

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Annual Financial Statements
As of and for the Year ended June 30, 2012

THE HONORABLE MARILYN LAMBERT, JUDGE



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

As of and for the Year Ended June 30, 2012
 TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Independent Auditors' Report		1-2
Required Supplemental Information (Part 1 of 2)		3
Managements' Discussion and Analysis		4-5
Government -- Wide Financial Statements		6
Statement of Net Assets	A	7
Statement of Activities	B	8
Fund Financial Statements		9
Governmental Funds:		
Balance Sheet	C	10
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	13
Notes to the Financial Statements		14
Notes		15-25
Additional Required Supplemental Information (Part 2 of 2)		26
Budgetary Comparison Schedule -- General Fund		27
Budgetary Comparison Schedule -- Special Revenue Fund		28
Notes to the Required Supplementary Information		29
Other Supplemental Schedules and Information		30
Schedule of Funding Progress of the OPEB Plan		31
Schedule of Compensation Paid to Governing Members		32
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		33-34
Schedule of Findings		35
Status of Prior Audit Findings		36
Current Year Audit Findings, Recommendations, and Corrective Action Plan		37

INDEPENDENT AUDITORS' REPORT

The Honorable Marilyn Lambert, Judge
Ascension Parish Court
Judicial Expense Fund
828 South Irma Blvd., Bldg. 2
Gonzales, Louisiana 70737

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Parish Court for the Parish of Ascension, Judicial Expense Fund (a component unit of the Ascension Parish Council), as of and for the year ended June 30, 2012, which collectively comprise the Parish Court's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the Parish Court for the Parish of Ascension, Judicial Expense Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 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 Parish Court for the Parish of Ascension, Judicial Expense Fund, and the aggregate remaining fund information as of June 30, 2012, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2012, on our consideration of the Parish Court for the Parish of Ascension, Judicial Expense Fund's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, grants, 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 that 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on Page 4 through 5 and 27 through 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish Court for the Parish of Ascension, Judicial Expense Fund's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended for the information of the Parish Court for the Parish of Ascension, Judicial Expense Fund, the Ascension Parish Council, and the Legislative Auditor of the State of Louisiana 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.

Silas Simmons, LLP

Natchez, Mississippi
November 21, 2012

REQUIRED SUPPLEMENTAL INFORMATION
(PART 1 OF 2)

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

MANAGEMENTS' DISCUSSION & ANALYSIS
JUNE 30, 2012

Managements' discussion and analysis (MD&A) is a required element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34. Its purpose is to provide an overview of the financial activities of the Judicial Expense Fund based on currently known facts, decisions, and/or conditions.

Financial Statement Presentation

The annual financial report consists of four parts – (1) managements' discussion and analysis, (2) general-purpose financial statements including note disclosures, (3) additional required supplemental information, and (4) other supplemental information. There are two types of statements presented in the financial statement section.

The government-wide financial statements present financial information for all activities of the Ascension Parish Court, Judicial Expense Fund from an economic resource measurement focus using the accrual basis of accounting. They are designed to present governmental activities separately from business-type activities.

Fund financial statements, however, present financial information for governmental activities using a current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes current assets and liabilities and present increases and decreases in net current assets.

Other differences between these two presentations are presented in Note 1. There is also reconciliation between the government-wide financial statements and the fund financial statements for governmental activities presented in the fund financial statements.

Financial Analysis

The Ascension Parish Court, Judicial Expense Fund's combined net assets as of June 30, 2012 and 2011, were:

	2012	2011
Invested in capital assets, net of related debt	\$ 8,052	\$ 10,444
Unrestricted	302,446	287,827
Total Net Assets	<u>\$ 310,498</u>	<u>\$ 298,271</u>

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

MANAGEMENTS' DISCUSSION & ANALYSIS
 JUNE 30, 2012

The following is a summary of other pertinent financial data:

	<u>June 30,</u> <u>2012</u>	<u>June 30,</u> <u>2011</u>
Cash and cash equivalents	\$ 303,316	\$ 270,622
Revenues from fines and court costs	392,313	375,953
Interest earned	542	934
Expenditures	<u>(380,628)</u>	<u>(342,160)</u>
Excess of revenues over expenditures	<u>\$ 12,227</u>	<u>\$ 34,727</u>

Budgetary Highlights

Revenues for the year were above anticipated revenues by \$29,410 in the General Fund and were above \$12,345 in the Special Revenue Fund. However, actual expenditures were \$12,922 more than budgeted in the General Fund and \$3,994 over budget in the Special Revenue Fund.

Capital Asset and Debt Administration

The Ascension Parish Court, Judicial Expense Fund has no long-term debt.

A summary of capital assets at June 30, 2012 and 2011, is as follows:

	<u>2012</u>	<u>2011</u>
Furniture and fixtures	\$ 108,614	\$ 108,614
Equipment	76,478	75,247
Accumulated depreciation	<u>(177,040)</u>	<u>(173,417)</u>
Net Capital Assets	<u>\$ 8,052</u>	<u>\$ 10,444</u>

Request for Additional Information

A copy of this report or additional information can be obtained by writing or contacting Lesley LeBlanc at the Parish Court for the Parish of Ascension, Judicial Expense Fund, 828 South Irma Blvd., Bldg. 2, Gonzales, Louisiana 70737.

GOVERNMENT – WIDE FINANCIAL STATEMENTS

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

STATEMENT OF NET ASSETS
JUNE 30, 2012

	<u>Statement A</u>
<u>ASSETS</u>	
Current Assets	
Cash and cash equivalents	\$ 303,316
Fines and forfeitures receivable	20,200
Prepaid expenses	<u>4,281</u>
Total Current Assets	327,797
Non-current Assets	
Capital assets, net of accumulated depreciation	<u>8,052</u>
Total Assets	<u>335,849</u>
<u>LIABILITIES</u>	
Current Liabilities	
Accounts payable	1,493
Payroll taxes payable	<u>1,558</u>
Total Current Liabilities	3,051
Non-current Liabilities	
Accrued post retirement benefits	<u>22,300</u>
Total Liabilities	<u>25,351</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	8,052
Unrestricted	<u>302,446</u>
Total Net Assets	<u>\$ 310,498</u>

The accompanying notes are an integral part of this statement.

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

STATEMENT OF ACTIVITIES
 JUNE 30, 2012

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Statement B</u>
Governmental Activities	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Office Administration	\$ 319,384	\$ -	\$ -	
Litter Program	61,244	72,350	-	
Total Primary Government	<u>\$ 380,628</u>	<u>\$ 392,313</u>	<u>\$ -</u>	<u>11,685</u>
				<u>542</u>
				<u>12,227</u>
				<u>298,271</u>
				<u>\$ 310,498</u>
				<u>Net Revenues (Expenses)</u>
				<u>Governmental Activities</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2012

	Statement C		
	General Fund	Special Revenue Fund	Total Governmental Funds
<u>ASSETS</u>			
Cash and cash equivalents	\$ 213,275	\$ 90,041	\$ 303,316
Fines and forfeitures receivable	20,200	-	20,200
Prepaid expenses	4,281	-	4,281
Due from Special Revenue Fund	4,406	-	4,406
TOTAL ASSETS	242,162	90,041	332,203
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	1,493	-	1,493
Payroll taxes payable	1,558	-	1,558
Due to General Fund	-	4,406	4,406
Total Liabilities	3,051	4,406	7,457
Fund Balances:			
Unrestricted	239,111	85,635	324,746
TOTAL LIABILITIES AND FUND BALANCES	\$ 242,162	\$ 90,041	\$ 332,203

The accompanying notes are an integral part of this statement.

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 JUNE 30, 2012

	Statement D		
	General Fund	Special Revenue Fund	Total Governmental Funds
Fund Balances - Governmental Funds (Statement C)	\$ 239,111	\$ 85,635	\$ 324,746
Amounts reported for governmental activities in the Statement of Net Assets are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds balance sheet. This is the capital assets, net of accumulated depreciation, reported on the Statement of Net Assets	7,928	124	8,052
Liabilities are different because:			
Accrued post retirement benefits are not current financial expenditures and therefore, are not reported in the Governmental Funds balance sheet.	(22,300)	-	(22,300)
Net Assets - Governmental Activities (Statement A)	\$ 224,739	\$ 85,759	\$ 310,498

The accompanying notes are an integral part of this statement.

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Statement E		
	General Fund	Special Revenue Fund	Total Governmental Funds
<u>REVENUES</u>			
Fines and forfeitures	\$ 319,963	\$ 72,350	\$ 392,313
Interest earned	447	95	542
Total Revenues	320,410	72,445	392,855
<u>EXPENDITURES - JUDICIAL</u>			
Ad hoc judge expenses	1,496	-	1,496
Salaries	205,998	-	205,998
Capital outlay	1,231	-	1,231
Contract labor	-	15,969	15,969
Automobile	3,731	-	3,731
Conference, seminars, & meetings	5,865	18,584	24,449
Office expense	7,462	142	7,604
Other	15,193	1,006	16,199
Professional services	10,515	2,860	13,375
Professional services – Court	3,420	-	3,420
Retirement expense	23,973	-	23,973
Insurance	4,871	22,433	27,304
Taxes - payroll	13,578	-	13,578
Utilities and telephone	11,589	-	11,589
Total Expenditures - Judicial	308,922	60,994	369,916
EXCESS OF REVENUES OVER EXPENDITURES	11,488	11,451	22,939
FUND BALANCE AT BEGINNING OF YEAR	227,623	74,184	301,807
FUND BALANCE AT END OF YEAR	\$ 239,111	\$ 85,635	\$ 324,746

The accompanying notes are an integral part of this statement.

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
 STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

	Statement F		
	General Fund	Special Revenue Fund	Total Governmental Funds
Change in Fund Balances – Total Governmental Funds (Statement E)	\$ 11,488	\$ 11,451	\$ 22,939
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the Statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(2,142)	(250)	(2,392)
Governmental funds do not report accrued post retirement benefits. For the Statement of Activities, these cost are included in expenses.	(8,320)	-	(8,320)
Change in Net Assets – Governmental Activities (Statement B)	\$ 1,026	\$ 11,201	\$ 12,227

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

INTRODUCTION

The Parish Court for the Parish of Ascension was established January 3, 1977, under the provision of Section 2563 of Title 13 of the Louisiana Revised Statutes. The boundary of the court is the entire Parish of Ascension, (population approximately 109,985) including municipalities. The statute provides for establishment of a Judicial Expense Fund for the operations of the court from costs, not to exceed \$15 imposed on all pleas before the court. The Clerk of Court of Ascension Parish is designated custodian of the funds, which are to be disbursed only upon orders of the Judge of the Parish Court, for purposes related to the proper administration of the court. LA R.S. 13/2563.5 (B) permits the fund to supplement the Judge's salary with an amount necessary to bring the Judge's salary, which is paid by the municipalities of the parish, in line with the District Court Judge of the judicial district in which the parish court is located. The Judge is elected by the qualified electors of the Parish of Ascension. In addition to the Judge, there were eight employees as of June 30, 2012. For the fiscal year ended June 30, 2012, approximately 20,661 cases were filed before the court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

The court judge is an independently elected official. However, the parish court is fiscally dependent on the Parish of Ascension Council for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the parish court is fiscally dependent on the parish, the parish court was determined to be a component unit of the Parish of Ascension Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the parish court and do not present information on the Parish of Ascension, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

C. FUND ACCOUNTING

The court uses 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 court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all or most of the court'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 Parish Court of Ascension. The following are the court's governmental funds:

General Fund - the primary operating fund of the court and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to court policy.

Special Revenues Fund - has been established to account for the Probation Litter Program Fund. This fund was established by the Judge to defray the cost of supervision of court mandated litter abatement as part of an offender's probation. The office of the Judge has taken on the responsibility of administering the program. Therefore, it is being reported as a Special Revenue Fund in connection with the Judicial Expense Fund.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

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

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

The amounts reflected in the General Fund and Other Funds, of Statements C and E, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Major revenues include fines from the Ascension Parish Sheriff and the Cities of Gonzales, Donaldsonville, and Sorrento.

Expenditures – The court generally reports expenditures when a liability occurs.

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the court as a whole. These statements include all the financial activities of the court. Information contained in these columns reflect 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).

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

E. BUDGETS

Budgetary Practices – Prior to the beginning of the fiscal year, the Judge for the Ascension Parish Court, Judicial Expense Fund, prepares and adopts a budget for the ensuing fiscal year. The budget is maintained in the offices of the Judicial Expense Fund and is available for public inspection during normal office hours. Any amendments to the budget deemed appropriate by the Judge are approved and maintained in the same manner as the original budget.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

F. CASH AND CASH EQUIVALENTS

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

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The court maintains a threshold level of \$500 or more for capitalizing capital assets.

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

<u>Description</u>	<u>Estimated Lives</u>
Office furniture	5 - 10 years
Equipment	4 - 10 years
Leasehold improvements	5 - 10 years

H. COMPENSATED ABSENCES

The employees of the Ascension Parish Court, Judicial Expense Fund are not allowed to accumulate vacation or sick leave.

I. ESTIMATES

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

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

2. CASH AND CASH EQUIVALENTS

At June 30, 2012, the Parish Court of Ascension has cash and cash equivalents (book balances) totaling \$303,316 as follows:

Interest-bearing demand deposits	<u>\$ 303,316</u>
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These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2012, the court had \$312,559 in deposits (collected bank balances). These deposits are secured from risk by \$312,559 in FDIC insurance and \$-0- in pledged securities.

3. RECEIVABLES

The receivables of \$20,200 at June 30, 2012, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Charges for Services	<u>\$ 20,200</u>

These accounts receivable are considered to be 100% collectable and no provision for bad debts have been made by the court.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2012, is as follows:

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

Notes to the Financial Statements
 As of and for the Year Ended June 30, 2012

<u>Governmental Activities</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
Furniture and fixtures	\$ 108,614	\$ -	\$ -	\$ 108,614
Equipment	75,247	1,231	-	76,478
Total capital assets being depreciated	<u>183,861</u>	<u>1,231</u>	<u>-</u>	<u>185,092</u>
Less accumulated depreciation for:				
Furniture and fixtures	106,317	676	-	106,993
Equipment	67,100	2,947	-	70,047
Total accumulated depreciation	<u>173,417</u>	<u>3,623</u>	<u>-</u>	<u>177,040</u>
Capital assets, net	<u>\$ 10,444</u>	<u>\$ (2,392)</u>	<u>\$ -</u>	<u>\$ 8,052</u>

5. ACCOUNTS AND OTHER PAYABLES

The accounts payable of \$1,493 at June 30, 2012, represents normal operating payables.

6. PENSION PLAN

Substantially all employees of the Parish Court, Judicial Expense Fund are members of the Parochial Employees' Retirement System of Louisiana (System), a multiple-employer (cost-sharing), defined benefit pension plan administered by a separate board of trustees.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Judicial Expense Fund are members of Plan B.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

6. PENSION PLAN (continued)

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 the basic benefit reduced 3 percent for each year retirement precedes age 62 unless he has at least 30 years of creditable service.

In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 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. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Under Plan B, members are required by state statute to contribute 3.0 percent of their annual covered salary in excess of \$300 and the Judicial Expense Fund is required to contribute at an actuarially determined rate. The current rate is 10.00 percent of annual covered payroll.

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Judicial Expense Fund are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Judicial Expense Fund's contributions to the System under Plan B for the years ending June 30, 2012, 2011, and 2010, were \$13,891, \$12,522, and \$9,910, respectively, which were equal to the required contributions for each year.

The Judge is a member of the Louisiana Parochial Employees' Retirement System. Contributions to the system are made by the Judge and the Judicial Expense Fund as a percentage of salary. The Judicial Expense Fund contributed \$10,080 to the system during the year.

7. LEASES

There were no lease agreements entered into as of June 30, 2012. All office and courtroom facilities are provided by the governing authority of the parish, as required by legislative statute.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

8. RELATED PARTY TRANSACTIONS

There were no related party transactions that would require disclosure as of June 30, 2012, except as follows:

Judge Lambert received a \$500 vehicle expense allowance for a total of \$6,000 for the period ending June 30, 2012. This allowance has been included as additional salary paid to the Judge.

9. RISK MANAGEMENT

The Parish Court for the Parish of Ascension is subject to various risks of loss due primarily to the possible injury of its employees or injury to others by its employees while performing duties of the Court. The Parish Court has purchased commercial insurance, which it believes is sufficient to cover this risk of loss.

10. OTHER POST-EMPLOYMENT BENEFITS

Plan description and contribution rates

Upon retirement employees of the Parish Court may voluntarily participate in the health insurance post-employment benefit, a single-employer defined benefit plan over which the Judge has authority to establish and amend benefit plan provisions. The Parish Court pays 80% of the premium cost for the retired employee only; the retired employee pays the remaining 20% and 100% of the cost to insure any dependents. The Parish Court ceases to pay any cost once retired employees reach age 65 and become eligible for medical benefits from Medicare.

Contribution Rates

Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

Notes to the Financial Statements
 As of and for the Year Ended June 30, 2012

Funding Policy

As of January 1, 2011, the Parish Court recognized the cost of providing post-employment medical benefits as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective as of January 1, 2011, the Parish Court implemented Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

There were no retired employees receiving benefits as of June 30, 2012.

Annual required contribution

Annual OPEB Cost and Net OPEB Obligation. The Parish Court's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). The Parish Court has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers with plans that have fewer than 100 total members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded liabilities (or funding excess) over a period not to exceed 30 years. The following shows the components of the Parish Court's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Parish Court's net OPEB obligation to the Plan:

	<u>Medical and Dental</u>
Normal cost	\$ -
Amortization of 30-year unfunded liability amortization	8,320
Annual required contribution (ARC)	\$ 8,320

Net post-employment benefit obligation

The table below presents the Parish Court's net other post-employment benefit (OPEB) obligation for 2012:

	<u>Medical and Dental</u>
Beginning net OPEB obligation	\$ 13,980
Annual required contribution	8,320
Current year retiree premiums paid	-
Ending net OPEB obligation	\$ 22,300

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

Notes to the Financial Statements
 As of and for the Year Ended June 30, 2012

The following table presents the Parish Court's annual OPEB cost, percentage of the cost contributed, and the net unfunded OPEB liability as of June 30, 2012:

<u>Postemployment Benefit</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Obligation</u>
Medical	\$ 8,320	0%	\$ 167,000

Funded status and funding progress

During 2012, the Parish Court made no contributions to its post-employment benefits plan. The plan was not funded, has no assets, and hence has a funded ratio of zero. Since the plan was not funded in 2012, the entire accrued liability of \$167,000 was considered unfunded. Page 31 is the Schedule of Funding Progress, which presents information about the actuarial value of plan assets and the accrued liability for benefits.

Accrued liability (AL)	Medical and Dental \$ 167,000
Value of plan assets	<u>-</u>
Unfunded accrued liability (UAL)	<u>\$ 167,000</u>
Funded Ratio (Act. Val. Assets/AL)	<u>0%</u>
Covered payroll	<u>\$ 138,914</u>
UAL as a percentage of covered payroll	<u>120%</u>

Methods and assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in accrued liabilities and the value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Notes to the Financial Statements
As of and for the Year Ended June 30, 2012

Methods and assumptions (continued)

Assumptions About Employees and Members:

Based on the historical average retirement age of the covered group, active plan members were assumed to retire at age 62 or the first year thereafter in which the member would qualify for benefits. Marital status as of the calculation date was assumed to continue throughout retirement. Life expectancy was based on mortality tables published by the National Center for Health Statistics. The probability of remaining employed until the assumed retirement age and employees' expected future working lifetimes were developed using nongroup specific age-based turnover data from GASB Statement No. 45.

Assumptions About Healthcare Costs:

The 2012 health insurance premiums for retirees were used to calculate the present value of total benefits to be paid. The expected rate of increase in health insurance premiums initially used a select rate of 9.50 percent, with reduction to the ultimate rate of 5.6 percent after six years.

Other Assumptions and Methods:

The investment rate of return was assumed to be 4 percent. The value of plan assets was set at market value. A simplified version of the entry age cost method was used in the valuation. The UAL is amortized over a thirty year period as a level percent of projected payroll on an open basis. Payroll was assumed to grow over the long-term at the same rate as inflation.

ADDITIONAL REQUIRED SUPPLEMENTAL INFORMATION
(PART 2 OF 2)

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 290,000	\$ 290,000	\$ 319,963	\$ 29,963
Interest earnings	1,000	1,000	447	\$ (553)
 Total Revenues	 <u>291,000</u>	 <u>291,000</u>	 <u>320,410</u>	 <u>29,410</u>
<u>EXPENDITURES</u>				
Salaries	200,000	200,000	205,998	(5,998)
Conferences, seminars, and meetings	8,000	8,000	5,865	2,135
Capital outlay	-	-	1,231	(1,231)
Telephone & utilities	13,000	13,000	11,589	1,411
Other	7,000	7,000	15,193	(8,193)
Legal & professional	12,000	12,000	13,935	(1,935)
Office supplies & equip.	10,000	10,000	7,462	2,538
Taxes - payroll	10,000	10,000	13,578	(3,578)
Ad hoc judge expense	4,000	4,000	1,496	2,504
Auto expense	7,000	7,000	3,731	3,269
Retirement expense	20,000	20,000	23,973	(3,973)
Insurance	5,000	5,000	4,871	129
 Total Expenditures	 <u>296,000</u>	 <u>296,000</u>	 <u>308,922</u>	 <u>(12,922)</u>
 Excess (Deficit) of Revenues over expenditures	 (5,000)	 (5,000)	 11,488	 16,488
 Fund Balance, beginning	 <u>227,623</u>	 <u>227,623</u>	 <u>227,623</u>	 <u>-</u>
 Fund Balance, ending	 <u>\$ 222,623</u>	 <u>\$ 222,623</u>	 <u>\$ 239,111</u>	 <u>\$ 16,488</u>

See Independent Auditor's Report.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 60,000	\$ 60,000	\$ 72,350	12,350
Interest earnings	100	100	95	(5)
Total Revenues	<u>60,100</u>	<u>60,100</u>	<u>72,445</u>	<u>12,345</u>
<u>EXPENDITURES</u>				
Contract labor	18,000	18,000	15,969	2,031
Conferences, seminars, and meetings	9,000	9,000	18,584	(9,584)
Legal & professional	4,000	4,000	2,860	1,140
Other	2,000	2,000	1,006	994
Office	1,000	1,000	142	858
Insurance	23,000	23,000	22,433	567
Total Expenditures	<u>57,000</u>	<u>57,000</u>	<u>60,994</u>	<u>(3,994)</u>
Excess of Revenues over expenditures	3,100	3,100	11,451	8,351
Fund Balance, beginning	<u>74,184</u>	<u>74,184</u>	<u>74,184</u>	<u>-</u>
Fund Balance, ending	<u>\$ 77,284</u>	<u>\$ 77,284</u>	<u>\$ 85,635</u>	<u>\$ 8,351</u>

See Independent Auditor's Report.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, and variances between the final budget and the actual data.

2. Budget Amendments and Revisions

The budget is adopted by the Parish Court. Amendments can be made on the approval of the Parish Court. A budgetary comparison is presented for the general fund consistent with accounting principles generally accepted in the United States of America. There were no nonmajor funds.

OTHER SUPPLEMENTAL SCHEDULES AND INFORMATION

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND

SCHEDULE OF FUNDING PROGRESS OF
THE OPEB PLAN
FISCAL YEAR ENDED DECEMBER 31, 2012

Schedule 1

Schedule of Funding Progress

Valuation <u>Date</u>	Value of Assets <u>(a)</u>	Accrued Liability (AL) - Projected Unit Cost <u>(b)</u>	Unfunded AL (UAL) <u>(b - a)</u>	Funded Ratio <u>(a / b)</u>	Covered Payroll <u>(c)</u>	UAL as a Percentage of Covered Payroll <u>[(b - a) / c]</u>
1-1-2011	NONE	\$ 167,000	\$ 167,000	0.00%	\$ 138,914	120%

Note to the Schedule:

GASB Statement 45 was implemented prospectively during the fiscal year ended December 31, 2011.

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

SCHEDULE OF COMPENSATION PAID TO GOVERNING MEMBERS
JUNE 30, 2012 AND JUNE 30, 2011

JUDGE MARILYN LAMBERT

	<u>2012</u>	<u>2011</u>
Salary	\$ 31,700	\$ 31,700
Retirement	10,080	6,975
Auto	6,000	6,000
Travel and conferences	<u>7,215</u>	<u>7,551</u>
Total	<u>\$ 54,995</u>	<u>\$ 52,226</u>

Salary amounts required to be paid to the Judge by the following governmental units are not included in the above amounts.

State of Louisiana
Ascension Parish Sheriff
City of Gonzales
City of Donaldsonville
City of Sorrento

See Independent Auditor's Report.

INDEPENDENT AUDITORS'
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Marilyn Lambert, Judge
Ascension Parish Court
Judicial Expense Fund
828 South Irma Blvd., Bldg. 2
Gonzales, Louisiana 70737

We have audited the financial statements of the Parish of Ascension, Judicial Expense Fund as of and for the year ended June 30, 2012, and have issued our report thereon dated November 21, 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 Parish of Ascension, Judicial Expense Fund'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 the Parish of Ascension, Judicial Expense Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Parish of Ascension, Judicial Expense Fund'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, 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be 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 Parish of Ascension, Judicial Expense Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an object of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management of the Parish of Ascension, Judicial Expense Fund and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Silas Simms, LLP

Natchez, Mississippi
November 21, 2012

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

SCHEDULE OF FINDINGS

FOR THE YEAR ENDED JUNE 30, 2012

Section I: Summary of Auditors' Reports

1. Type of auditors' report issued on the primary government financial statements:

Governmental activities Unqualified

2. Internal control over financial reporting:

a. Material weakness(es) identified? No

b. Significant deficiency(ies) identified that are not considered to be material weaknesses? No

3. Noncompliance material to the primary government financial statements? No

PARISH COURT FOR THE PARISH OF ASCENSION
 JUDICIAL EXPENSE FUND
 STATE OF LOUISIANA

Status of Prior Audit Findings
 For the Year Ended June 30, 2012

Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
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Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None

PARISH COURT FOR THE PARISH OF ASCENSION
JUDICIAL EXPENSE FUND
STATE OF LOUISIANA

Current Year Audit Findings, Recommendations, and
Corrective Action Plan
For the Year Ended June 30, 2012

<u>Ref No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
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Section I - Internal Control and Compliance Material to the Financial Statements:

None

Section II - Internal Control and Compliance Material to Federal Awards:

None

Section III - Management Letter:

None