Certain operating expenditures of the City Court and City Marshal are paid by the City of Jennings, as required under Louisiana law, and are not included in the accompanying financial statements. Specifically, the City of Jennings maintains and operates the city courtroom and office in which the City Court's and City Marshal's offices are located. The City of Jennings also pays the salaries and benefits of certain employees and also pays a portion of operating expenses of the court. The total amount of these expenditures was not available and therefore is not included in the accompanying financial statements.

8. USE OF ESTIMATES

The preparation of the City Court and City Marshal of Jennings, Louisiana's financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

9. RISK MANAGEMENT

The City Court and City Marshal are exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are managed by coverage through commercial insurance paid either by the City of Jennings or the City Court.

10. SUBSEQUENT EVENTS

The City Court and City Marshal evaluated its records as of January 26, 2012 for subsequent events through this date and they are not aware of any subsequent events which would require recognition or disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
GOVERNMENTAL FUND – CITY COURT CRIMINAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Fees, charges, and commissions for services				
Court costs, fees and fines	\$ 56,700	\$ 52,319	\$ 52,320	\$ 1
Total Revenues	<u>56,700</u>	<u>52,319</u>	<u>52,320</u>	<u>1</u>
EXPENDITURES				
Judiciary:				
Personal services and related benefits	10,500	10,500	10,516	(16)
Operating services	17,500	17,500	17,130	370
Materials and supplies	<u>27,746</u>	<u>23,555</u>	<u>23,521</u>	<u>34</u>
Total Expenditures	<u>55,746</u>	<u>51,555</u>	<u>51,167</u>	<u>388</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>954</u>	<u>764</u>	<u>1,153</u>	<u>389</u>
FUND BALANCES BEGINNING OF YEAR	<u>90,380</u>	<u>90,380</u>	<u>90,380</u>	<u>-0-</u>
FUND BALANCES END OF YEAR	<u>\$ 91,334</u>	<u>\$ 91,144</u>	<u>\$ 91,533</u>	<u>\$ 389</u>

The accompanying notes are an integral part of the financial statements

CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
GOVERNMENTAL FUND – CITY COURT CIVIL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Fees, charges, and commissions for services.				
Court costs, fees and fines	\$ 43,461	\$ 45,265	\$ 45,265	\$ -0-
Total Revenues	<u>43,461</u>	<u>45,265</u>	<u>45,265</u>	<u>-0-</u>
EXPENDITURES				
Judiciary				
Personal services and related benefits	42,781	44,969	45,212	(243)
Total Expenditures	<u>42,781</u>	<u>44,969</u>	<u>45,212</u>	<u>(243)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>680</u>	<u>296</u>	<u>53</u>	<u>(243)</u>
FUND BALANCES BEGINNING OF YEAR	<u>1,774</u>	<u>1,774</u>	<u>1,774</u>	<u>-0-</u>
FUND BALANCES END OF YEAR	<u>\$ 2,454</u>	<u>\$ 2,070</u>	<u>\$ 1,827</u>	<u>\$ (243)</u>

The accompanying notes are an integral part of the financial statements

CITY COURT AND CITY MARSHAL OF JENNINGS, LOUISIANA
GOVERNMENTAL FUND – MARSHAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Fees, charges, and commissions for services.				
Court costs, fees and fines	\$ 45,000	\$ 45,000	\$ 43,700	\$ (1,300)
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>43,700</u>	<u>(1,300)</u>
EXPENDITURES				
Judiciary:				
Personal services and related benefits	3,000	3,000	7,211	(4,211)
Operating services	27,800	22,575	17,330	5,245
Materials and supplies	5,800	4,150	3,640	510
Intergovernmental				
Jeff Davis Parish Sherrff-Fuel	-0-	1,100	1,047	53
Total Expenditures	<u>36,600</u>	<u>30,825</u>	<u>29,228</u>	<u>1,597</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>8400</u>	<u>14,175</u>	<u>14,472</u>	<u>297</u>
FUND BALANCES BEGINNING OF YEAR	<u>82,157</u>	<u>82,157</u>	<u>82,157</u>	<u>-0-</u>
FUND BALANCES END OF YEAR	<u>\$ 90,557</u>	<u>\$ 96,332</u>	<u>\$ 96,629</u>	<u>\$ 297</u>

The accompanying notes are an integral part of the financial statements

REQUIRED BY GOVERNMENT AUDITING STANDARDS

**COMPLIANCE
AND
INTERNAL CONTROL**



**RICHARD BULLER
CPA SERVICES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

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**FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Judge Daniel Stretcher
Honorable Marshal Clarence Cormier Jr.
City Court and City Marshal of Jennings, Louisiana

We have audited the financial statements of the governmental activities of City Court and City Marshal of Jennings, Louisiana as of June 30, 2011, which collectively comprise City Court and City Marshal of Jennings, Louisiana's basic financial statements and have issued our report thereon dated January 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City Court and City Marshal of Jennings, Louisiana'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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs.

The noncompliance issue was orally reported to management of City Court and City Marshal of Jennings, Louisiana on January 25, 2012. City Court and City Marshal of Jennings, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit City Court and City Marshal of Jennings, Louisiana's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the entity, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.



Richard Buller CPA Services LLC

January 26, 2012

City Court and City Marshal of Jennings, Louisiana

Schedule of Findings and Questioned Cost
As of June 30, 2011

SECTION I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses Yes No

Compliance

Finding: Late submission of the annual financial report to the Legislative Auditor

Recommendation: Management should have a discussion with their current CPA firm and make them understand the importance of submitting their year end compiled financials in a more timely manner.

Management Response: We will implement procedures and correct the noncompliance issue by June 30, 2012

Contact Person: Susan Courville, Court Clerk

SECTION II Internal Control and Compliance Material to Federal Awards

No finding to report.

SECTION III Management Letter

No findings to report.

City Court and City Marshal of Jennings, Louisiana

Schedule of Prior Year Findings
As of June 30, 2011

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS		
	Budget Variances Greater Than 5% (LSA-RS 39 1301-15)	Resolved
SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS		
	NO FINDINGS TO REPORT	
SECTION III MANAGEMENT LETTER		
	NO FINDINGS TO REPORT	

**CITY COURT AND CITY MARSHAL OFFICE OF JENNINGS, LOUISIANA
LATE REPORT FINDING
FOR THE YEAR ENDING JUNE 30, 2011**

The report was late being sent to the Louisiana Legislative Auditor due to the outsourcing company keeping the general ledger and financial statements for the entity, was late getting information to the auditors. This kept the auditor from finishing the audit in a timely manner.