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EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE, AND  
WEST BATON ROUGE, LOUISIANA

Annual Financial Statements  
Year Ended June 30, 2006

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 1/10/07

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	4
<u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements:	
Statement of Net Assets	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet	9
Reconciliation of the Governmental Funds Balance Sheet To The Government-Wide Financial Statements of Net Assets	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to Financial Statements	13
<u>SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34</u>	
Budgetary Comparison Schedule - Judicial Expense Fund	31
Budgetary Comparison Schedule - Probation Fund	32
Budgetary Comparison Schedule - Hearing Officer Funds	33
Schedule of Non-Major Funds	34
<u>OTHER SUPPLEMENTARY INFORMATION</u>	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards	36
Schedule of Prior Years Findings	38
Schedule of Current Years Findings	39
Corrective Action Plan	40

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REPORT OF INDEPENDENT ACCOUNTANT

December 8, 2006

Honorable Judges  
Eighteenth Judicial District Court  
Parishes of Iberville, Pointe Coupee, and West Baton Rouge, Louisiana

I have audited the accompanying basic financial statements of the Eighteenth Judicial District Court, as of and for the year ended June 30, 2006, as listed in the Table of Contents. These basic financial statements are the responsibility of the Eighteenth Judicial District Court's management. My responsibility is to express an opinion of these basic financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Eighteenth Judicial District Court as of June 30, 2006, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the Eighteenth Judicial District Court has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-For State and Local Governments, as of June 30, 2006.

The budgetary information on pages 31 to 33, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

The Eighteenth Judicial District Court has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, I have also issued a report dated December 8, 2006, on our consideration of Eighteenth Judicial District Court's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in black ink, appearing to read "W. C. [unclear]", is written in a cursive style.

GOVERNMENT WIDE FINANCIAL STATEMENTS

**GOVERNMENT WIDE STATEMENT OF NET ASSETS**

**EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILL, POINTE COUPEE AND WEST BATON ROUGE  
JUNE 30, 2006**

	<b><u>GOVERNMENTAL ACTIVITIES</u></b>
<b>ASSETS:</b>	
Cash	\$295,089
Cash-Certificate of Deposits	677,189
Accounts Receivable	55,397
Deposit	230
Capital assets, net of accumulated depreciation	14,890
Total Assets	<u>1,042,795</u>
 <b>LIABILITIES AND FUND BALANCES:</b>	
<b>LIABILITIES:</b>	
Accounts Payable	\$32,958
Accrued Wages	4,670
Deferred Revenue	4,025
Compensated Absences	5,187
Total Liabilities	<u>46,840</u>
 <b>FUND BALANCES:</b>	
Invested in Capital Assets, net of debt	14,890
Unreserved-Undesignated	981,065
Total Fund Balance	<u>995,955</u>

The accompanying notes are an integral part of this statement.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES**

**EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE  
For the Year Ended June 30, 2006**

	<u>Program Revenues</u>				Net (Expenses)
	Operating				Revenues and
	Charges for Grants and Capital Grants				Increases
	Expenses	Services	Contribution	Contributions	(Decreases) in
<b>Governmental Activities</b>					<b>Net Assets</b>
<b>Governmental Activities</b>					<b>Governmental</b>
<b>PUBLIC SAFETY</b>					<b>Activities</b>
<b>SUPPORT SERVICES</b>					
Judicial Expense	\$382,807	\$402,898	\$0	\$0	20,091
Pointe Coupee Drug Court	9,416	0	0	0	(9,416)
Probation	830,716	752,178	0	0	(78,538)
Fines	35,390	0	34,810	0	(580)
Hearing Officer	150,266	0	167,574	0	17,308
<b>Total Governmental Activities</b>	<b>1,408,595</b>	<b>1,155,076</b>	<b>202,384</b>	<b>0</b>	<b>(51,135)</b>
General Revenues:					
Investment earnings					23,909
Other general revenues					11,050
Special-Sale of Fixed Assets					0
Total general revenues and transfers					<u>34,959</u>
Change in Net Assets					(16,176)
Net assets-beginning					<u>1,012,131</u>
Net assets-ending					<u>995,955</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON**  
**June 30, 2006**

	Judicial Expense	PROBATION	HEARING OFFICER	NON MAJOR FUNDS	TOTAL
<b>ASSETS:</b>					
Cash	\$207,634	\$83,430	\$0	\$4,025	\$295,089
Cash-Certificate of Deposit	0	677,189	0	0	677,189
Accounts Receivable	42,301	0	13,096	0	55,397
Due From Other Funds	0	41,087	20,105	0	61,192
Deposits	230	0	0	0	230
<b>Total Assets</b>	<b>250,165</b>	<b>801,706</b>	<b>33,201</b>	<b>4,025</b>	<b>1,089,097</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts Payable	\$1,074	\$31,884	\$0	\$0	\$32,958
Accrued Wages	0	4,670	0	0	4,670
Due To Other Funds	61,192	0	0	0	61,192
Deferred Revenue	0	0	0	4,025	4,025
Escrow	0	0	0	0	0
Compensated Absences	0	0	0	0	0
<b>Total Liabilities</b>	<b>62,266</b>	<b>36,554</b>	<b>0</b>	<b>4,025</b>	<b>102,845</b>
<b>FUND BALANCES:</b>					
Unreserved-Undesignated	187,899	765,152	33,201	0	986,252
<b>Total Fund Balance</b>	<b>187,899</b>	<b>765,152</b>	<b>33,201</b>	<b>0</b>	<b>986,252</b>
<b>Total Liabilities and Fund Balances</b>	<b>250,165</b>	<b>801,706</b>	<b>33,201</b>	<b>4,025</b>	<b>1,089,097</b>

The accompanying notes are an integral part of this statement.

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE  
TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
JUNE 30, 2006

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

Total Governmental Fund Balance	\$986,252
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	14,890
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in government funds: Compensated Absences	<u>(5,187)</u>
Net Assets of Governmental Activities	<u><u>995,955</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

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

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISH OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE**  
**June 30, 2006**

	JUDICIAL EXPENSE	PROBATION	HEARING OFFICER	NON- MAJOR FUNDS	TOTAL
<b>REVENUE</b>					
Intergovernmental	\$0	\$0	\$167,574	\$34,810	\$202,384
Fees	402,898	0	0	0	402,898
Fines	0	752,178	0	0	752,178
Interest Income	4,749	19,119	0	41	23,909
Other Income	11,050	0	0	0	11,050
	<u>418,697</u>	<u>771,297</u>	<u>167,574</u>	<u>34,851</u>	<u>1,392,419</u>
<b>EXPENDITURES</b>					
<b>PUBLIC SAFETY</b>					
<b>CURRENT</b>					
Salaries	249,027	169,275	91,728	25,800	535,830
Fringe	51,267	25,868	28,805	1,974	107,914
Travel	68	0	2,900	240	3,208
Operating Services	64,095	59,283	17,451	6,823	147,652
Operating Supplies	8,003	5,468	5,596	14	19,081
Other	9,169	773	1,086	0	11,028
Pointe Coupee Drug Court	9,416	0	0	0	9,416
Fines & Restitution	0	546,274	0	0	546,274
Capital Outlay	1,534	0	2,700	0	4,234
	<u>392,579</u>	<u>806,941</u>	<u>150,266</u>	<u>34,851</u>	<u>1,384,637</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	26,118	(35,644)	17,308	0	7,782
FUND BALANCE, BEGINNING	161,781	800,796	15,893	0	978,470
FUND BALANCE, END	<u>187,899</u>	<u>765,152</u>	<u>33,201</u>	<u>0</u>	<u>986,252</u>

The accompanying notes are and integral part of this statement.

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

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2006

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

Net Change in Fund Balances-Total Governmental Funds	\$7,782
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 capital outlays exceeded depreciation in the current period.	(23,263)
Repayment of notes payable is an expenditure in the governmental funds, but the repayment reduces long- term liabilities in the statement of net assets.	-0-
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(695)
Changes in Net Assets of Governmental Activities	<u>(16,176)</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**INTRODUCTION**

The General Fund (Judicial Expense Fund) for the Eighteenth Judicial District Court was created by LSA-RS 13:991-996. In general, the creating statutes provide that the judges of the district may levy court costs for operations of the courts. The amount of the court cost to be levied in civil and criminal cases is determined by the majority of the judges in the district. The amount of cost levied cannot exceed the amount established by the creating statute. Court costs are normally collected by the clerk of court and the sheriff, remitted to the judges, and deposited to the judicial expense fund. Expenditures from the fund are determined by the majority of the judges. Expenditures normally include materials and supplies, law library and salaries of those individuals appointed by the judges. The judges may appoint law clerks, court reporters, secretaries, clerks, research clerks, administrative staff and other personnel as deemed necessary. The salaries of the judges cannot be paid from the judicial expense fund.

The Special Revenue Fund (Probation Fund) of the Eighteenth Judicial District was established in 1989 after the Louisiana Legislature decided in Code of Criminal Procedure Article 894 A(1) that the Department of Probation and Parole would no longer supervise probation in misdemeanor cases. Article 894 A (1) also authorized the Court to place the defendant on probation with a "probation office" designated by the Court upon such conditions as the Court may fix. The Probation Fund was established as the designated probation office. Article 895 1 (C) of the Code of Criminal Procedure provides for a monthly probation fee of \$20 to be paid to the agency providing supervision. The funds received by the Probation Fund are the \$20 per month supervision fee and as a condition fixed by the Court.

The Judicial District encompasses the parishes of Iberville, Pointe Coupee and West Baton Rouge, Louisiana. There are four judges who are independently elected by the people.

**B. REPORTING ENTITY**

Based on the criteria set forth in GASB Statement 14, the Eighteenth Judicial District Court is not a component unit of another primary government nor does it have any component units which are related to it. In addition, based on criteria set forth in GASB Codification Section 2100, the Eighteenth Judicial District Court has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

As used in GASB Statement 14, the term fiscally independent means that the Eighteenth Judicial District Court may, without approval or consent of another government entity, determine or modify its own budget, levy its own taxes or set rates or changes, and issue bonded debt.

Accordingly, the Eighteenth Judicial District Court is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

**c. Presentation of Statements:**

The Eighteenth Judicial District Court's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standard Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Eighteenth Judicial District Court has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Eighteenth Judicial District Court has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Eighteenth Judicial District Court are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments. Certain of the significant changes in the statement include the following:

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Eighteenth Judicial District Court's overall financial position and results of operations.

Governmental-Wide Financial statements prepared using full accrual accounting for all of the Eighteenth Judicial District Court's activities.

A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Eighteenth Judicial District Court has elected to implement the general provisions of the GASB Statement 34 in the current year.

**d. Basic Financial Statements - Government-Wide Statements**

The Eighteenth Judicial District Court's basic financial statements include both Government-Wide (reporting the Eighteenth Judicial District Court as a whole) and fund financial statements (reporting the Eighteenth Judicial District Court's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Eighteenth Judicial District Court's functions and programs have been classified as governmental activities. The Eighteenth Judicial District Court does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Eighteenth Judicial District Court's net assets are reported in three parts -invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 capital assets. 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. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" of "invested in capital assets, net of related debt."

The Government-Wide Statement of Activities reports both the gross net cost of each of the Eighteenth Judicial District Court 's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Eighteenth Judicial District Court did not receive any capital-specific grants this year.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Eighteenth Judicial District Court allocates its indirect costs among various functions and programs in accordance with Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation." In addition, GOEA provided grant funds to help the Eighteenth Judicial District Court pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Eighteenth Judicial District Court's other functions and programs.

The Government-Wide Statements focus upon the Eighteenth Judicial District Court's ability to sustain operations and the change in its net assets resulting from the current year's activities.

**e. Basic Financial Statements - Fund Financial Statements**

The financial transactions of the Eighteenth Judicial District Court are reported in individual funds in the Fund Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Eighteenth Judicial District Court uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Eighteenth Judicial District Court or if its total assets, liabilities, revenues or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legally restriction has been placed on certain assets that makes them only available to meet future obligations.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Designated fund balances result when management tentatively sets aside or earmarks certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Eighteenth Judicial District Court:

**General Fund** (Judicial Expense Fund) is the general operating fund of the Eighteenth Judicial District Court. It is used to account for all financial resources except those required to be accounted for in another fund.

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

The Eighteenth Judicial District Court has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

**MAJOR SPECIAL REVENUE FUNDS**

**Probation Fund** is used to account for funds, which are used to administer the 18th Judicial District Court's Probation Department.

**Hearing Officer** is used to account for the funds to administer the Family Court, Divorce matters, child protection, and property matters.

**NON-MAJOR SPECIAL REVENUE FUNDS**

**Fins Fund** is used to account for funds provided by the State of Louisiana Judicial Branch to administer juvenile programs.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**f. Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**1. Accrual Basis - Government-Wide Financial Statements (GWFS)**

The Statement of Net Assets and the Statement of Activities display information about the Eighteenth Judicial District Court as a whole. Both of these statements have been prepared using the economic 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 takes place.

**2. Modified Accrual Basis - Fund Financial Statements (FFS)**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded 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 Eighteenth Judicial District Court considers all revenues "available" if they are collected within 60 days after year end. Expenditures are generally recorded under modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due, and (2) claims and judgments and compensated absences are recorded as expenditures when paid expendable available financial resource resources.

**g. Interfund Activities**

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent relocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-wide Financial Statements.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**h. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalent include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

**i. Investments**

Investments consist of time deposits with original maturities of 90 days or more.

**j. Prepaid Expenses/Expenditures**

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets. In the Fund Financial Statements, the Eighteenth Judicial District Court has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

**k. Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provide the resources to acquire the assets. If the asset purchased, it is recorded in the books at its cost. If the asset was donated, when it is recorded at its estimated fair market value at the date of donation. For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Equipment	5-7 Years
Vehicles	5 Years
Computers	3 Years

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**k. Capital Assets** (Continued)

Salvage values have not been established by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category of capital asset, management has used 10% of the vehicle's initial cost as a salvage value estimate.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

**l. Compensated Absences**

The Eighteenth Judicial District Court's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for social security and medicare taxes. In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Organization. Accordingly, no amounts have been accrued as fund liabilities as the year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences creates a reconciling item between the Fund and Government-Wide Financial Statement presentations.

The Eighteenth Judicial District Court's sick leave policy does not provide for the veating of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absence in the Government-Wide Financial Statements relative to sick leave.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**m. MANAGEMENT'S USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**n. Elimination and Reclassifications:**

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**o. Deferred Revenue:**

The Eighteenth Judicial District Court reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred Revenues arise when the Eighteenth Judicial District Court receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Eighteenth Judicial District Court has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**NOTE 2 - REVENUE RECOGNITION**

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the Fund Financial Statements governmental using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore they are recorded as revenue in the period received.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At June 30, 2006, the Eighteenth Judicial District Court had cash and cash equivalent (book balances) totaling \$295,089.

These deposits are stated at cost, which approximates market. Under state law, these 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 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.

**Custodial Credit Risk-Deposits.** At year-end the bank balance was \$351,810. Of the bank balances, \$283,276 was covered by federal depository insurance. \$150,784 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's name (GASB Category 3).

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

**Interest Rate-Deposits.** The Fire Protection Subdistrict's policy does not address interest rate risk.

**NOTE 4 - INVESTMENTS**

At June 30, 2006, the Eighteenth Judicial District Court had time certificates of Deposit (book balances) totaling \$677,189.

These deposits are stated at cost, which approximates market. Under state law, these 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 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.

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2005

**NOTE 4 - INVESTMENTS**

**Custodial Credit Risk-Deposits.** At year-end the bank balance was \$677,189. Of the bank balances, \$446,237 was covered by federal depository insurance. \$345,681 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's name (GASB Category 3).

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

**Interest Rate-Deposits.** The Eighteenth Judicial District Court's policy does not address interest rate risk.

**NOTE 5 - RECEIVABLES AND PAYABLES**

A. A Summary of Receivables at year end follows:

<u>CLASS OF RECEIVABLES</u>	<u>JUDICIAL EXPENSE</u>
Accounts Receivable	\$55,397

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income. The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**NOTE 6 - CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2006, is as follows:

<u>Governmental Activities</u>	<u>Balance 6-30-05</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-06</u>
Equipment	\$130,734	\$1,534	-0-	\$132,268
Vehicles	98,823	-0-	-0-	98,823
Subtotal	<u>229,557</u>	<u>1,534</u>	<u>-0-</u>	<u>231,091</u>
Accumulated Depreciation:				
Equipment	103,575	17,279	-0-	120,854
Vehicles	87,829	7,518	-0-	95,347
Subtotal	<u>191,404</u>	<u>24,797</u>	<u>-0-</u>	<u>216,201</u>
Net Capital Assets	<u>38,153</u>	<u>(23,263)</u>	<u>-0-</u>	<u>14,890</u>

Depreciation was charged to governmental activities as follows:

Judicial Expense Fund	\$1,178
Probation Fund	23,080
Fins Fund	539
Hearing Officer Fund	-0-
Total governmental activities depreciation expense	<u>24,797</u>

**NOTE 7 - DEFERRED REVENUE**

The Eighteenth Judicial District Court reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred Revenues arise when the Eighteenth Judicial District Court receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures.

Deferred Grants at year-end comprises of:

Deferred Fins Fund Grant	<u>\$4,025</u>
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EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2006

**NOTE 8 - PENSION PLAN AND RETIREMENT COMMITMENTS**

**JUDICIAL EXPENSE FUND**

**Plan Description.**

Substantially all Eighteenth Judicial District Court's Judicial Expense employees are members of the Louisiana State Employees' Retirement System of Louisiana ("LASERS"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. All permanent Eighteenth Judicial District Court employees working at least 28 hours a week who are paid wholly or in part from state funds and all elected state officials are eligible to participate in the LASERS.

Under the Plan, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2.5 % times the number of years of creditable service times the average compensation, plus \$300 annually. 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 Louisiana State Employee's Retirement System; P.O. BOX 44213; Baton Rouge, Louisiana 70809, or by calling (225) 922-0600.

**Funding Policy**

Under the Plan, members are required by state statute to contribute 7.5 percent of their annual covered salary and the Eighteenth Judicial District Court is required to contribute at an actuarially determined rate. The current rate is 7.5 % of annual covered payroll. Contributions to the System also include 19.1 % contributed by the 18th Judicial District Court Judicial Expense Fund. The contribution requirements of plan members and the Eighteenth Judicial District Court 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 Eighteenth Judicial District Court's contributions to the System under Plan A for the years ended **June 30, 2006, 2005, and 2004**, were **\$37,919, \$29,644, and \$16,858**, respectively, equal to the required contributions for each year.

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2006

NOTE 8 - PENSION PLAN AND RETIREMENT COMMITMENTS - (Continued)

PROBATION FUND

Plan Description.

Substantially all Eighteenth Judicial District Court's Probation employees are members of the Parochial Employees' Retirement System of Louisiana ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All employees of the Eighteenth Judicial District Court are members of Plan A. All permanent Eighteenth Judicial District Court employees working at least 28 hours a 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 A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for most employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. 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 credited 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 Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

**EIGHTEENTH JUDICIAL DISTRICT COURT**  
**PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**NOTE 8 - PENSION PLAN AND RETIREMENT COMMITMENTS** (Continued)

**Funding Policy**

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Eighteenth Judicial District Court is required to contribute at an actuarially determined rate. The current rate is 11.50 % of annual covered payroll. Contributions to the System also include one-fourth of 1 % 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 Eighteenth Judicial District Court 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 Eighteenth Judicial District Court's contributions to the System under Plan A for the years ended **June 30, 2006, 2005, and 2004**, were **\$20,213, \$20,176, and \$14,966**, respectively, equal to the required contributions for each year.

**NOTE 9 - POST-RETIREMENT BENEFITS**

The Eighteenth Judicial District Court does not offer any post-retirement benefits.

**NOTE 10 - COMPENSATED ABSENCES**

At **June 30, 2006**, employees of the Eighteenth Judicial District Court have accumulated and vested **\$5,187** of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, all is recorded as an obligation of the General Fund.

**NOTE 11 - LITIGATION AND CLAIMS**

As of **June 30, 2006**, there was no litigation pending against the Eighteenth Judicial District Court, nor was the Eighteenth Judicial District Court aware of any unasserted claims.

During the year, \$-0- in claims and \$-0- in court costs were incurred.

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2006

**NOTE 12 - COMPENSATION PAID TO BOARD MEMBERS**

In compliance with the Eighteenth Judicial District Court Law of Louisiana (Act 36 of 1926), no compensation is paid to any member of the Board of Control.

**NOTE 13 - RISK MANAGEMENT**

The Eighteenth Judicial District Court is exposed to various risks of loss related to torts, theft of, damage of and destruction of assets; errors and omissions and natural disasters for which the Eighteenth Judicial District Court carries commercial insurance. There have been no significant reductions in coverage from prior year and settlements have not exceeded coverage in the past three years.

REQUIRED SUPPLEMENTAL INFORMATION

**EIGHTEENTH JUDICIAL DISTRICT COURT  
 PARISH OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE  
 BUDGETARY COMPARISON SCHEDULE - JUDICIAL EXPENSE FUND  
 FOR THE YEAR ENDED JUNE 30, 2006**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
			AMOUNTS	FINAL BUDGET
	ORIGINAL	FINAL	GAAP BASIS	FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>				
Fees	\$411,000	\$411,000	\$402,898	(\$8,102)
Investment Income	2,000	2,000	4,749	2,749
Miscellaneous	0	0	11,050	11,050
<b>Total Revenues</b>	<b>413,000</b>	<b>413,000</b>	<b>418,697</b>	<b>5,697</b>
<b>EXPENDITURES:</b>				
Current				
Personnel	236,000	236,000	249,027	(13,027)
Fringe	42,000	42,000	51,267	(9,267)
Travel	20,000	20,000	68	19,932
Operating Services	112,000	112,000	64,095	47,905
Operating Supplies	1,000	1,000	8,003	(7,003)
Other	1,000	1,000	9,169	(8,169)
Pointe Coupee Drug Court	0	0	9,416	(9,416)
Capital Outlay	1,000	1,000	1,534	(534)
<b>Total Expenditures</b>	<b>413,000</b>	<b>413,000</b>	<b>392,579</b>	<b>20,421</b>
Excess (Deficiency) Of Revenue Over Expenditures	0	0	26,118	26,118
			0	
<b>FUND BALANCE, Beginning</b>	<b>0</b>	<b>0</b>	<b>161,781</b>	<b>0</b>
<b>FUND BALANCE, Ending</b>	<b>0</b>	<b>0</b>	<b>187,899</b>	<b>26,118</b>

**EIGHTEENTH JUDICIAL DISTRICT COURT  
 PARISH OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE  
 BUDGETARY COMPARISON SCHEDULE - PROBATION FUND  
 FOR THE YEAR ENDED JUNE 30, 2006**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			GAAP	FAVORABLE
			BASIS	(UNFAVORABLE)
<b>REVENUES:</b>				
Intergovernmental	\$0	\$0	\$0	\$0
Fines	266,539	266,539	752,178	485,639
Investment Income	0	0	19,119	19,119
Miscellaneous Income	0	0	0	0
<b>Total Revenues</b>	<b>266,539</b>	<b>266,539</b>	<b>771,297</b>	<b>504,758</b>
<b>EXPENDITURES:</b>				
Current				
Personnel	185,600	185,600	169,275	16,325
Fringe	43,000	43,000	25,868	17,132
Travel	0	0	0	0
Operating Services	35,725	35,725	59,283	(23,558)
Operating Supplies	5,975	5,975	5,468	507
Fines & Restitution	0	0	546,274	(546,274)
Other	0	0	773	(773)
Capital Outlay	1,000	1,000	0	1,000
<b>Total Expenditures</b>	<b>271,300</b>	<b>271,300</b>	<b>806,941</b>	<b>(535,641)</b>
Excess (Deficiency) Of Revenue Over Expenditures	(4,761)	(4,761)	(35,644)	(30,883)
<b>FUND BALANCE, Beginning</b>	<b>800,796</b>	<b>800,796</b>	<b>800,796</b>	<b>0</b>
<b>FUND BALANCE, Ending</b>	<b>796,035</b>	<b>796,035</b>	<b>765,152</b>	<b>(30,883)</b>

**EIGHTEENTH JUDICIAL DISTRICT COURT  
 PARISH OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE  
 BUDGETARY COMPARISON SCHEDULE - HEARING OFFICER FUND  
 FOR THE YEAR ENDED JUNE 30, 2006**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			GAAP	FAVORABLE
			BASIS	(UNFAVORABLE)
<b>REVENUES:</b>				
Intergovernmental	\$160,000	\$160,000	\$167,574	\$7,574
Fines	0	0	0	0
Investment Income	0	0	0	0
<b>Total Revenues</b>	<b>160,000</b>	<b>160,000</b>	<b>167,574</b>	<b>7,574</b>
<b>EXPENDITURES:</b>				
Current				
Personnel	91,860	91,860	91,728	132
Fringe	32,500	32,500	28,805	3,695
Travel	4,000	4,000	2,900	1,100
Operating Services	19,700	19,700	17,451	2,249
Operating Supplies	6,100	6,100	5,596	504
Other	500	500	1,086	(586)
Capital Outlay	1,000	1,000	2,700	(1,700)
<b>Total Expenditures</b>	<b>155,660</b>	<b>155,660</b>	<b>150,266</b>	<b>5,394</b>
Excess (Deficiency) Of Revenue Over Expenditures	4,340	4,340	17,308	12,968
<b>FUND BALANCE, Beginning</b>	<b>15,983</b>	<b>15,983</b>	<b>15,893</b>	<b>0</b>
<b>FUND BALANCE, Ending</b>	<b>20,323</b>	<b>20,323</b>	<b>33,201</b>	<b>12,968</b>

**SCHEDULE OF NON-MAJOR SPECIAL REVENUE FUNDS**

**EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
June 30, 2006**

	<b>FINS FUND</b>
<b>REVENUE</b>	
Intergovernmental	\$34,810
Investment Income	41
	<u>34,851</u>
<b>EXPENDITURES</b>	
<b>PUBLIC SAFETY</b>	
<b>CURRENT</b>	
Salaries	25,800
Fringe	1,974
Travel	240
Operating Services	6,823
Operating Supplies	14
<b>CAPITAL OUTLAY</b>	<u>0</u>
	<u>34,851</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>0</u>
<b>FUND BALANCE, BEGINNING</b>	<u>0</u>
<b>FUND BALANCE, END</b>	<u><u>0</u></u>

OTHER SUPPLEMENTAL INFORMATION

*Certified Public Accountant*



**Donald C. DeVille**

Member  
American Institute CPAs

Member  
Louisiana Society CPAs

7829 BLUEBONNET BLVD.  
BATON ROUGE, LA 70810  
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

December 8, 2006

To the Board of Control  
Eighteenth Judicial District Court  
Port Allen, Louisiana

I have audited the financial statements of the Eighteenth Judicial District Court as of and for the year ended June 30, 2006, and have issued my report thereon dated December 8, 2006. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**COMPLIANCE**

As part of obtaining reasonable assurance about whether Eighteenth Judicial District Court's financial statements are free of material misstatement, I 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 objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under Government Auditing Standards.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered Eighteenth Judicial District Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operations that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect its ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, board members, and federal awarding agencies, pass-through entities, and state Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "Donald DeLoe".

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2006

<u>REF</u>	<u>FISCAL YEAR</u> <u>FINDING</u> <u>INITIALLY</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE</u> <u>ACTION TAKEN</u>	<u>PLANNED</u> <u>CORRECTIVE</u> <u>ACTION/PARTIAL</u> <u>CORRECTIVE</u> <u>ACTION TAKEN</u>
<u>NO.</u>	<u>OCCURRED</u>	<u>(YES, NO, PARTIALLY)</u>		

None

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
SUMMARY SCHEDULE OF CURRENT YEAR'S FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2006

None

EIGHTEENTH JUDICIAL DISTRICT COURT  
PARISHES OF IBERVILLE, POINTE COUPEE AND WEST BATON ROUGE, LOUISIANA  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2006

Not Applicable