

8735

FIFTEENTH JUDICIAL DISTRICT COURT
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2010

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 9/29/10

TABLE OF CONTENTS

	<u>Page</u>
Management's Discussion and Analysis	1-6
Independent Auditor's Report	7-8
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet - All Governmental Funds	13-14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Funds	16-17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Notes to Financial Statements	19-30
Required Supplemental Information	
Budgetary Comparison Schedules:	
General Fund	32
Child Support Fund	33
Misdemeanor Probation Fund	34
Drug Court Enhancement Fund	35
Notes to the Budgetary Comparison Schedules	36
Independent Auditor's 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>	37-38
Schedule of Findings and Questioned Costs	39
Summary Schedule of Prior Audit Findings	40
Management's Corrective Action Plan	41

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the Fifteenth Judicial District Court's financial performance provides an overview of the Court's financial activities for the fiscal years ended June 30, 2010 and 2009, in an easily readable analysis. Please read it in conjunction with the Court's financial statements that follow.

FINANCIAL HIGHLIGHTS

The Fifteenth Judicial District Court's total assets exceeded its liabilities at the close of the fiscal year by \$3,993,383. Of this amount, \$70,947 was invested in capital assets and \$3,922,436 was unrestricted. The unrestricted portion of net assets may be used to meet the government's ongoing obligations and operational needs.

Total expenses of governmental activities for all our programs were \$1,935,978, for the year. Of this amount, \$1,660,646 was provided by program revenues from charges for services, fines and forfeitures, and \$486,849, was provided by program revenues from operating grants and contributions. Based on the governmental activities of 2010, net assets increased 265,121.

As of the close of the current fiscal year, the Fifteenth Judicial District Court's governmental funds reported a combined ending fund balance of \$3,922,436. The General Fund accounted for \$2,224,709. Governmental activities reported a net change in fund balances of \$273,197. The General Fund accounted for \$124,547, of the net change in total fund balances. Increases in fund balance of \$63,991 and \$61,636 were reported for the Child Support fund and Misdemeanor Probation Fund, respectively. Drug Court Enhancement Fund reported an increase in fund balance of \$23,023.

USING THE BASIC FINANCIAL STATEMENTS

The Fifteenth Judicial District Court's annual audit report consists of a series of financial statements that reflect the operations of the Court as a whole and its funds. The basic financial statements of the Court are made up of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements of the Court.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements are designed to provide the reader with a broad overview of the Fifteenth Judicial District Court's finances, similar in format to a financial statement of a commercial enterprise. The government-wide financial statements provide short and long-term information about the Court's financial status as a whole.

The Fifteenth Judicial District Court's government-wide financial statements include a *Statement of Net Assets* (page 10) and *Statement of Activities* (page 11), which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the *Statement of Net Assets* is to report all of the assets held and liabilities owed by the Court using the full accrual basis of accounting. The Court reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred.

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The difference between the Fifteenth Judicial District Court's total assets and total liabilities is reported as net assets and this difference is similar to the total owners' equity presented by a commercial enterprise. Over time, increases or decreases in the Court's net assets are one indicator of whether its financial health is improving or deteriorating. However, the Court's goal is to provide services to the citizens of Acadia, Lafayette, and Vermilion Parishes, Louisiana, not to generate profits as commercial enterprises do. Therefore, no financial factors must be considered to assess the overall health of the Court.

The purpose of the *Statement of Activities* is to present the revenues and expenses of the Fifteenth Judicial District Court. Again, the items presented on the *Statement of Activities* are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Court. Thus, revenues are reported even though they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Fund Financial Statements (FFS)

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the Fifteenth Judicial District Court rather than the Court as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives; The Fifteenth Judicial District Court, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements are located on pages 13 through 18 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Following both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances is a reconciliation to facilitate this comparison between governmental funds and governmental activities (pages 15 and 18).

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

The Fifteenth Judicial District Court maintains four individual governmental funds. Information is presented separately in the *Balance Sheet—All Governmental Funds* (pages 13 and 14) and in the *Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Funds* (pages 16 through 17) for the General, Child Support, Misdemeanor Probation, and Drug Court Enhancement Funds which are considered to be major funds.

The Fifteenth Judicial District Court adopts an annual appropriated budget for its General, Child Support, Misdemeanor Probation and Drug Court Enhancement Funds. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenues and expenditures. A schedule showing the originally adopted budget and final amended budget compared with actual operating results is provided in the required supplemental information section for the General Fund and each major special revenue fund to demonstrate compliance with this budget.

Our auditor has provided assurance in the independent auditors' report, located immediately following this *Management's Discussion and Analysis*, that the basic financial statements of the Fifteenth Judicial District Court are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the required and other supplemental information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each of the other parts in the financial section.

Notes to the Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and can be found on pages 19 through 30.

REPORTING ON THE FIFTEENTH JUDICIAL DISTRICT COURT AS A WHOLE

The following table reflects the condensed *Statement of Net Assets*:

CONDENSED STATEMENT OF NET ASSETS
June 30, 2010 and 2009

	2010	2009
Assets		
Current and other assets	\$ 3,930,960	\$ 3,734,728
Capital assets, net of accumulated depreciation	70,947	79,023
Total assets	4,001,907	3,813,751
Liabilities		
Current and other liabilities	8,524	85,489
Net assets		
Invested in capital assets, net of related debt	70,947	79,023
Unrestricted	3,922,436	3,649,239
Total net assets	\$ 3,993,383	\$ 3,728,262

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Fifteenth Judicial District Court, assets exceed liabilities at the close of the fiscal year, by \$3,993,383 in 2010 and \$3,728,262 in 2009. Of these amounts \$70,947, or 1.8%, and \$79,023 or 2.1% of the total net assets, represents the investment of the Court in capital assets net of related debt. Net assets of \$3,922,436 for 2010 and \$3,649,239 for 2009, which are technically unrestricted, need to be viewed in light of information in the fund financial statements. Actions by the Court do not qualify as restrictions of net assets in the basic financial statements of the Court.

For the years ended June 30, 2010 and 2009, capital assets, net of accumulated depreciation, account for \$70,947, or 1.77% and \$79,023, or 2.07% of the total assets, respectively.

The following table reflects the condensed *Statement of Activities*:

CONDENSED STATEMENT OF ACTIVITIES
Years Ended June 30, 2010 and 2009

	2010	2009
Revenues		
Program revenues		
Charges for services, fines and forfeitures	\$ 1,660,646	\$ 1,601,952
Operation grants and contributions	486,849	421,100
General revenues		
Investment income	53,604	73,560
Total revenues	2,201,099	2,096,612
Expenses		
Governmental activities		
District Court	894,812	814,078
Child Support	606,545	583,707
Misdemeanor Probation	385,126	362,786
Drug Court	49,495	73,522
Total expenses	1,935,978	1,834,093
Change in net assets	265,121	262,519
Net assets, beginning	3,728,262	3,465,743
Net assets, ending	\$ 3,993,383	\$ 3,728,262

As reported in the *Statement of Activities*, the cost of all of our governmental activities for 2010 and 2009 was \$1,935,978 and \$1,834,093, respectively. Some of the costs were paid by those who benefited from the programs' (\$1,660,646 for 2010 and \$1,601,952 for 2009) or by other governments and organizations who subsidized certain programs with grants and contributions (\$486,849 for 2010 and \$421,100 for 2009). The remainder, if any, was funded by other general revenues.

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE FIFTEENTH JUDICIAL DISTRICT COURT FUNDS

The Fifteenth Judicial District Court uses funds to control and permit measurement in the short-term of revenues and expenditures of a particular activity or purpose (e.g., dedicated revenues and grant programs). The fund financial statements allow the Court to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the Court and further assess the Court's overall financial stability.

The Fifteenth Judicial District Court ended the fiscal year June 30, 2010, with a combined fund balance of \$3,922,436, an increase of \$273,197 from the previous fiscal year end. The General Fund closed the fiscal year with a fund balance of \$2,233,120, which is unreserved and undesignated.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Fifteenth Judicial District Court's budgets are prepared according to Louisiana law. During the course of the year, the Court revised its budgets to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment for the general fund or any special revenue fund with revenues at or exceeding \$500,000 if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more.

A budgetary comparison schedule showing the Fifteenth Judicial District Court's originally adopted budget and final amended budget compared with actual operating results for all major funds is provided on pages 32 through 36. The Court's year-end actual results were better than budgeted in all funds, as conservative budgetary practices are customary. Revenues are forecasted conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

At June 30, 2010, the Fifteenth Judicial District Court had \$70,947, (net of accumulated depreciation of \$218,472) invested in capital assets including furniture and equipment. This amount represents a net decrease (including additions, deductions, and depreciation) of \$8,076, or 11%, from last year.

CAPITAL ASSETS, NET OF
ACCUMULATED DEPRECIATION
June 30, 2010 and 2009

	2010	2009
Machinery and equipment	\$ 289,419	\$ 269,590
Less: accumulated depreciation	<u>(218,472)</u>	<u>(190,567)</u>
Net capital assets	<u>\$ 70,947</u>	<u>\$ 79,023</u>

During the current year, \$20,704, of capital assets were acquired while depreciation for the year ended June 30, 2010, totaled \$28,590. Additional information on the Court's capital assets can be found in Note 5 of this report.

FIFTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Court's elected and appointed officials considered many factors when setting the Court's 2011 budgets.

Expenditures of the governmental funds are expected to remain fairly consistent with the 2010 fiscal year.

CONTACTING THE FIFTEENTH JUDICIAL DISTRICT COURT'S FINANCIAL MANAGEMENT

This document is designed to provide a general overview of the Fifteenth Judicial District Court's finances for all those with an interest in the finances of the courts. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Tina LeMaire, Court Administrator, Fifteenth Judicial District Court, Post Office Box 3996, Lafayette, Louisiana 70502-3996, telephone (337)269-5761.



**Darnall, Sikes,
Gardes & Frederick.**

(A Corporation of Certified Public Accountants)

INDEPENDENT AUDITOR'S REPORT

To the Honorable David Blanchet
Fifteenth Judicial District Court
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifteenth Judicial District Court as of and for the year ended June 30, 2010, which collectively comprise the Fifteenth Judicial District Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fifteenth Judicial District Court's management. Our responsibility is to express opinions 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifteenth Judicial District Court as of June 30, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2010, on our consideration of the Fifteenth Judicial District Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 read in conjunction with this report in considering the results of our audit.

- E. Larry Sikes, CPA/PFS, CVA, CFP™
- Danny P. Frederick, CPA
- Clayton E. Darnall, CPA, CVA
- Eugene H. Darnall, III, CPA
- Stephanie M. Higginbotham, CPA
- John P. Armato, CPA/PFS
- J. Steven Gardes, CPA, CVA
- Jennifer S. Ziegler, CPA/PFS, CFP™
- Chris A. Miller, CPA, CVA
- Stephen R. Dischler, MBA, CPA
- Steven G. Moosa, CPA
- M. Rebecca Gardes, CPA
- Pamela Mayeaux Bonin, CPA, CVA
- Joan B. Moody, CPA
- Erich G. Loewer, III, MTX, CPA, M.S. Tax
- Lauren F. Hebert, CPA/PFS
- Barbara Ann Watts, CPA
- Craig C. Babineaux, CPA/PFS, CFP™
- Jeremy C. Meaux, CPA

- Kathleen T. Darnall, CPA
- Dustin B. Baudin, CPA, MBA
- Kevin S. Young, CPA
- Adam J. Curry, CPA
- Chad M. Bailey, CPA
- Carol C. Guillory, CPA
- Christy S. Dew, CPA
- Cecelia A. Hoyt, CPA
- Blaine M. Crochet, CPA, M.S.
- Rachel W. Ashford, CPA
- Veronica L. LeBleu, CPA
- Jacob C. Roberie, CPA
- S. Luke Sonnier, CPA
- Kyle P. Saltzman, CPA
- Elise B. Fauchaux, CPA

2000 Kaliste Saloom Rd.
Suite 300
Lafayette, LA 70508
Phone: 337.232.3312
Fax: 337.237.3614

1231 E. Laurel Ave.
Eunice, LA 70535
Phone: 337.457.4146
Fax: 337.457.5060

1201 Brashear Ave.
Suite 301
Morgan City, LA 70380
Phone: 985.384.6264
Fax: 985.384.8140

203 S. Jefferson Street
Abbeville, LA 70510
Phone: 337.893.5470
Fax: 337.893.5470

Member of:
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

www.dsicpas.com

The Management's Discussion and Analysis and budgetary comparison information on pages 1 through 6 and 32 through 36, respectively, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Dannall, Sikes, Gaudes & Frederick
A Corporation of Certified Public Accountants

Lafayette, Louisiana
August 16, 2010

BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements (GWFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Net Assets
 June 30, 2010
 (With Comparative Totals as of June 30, 2009)

	Governmental Activities	
	2010	2009
ASSETS		
Cash	\$ 1,044,856	\$ 1,208,046
Certificates of deposit	2,701,805	2,389,805
Due from other governmental entities	19,721	9,150
Other receivable	1,543	-
Prepaid expenses	5,405	125
Accrued income	154,330	124,302
Security deposits	3,300	3,300
Capital assets, net of accumulated depreciation	<u>70,947</u>	<u>79,023</u>
Total assets	<u>4,001,907</u>	<u>3,813,751</u>
LIABILITIES		
Accrued expenses	<u>8,524</u>	<u>85,489</u>
Total liabilities	<u>8,524</u>	<u>85,489</u>
NET ASSETS		
Invested in capital assets, net of related debt	70,947	79,023
Unrestricted	<u>3,922,436</u>	<u>3,649,239</u>
Total net assets	<u>\$ 3,993,383</u>	<u>\$ 3,728,262</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Activities
Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Assets
		Charges for Services, Fines and Forfeitures	Operating Grants and Contributions	
Governmental Activities				
District Court	\$ 894,812	\$ 476,587	\$ 486,849	\$ 68,624
Child Support	606,545	652,909	-	46,364
Misdemeanor Probation	385,126	437,850	-	52,724
Drug Court	<u>49,495</u>	<u>93,300</u>	<u>-</u>	<u>43,805</u>
Total governmental activities	<u>\$ 1,935,978</u>	<u>\$ 1,660,646</u>	<u>\$ 486,849</u>	<u>211,517</u>
General revenues:				
Investment income				<u>53,604</u>
Total general revenues				<u>53,604</u>
Change in net assets				265,121
Net assets, beginning				<u>3,728,262</u>
Net assets, ending				<u>\$ 3,993,383</u>

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Fund Financial Statements (FFS)

FIFTEENTH JUDICIAL DISTRICT COURT

Balance Sheet
Government Funds
June 30, 2010

(With Comparative Totals as of June 30, 2009)

	<u>General Fund</u>	<u>Child Support Fund</u>	<u>Misdemeanor Probation Fund</u>
ASSETS			
Cash	\$ 435,365	\$ 160,305	\$ 266,490
Certificates of deposit	1,700,000	801,805	200,000
Due from other governmental entities	19,721	-	-
Other receivables	1,225	-	318
Prepaid expenses	1,480	3,925	-
Accrued income	75,329	61,021	-
Security deposits	-	-	<u>3,300</u>
Total assets	<u>2,233,120</u>	<u>1,027,056</u>	<u>470,108</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued expenses	<u>8,411</u>	<u>113</u>	<u>-</u>
Total liabilities	8,411	113	-
Fund balances - unreserved and undesignated	<u>2,224,709</u>	<u>1,026,943</u>	<u>470,108</u>
Total liabilities and fund balances	<u>\$ 2,233,120</u>	<u>\$ 1,027,056</u>	<u>\$ 470,108</u>

Drug Court Enhancement Fund	Totals (Memorandum Only)	
	2010	2009
\$ 182,696	\$ 1,044,856	\$ 1,208,046
-	2,701,805	2,389,805
-	19,721	9,150
-	1,543	-
-	5,405	125
17,980	154,330	124,302
-	3,300	3,300
<u>200,676</u>	<u>3,930,960</u>	<u>3,734,728</u>
-	8,524	85,489
-	8,524	85,489
<u>200,676</u>	<u>3,922,436</u>	<u>3,649,239</u>
<u>\$ 200,676</u>	<u>\$ 3,930,960</u>	<u>\$ 3,734,728</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Assets
June 30, 2010

	<u>2010</u>
Total fund balances - governmental funds	\$ 3,922,436
<p>The cost of capital assets (furniture and equipment) purchased is reported as an expenditure in the governmental funds. The Statement of Net Assets includes these capital assets among the assets of the Court as a whole. The cost of these capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>	
Cost of capital assets	\$ 289,419
Accumulated depreciation	<u>(218,472)</u>
Net capital assets	<u>70,947</u>
Net assets of governmental activities	<u>\$ 3,993,383</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Statement of Revenues, Expenditures, and Changes
 In Fund Balances – All Governmental Funds
 Year Ended June 30, 2010
 (With Comparative Totals for the Year Ended June 30, 2009)

	General Fund	Child Support Fund	Misdemeanor Probation Fund
Revenues			
Intergovernmental			
Court fees	\$ 235,605	\$ -	\$ -
Bond Premiums	240,982	-	-
Families in Need of Services Grant	121,106	-	-
Drug Court Grants	268,645	-	-
CLEVER Grant Revenue	43,093	-	-
Administrative Collection Fees	-	652,909	437,850
Drug Court Fee Income	-	-	-
Families in Need of Service Supplement	54,005	-	-
Investment Income	33,698	14,555	5,351
Total Revenues	<u>997,134</u>	<u>667,464</u>	<u>443,201</u>
Expenditures			
Accounting	15,643	2,812	4,292
Advertising	-	-	-
Bench books	5,698	-	-
Commissioner expenses	1,126	-	-
Litter Abatement	-	-	15,339
Compensation, supplements, and benefits	400,484	520,877	294,500
Computer expenses	-	81	5,050
Contractual service	-	5,928	-
Court administration and reporters	19,756	270	-
Development expenses	-	-	-
Dues and subscriptions	15,047	10,696	125
FINS excess expense	54,005	-	-
Grants	-	6,000	-
Incentives	-	-	-
Insurance	654	-	-
Internet provider charges	949	1,415	2,240
Judges' allowances (including prior banked)	156,847	31,072	-
Judges' meeting expenses and ad hoc	6,252	-	-
Mileage in dist.-Acadia/Vermilion hearing officers	-	3,727	-
Miscellaneous\other	4,440	2,299	2,899
Office expenses, services, and small equipment	13,775	11,314	42,780
Parking fees	10,816	-	1,565
Postage	1,179	176	5,152
Rent	-	-	-
Security expense	62	4,462	-
Telephone - cellular	9,694	2,344	5,597
Testing and lab	6,877	-	-
Travel and seminars	10,080	-	2,026
Treatment	159,203	-	-
Total expenditures	<u>892,587</u>	<u>603,473</u>	<u>381,565</u>
Excess of revenues over expenditures	<u>104,547</u>	<u>63,991</u>	<u>61,636</u>
Other financing sources (uses):			
Operating transfers in (out)	<u>20,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	124,547	63,991	61,636
Fund balance, beginning	<u>2,100,162</u>	<u>962,952</u>	<u>408,472</u>
Fund balance, ending	<u>\$ 2,224,709</u>	<u>\$ 1,026,943</u>	<u>\$ 470,108</u>

Drug Court Enhancement Fund	Totals (Memorandum Only)	
	2010	2009
\$ -	\$ 235,605	\$ 221,589
-	240,982	249,300
-	121,106	80,850
-	268,645	269,954
-	43,093	20,813
-	1,090,759	1,045,701
93,300	93,300	85,362
-	54,005	49,483
-	53,604	73,560
<u>93,300</u>	<u>2,201,099</u>	<u>2,096,612</u>
-	22,747	13,451
-	-	319
-	5,698	9,328
-	1,126	1,236
-	15,339	16,024
-	1,215,861	1,132,438
-	5,131	10,993
26,730	32,658	59,891
-	20,026	21,748
-	-	6,700
-	25,868	23,017
-	54,005	49,483
-	6,000	4,000
661	661	483
-	654	502
-	4,604	4,313
-	187,919	182,735
-	6,252	3,683
-	3,727	6,098
1,004	10,642	13,225
404	68,273	85,019
-	12,381	15,668
-	6,507	7,285
6,721	6,721	6,161
-	4,524	4,567
-	17,635	14,389
-	6,877	5,036
6,022	18,128	28,524
<u>8,735</u>	<u>167,938</u>	<u>110,638</u>
<u>50,277</u>	<u>1,927,902</u>	<u>1,836,954</u>
<u>43,023</u>	<u>273,197</u>	<u>259,658</u>
<u>(20,000)</u>	<u>-</u>	<u>-</u>
23,023	273,197	259,658
<u>177,653</u>	<u>3,649,239</u>	<u>3,389,581</u>
<u>\$ 200,676</u>	<u>\$ 3,922,436</u>	<u>\$ 3,649,239</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2010

	<u>2010</u>
Net change in fund balances - total governmental funds	\$ 273,197
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures	\$ 20,704
Depreciation expense	<u>(28,780)</u>
Excess (deficiency) of capital outlays over depreciation	<u>(8,076)</u>
Change in net assets of governmental activities	<u>\$ 265,121</u>

The accompanying notes are an integral part of this statement.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fifteenth Judicial District Court (the "Court") is comprised of three parishes within the State of Louisiana: Acadia, Lafayette, and Vermilion. The courthouses of the Fifteenth Judicial District are located in the three parish seats of Crowley (Acadia Parish), Lafayette (Lafayette Parish), and Abbeville (Vermilion Parish). The caseload of the Fifteenth Judicial District Court is handled by thirteen judges that are elected from sub-districts within the entire district. These judges all have general trial jurisdiction throughout the district and preside over individual divisions designated by the letters A through M as follows:

Division A	Judge John D. Trahan
Division B	Judge Jules D. Edwards, III
Division C	Judge Edward Broussard
Division D	Judge Edward D. Rubin
Division E	Judge Herman C. Clause
Division F	Judge Glennon P. Everett
Division G	Judge Durwood W. Conque
Division H	Judge David Blanchet
Division I	Judge Thomas R. Duplantier
Division J	Judge Kristian Earles
Division K	Judge Patrick L. Michot
Division L	Judge Marilyn C. Castle
Division M	Judge Phyllis M. Keaty

The accompanying financial statements of the Court have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Court are described below:

Basis of Presentation

The Court uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The minimum number of funds maintained by the Court is consistent with legal and managerial requirements.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The Court's basic financial statements include both government-wide (reporting the Court as a whole) and fund financial statements (reporting the Court's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Court's activities are classified as governmental activities.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Financial Statements

The government-wide financial statements include a *Statement of Net Assets* and *Statement of Activities*. These statements report financial information about the Court. In the process of aggregating data for the *Statement of Net Assets* and *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.

In the *Statement of Net Assets* the governmental type activities column (1) is presented on a consolidated basis by column, and (2) 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 Court's net assets are reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net assets* – consists of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net assets* – all other net assets that do not meet the definition of *restricted* or *invested in capital assets, net of related debt*. The Court first utilizes restricted resources to finance qualifying activities.

The *Statement of Activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. Program revenues includes: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the Court's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. Other revenue sources not properly included with program revenues are reported as general revenues.

The Court reports all direct expenses by function in the *Statement of Activities*. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function.

This government-wide focus is more on the sustainability of the Court as an entity and the change in the Court's net assets resulting from the current year's activities.

Basic Financial Statements - Fund Financial Statements

Fund financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental fund(s) are aggregated and reported as nonmajor fund(s).

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a description of the governmental funds of the Court:

General Fund – To account for all financial resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenues Funds – To account for the proceeds of specific revenue sources legally restricted to expenditures for specific purposes.

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

Child Support Fund - The Child Support Fund was established by Louisiana Revised Statute 46:236.5. It collects support payments on behalf of guardians who are being assisted by State aid. The Child Support Fund is authorized to receive payment of nonsupport funds on behalf of the State of Louisiana. It is also authorized to collect an administrative fee of no greater than 5% of the funds due. The fees are used to fund the administrative costs of the expedited processing system associated with a segregated family court within the Fifteenth Judicial District Court.

Misdemeanor Probation Fund - The Misdemeanor Probation Fund. It collects a \$25 per month supervision fee for misdemeanor cases and \$30 per month for felony cases pled down to a misdemeanor case. The fees are used to fund the administrative and personnel costs of the Misdemeanor Probation Program within the Fifteenth Judicial District Court.

Drug Court Enhancement Fund – The Drug Court Enhancement Fund was established by way of an ordinance that allows specific distribution of Lafayette Parish contempt fines charged for failure to appear. The Drug Court Enhancement Fund amounts that are distributed to Juvenile and Adult Drug Court programs are used to supplement grant monies that primarily fund these programs. The Enhancement Fund monies are used for training, additional staffing, materials, or any other "enhancements" to the programs that would not be possible due to lack of funding.

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. In addition, management may include a fund as a major fund that does not meet the minimum criteria established by GASB if management believes the fund is important to present as such for the financial statement users.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual Basis - Government-Wide Financial Statements (GWFS)

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized when grantor eligibility requirements are met.

Modified Accrual Basis - Governmental Fund Financial Statements (FFS)

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of "available spending resources." Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spending resources" during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditure-driven grant revenues are recorded when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because they do not vest or accumulate; and (2) principal and interest on general long-term debt which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Major revenue sources susceptible to accrual include intergovernmental revenues and investment income. In general, other revenues are recognized when cash is received.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget.

Use of Estimates

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

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certificates of Deposit

The Fifteenth Judicial District Court has certificates of deposit as of June 30, 2010 which are not subject to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and are therefore stated at cost, which approximates market.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods and services rendered. These receivables and payables are classified as *due from other funds* or *due to other funds* on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Prepaid Expenses

Advance payments made that will benefit periods beyond the current fiscal year are recorded as prepaid expenses.

Compensated Absences

Employees earn a set amount of annual vacation leave depending on years of service. Vacation cannot be accumulated and compensation in lieu of vacation is not paid. Therefore, no provision for compensated absences has been made in the financial statements.

Capital Assets and Depreciation

The accounting treatment over property and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements:

The Court's property and equipment with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements. The Court maintains a threshold level of \$250, or more for capitalizing capital assets. Donated assets are stated at fair value at the date donated. The Court has no donated assets. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Machinery and equipment	5 – 15 years
-------------------------	--------------

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements:

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Fund Equity

Government-Wide Financial Statements:

The Fifteenth Judicial District Court's net assets are reported in three parts: (1) *invested in capital assets, net of related debt* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net assets* – consists of net assets with constraints place on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net assets* – all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Fund Financial Statements:

Governmental fund equity is classified as fund balance. In the fund financial statements, reservations of fund balance represent amounts that are not appropriable or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The purpose for each is indicated by the account title on the face of the balance sheet.

Interfund Transfers

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Legally authorized interfund transactions, except quasi-external transactions and reimbursements, are treated as operating transfers and are included in the results of operations. For purposes of the *Statement of Activities*, all interfund transfers between individual governmental funds have been eliminated.

NOTE 2 CASH

For reporting purposes, cash includes demand deposits and interest-bearing demand deposits. Under State law, the Court may invest in United States bonds, treasury notes or certificates, or time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other federally insured investment. The Court may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 2 CASH (Continued)

The amount of total bank balances is classified into three categories of credit risk:

1. Insured or collateralized with securities held by the government or by the government's agent in the government's name.
2. Collateralized with securities held by the pledging financial institution's trust department or government's agent in the government's name.
3. Uncollateralized, including amounts collateralized with securities held by the pledging institution or the pledging institution's trust department or agent, but not in the government's name.

At June 30, 2010, the carrying value of the Court's cash deposits, including demand deposits and time certificates of deposit, totaled \$3,746,661, and the bank balances totaled \$3,613,086. Of the bank balances, \$3,613,086, was covered by Federal Deposit Insurance Corporation (FDIC) coverage; \$1,697,951, was covered by collateral held by the custodial bank in the bank's name (Category III).

NOTE 3 CERTIFICATES OF DEPOSIT

The District has certificates of deposit for the following funds as of June 30, 2010:

<u>Fund</u>	<u>Amount</u>	<u>Interest Rates</u>
General	\$ 1,700,000	1.09% - 3.75%
Child Support	801,805	1.00% - 3.25%
Misdemeanor Probation	200,000	1.00% - 1.65%
Totals	<u>\$ 2,701,805</u>	

NOTE 4 DUE FROM OTHER GOVERNMENTAL ENTITIES

The following is a summary of due from other governmental entities at June 30, 2010:

Lafayette Consolidated Government	\$ 16,504
Vermilion Parish	450
Acadia Parish Clerk	92
State of Louisiana Judicial Branch	<u>2,675</u>
Total due from other governmental entities	<u>\$ 19,721</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets reported in the government-wide financial statements for the year ended June 30, 2010, is as follows:

<u>Governmental activities</u>	<u>Balance June 30, 2009</u>	<u>Acquisitions</u>	<u>Dispositions</u>	<u>Balance June 30, 2010</u>
Capital assets being depreciated				
Machinery and equipment	\$ 269,590	\$ 20,704	\$ (875)	\$ 289,419
Less accumulated depreciation for				
Machinery and equipment	<u>(190,567)</u>	<u>(28,590)</u>	<u>685</u>	<u>(218,472)</u>
Governmental activities capital assets, net	<u>\$ 79,023</u>	<u>\$ (7,886)</u>	<u>\$ (190)</u>	<u>\$ 70,947</u>

Depreciation expense for the year ended June 30, 2010, was charged to governmental activities of the Court as follows:

District Court	\$ 19,686
Child Support	4,451
Misdemeanor Probation	4,032
Drug Court	<u>421</u>
Total depreciation expense	<u>\$ 28,590</u>

NOTE 6 COURT FEES REVENUE

The Fifteenth Judicial District Court collected court fees during the fiscal year ended June 30, 2010 as follows:

<u>Parish</u>	<u>Amount</u>
Lafayette	\$ 155,590
Acadia	43,520
Vermilion	<u>36,495</u>
Total	<u>\$ 235,605</u>

NOTE 7 BOND PREMIUMS

This source of funds was instituted by Louisiana Revised Statute 22:1065.1. The statute provides that 2% of all judgments of bond forfeiture collected by the Sheriff's Department shall be paid to the court fund of the parish where the bond was posted. Bond premiums for the fiscal year ended June 30, 2010, totaled \$240,982.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 8 FAMILIES IN NEED OF SERVICES (FINS) ASSISTANCE PROGRAM

The Fifteenth Judicial District Court entered into a contract with the State of Louisiana, Office of Community Services under the Families in Need of Services (FINS) Assistance Program. The Court has agreed to furnish the administration and implementation of the Families in Need of Services, Title VII of the Louisiana Children's Code, within the Fifteenth Judicial District, State of Louisiana. The Fifteenth Judicial District Court's General (Judicial Expense) Fund is the appointed administrator of the FINS Assistance Program. FINS is a pre-delinquency intervention program that provides interagency social work services to assist children with disciplinary problems from entering the juvenile court system by counseling with parents or other agencies to correct behavioral problems. Funding received or accrued, as necessary, from the Office of Community Services for the year ended June 30, 2010, totaled \$121,106. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the FINS Program for the year ended June 30, 2010, totaled \$178,440.

NOTE 9 TRUANCY ASSESSMENT AND SERVICE CENTER (TASC) ASSISTANCE PROGRAM

The Fifteenth Judicial District Court participates in a contract with the Louisiana State University, Office of Social Services Research and Development under the Truancy Assessment and Service Center (TASC) Assistance Program. The Court has agreed to provide early identification and assessment of truants and the prompt delivery of coordinated interventions to prevent continued unauthorized school absences. The Office of Social Service Research and Development reimburses the Court for services to families that will foster school attendance and promote school attachment. Funding received or accrued, as necessary, from the Office of Social Service Research and Development for the year ended June 30, 2010, totaled \$100,989. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the TASC Program for the year ended June 30, 2010, totaled \$100,989.

NOTE 10 DRUG COURT (GRANT) PROGRAMS

The Fifteenth Judicial District Court entered into a contract with the Louisiana Supreme Court, Office of the Judicial Administrator, Supreme Court Drug Court Office under the Drug Court Program. The Court has agreed to provide assistance to juveniles and their families to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. The Supreme Court Drug Court Office reimburses drug courts for services to Temporary Assistance for Needy Families (TANF) Eligible Drug Court Program clients to help these families understand the health risks associated with substance abuse and to assist them in becoming better able to successfully function in the family setting. The Fifteenth Judicial District Court's General (Judicial Expense) Fund is the appointed administrator of the JDC Program. Funding received or accrued, as necessary, from the Supreme Court Drug Court Office for the year ended June 30, 2010, totaled \$167,656. Expenditures of the Fifteenth Judicial District Court General (Judicial Expense) Fund related to the JDC Program for the year ended June 30, 2010, totaled \$167,656.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 11 INTERFUND TRANSFERS

Interfund transfers reported in the fund financial statements during the year ended June 30, 2010, were as follows:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ 20,000	\$ -
Special Revenue - General Fund		
Drug Court Enhancement Fund	-	20,000
Total operating transfers	<u>\$ 20,000</u>	<u>\$ 20,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 12 FEES, COMPENSATION SUPPLEMENTS, AND REIMBURSEMENTS

Personnel assigned to the judiciary include secretaries, receptionists, and court reporters. These personnel are paid by the three respective parishes of the Fifteenth Judicial District (Acadia, Lafayette, and Vermilion parishes). Some supplements and reimbursements are funded by the Court via payment to the respective parish governments. These reimbursements include wages, insurance, and retirement benefit costs. Compensation paid to law clerks assigned to the judiciary is established by the Court and funded by parishes. The Court pays health insurance premiums for the law clerks of the judiciary. Secretarial staff is compensated for additional duties such as bookkeeping and in the capacity of the rotating chief judge's secretary.

The employees working in the administrative offices of the Child Support Program include hearing officers, clerical staff, and court reporters.

The employees working in the administrative offices of the Misdemeanor Probation Program include probation officers and support staff.

NOTE 13 CONTINGENCIES

Secretarial and clerical support staff of the District Court are paid by the respective parish police juries or consolidated governments. The judges of the district en banc are working to provide parity and uniformity in compensation and benefits. To date, it is uncertain if compensation has been provided in accordance with established policy. Also, it is uncertain which agency would be responsible if a liability exists. The amount of any potential liability has not been determined.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 14 OPERATING LEASE

The Court is committed under an operating lease for an office building. Future minimum operating lease commitments are as follows:

<u>Year ending June 30,</u>	
2011	\$ 39,600
2012	39,600
2013	39,600
2014	<u>3,300</u>
Total	<u>\$ 122,100</u>

Rent expenditures under this lease were \$39,600 for the year ended June 30, 2010.

NOTE 15 RETIREMENT

Parochial Employees' Retirement System

Plan description:

Substantially all employees of the Fifteenth Judicial District Court are members of the Parochial Employees' Retirement System of Louisiana (the "System"), a cost-sharing, 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 benefit provisions. Employees of the Court are members of Plan A.

Under Plan A, employees hired prior to January 1, 2007 who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service, or hires after January 1, 2007 who retire at or after age 62 with at least 10 years of creditable service, 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 3% of their final compensation multiplied by the employee's years of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1% of final compensation, plus \$24 for each year of service credited prior to January 1, 1980, and 3% of final compensation for each year of service credited after January 1, 1980. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by State statute.

FIFTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

NOTE 15 RETIREMENT (Continued)

The Parochial Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619.

Funding policy:

Under Plan A, members are required by State statute to contribute 9.50% of their annual covered salary and the Court is required to contribute at an actuarially determined rate. The employer contribution rate through December 31, 2009, was 12.25% of annual covered payroll. Beginning January 1, 2010, the employer contribution rate increased to 15.75% of annual covered payroll. The contribution requirements of Plan members and the Court are established and may be amended by the System's Board of Trustees. The Court's contributions to the System under Plan A for the years ended June 30, 2010, 2009, and 2008, were \$194,794, \$166,418, and \$169,744, respectively, equal to the required contributions for each year.

NOTE 16 RISK MANAGEMENT

The Fifteenth Judicial District Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Court has decided to retain the risk of liability exposure and presently, does not have any funds appropriated for the potential liability exposure.

NOTE 17 CONCENTRATIONS OF CREDIT RISK

Intergovernmental receivables represent amounts due from other Acadia, Lafayette, and Vermilion Parishes governmental agencies and the State of Louisiana. Payment of these amounts is partly dependent upon the economic and financial conditions within these parishes and the State of Louisiana.

NOTE 18 FEDERAL AND STATE GRANTS

In the normal course of operations, the Court receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 19 SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 16, 2010, the date at which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

Budgetary Comparison Schedules

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental				
Court fees	\$ 219,074	\$ 236,574	\$ 235,605	\$ (969)
Bond premiums	256,722	240,722	240,982	260
CLEVER grant	40,310	40,310	43,093	2,783
Families in Need of Service grant	130,370	133,184	121,106	(12,078)
Drug Court grants	281,380	270,134	268,645	(1,489)
Families in Need of Service Supplement	48,793	53,993	54,005	12
Investment income	60,540	34,040	33,698	(342)
Total revenues	<u>1,037,189</u>	<u>1,008,957</u>	<u>997,134</u>	<u>(11,823)</u>
Expenditures				
Accounting/legal	7,000	15,500	15,643	(143)
Bench books	8,820	5,820	5,698	122
CLE expenses-retired judges	3,000	-	-	-
Commissioner expenses	3,000	1,000	1,126	(126)
Compensation, supplements, and benefits	398,371	397,470	400,484	(3,014)
Contractual services	1,000	-	-	-
Court administration and reporters	23,365	24,865	19,756	5,109
Dues and subscriptions	22,100	16,100	15,047	1,053
FINS excess expense	42,675	54,005	54,005	-
Insurance	1,032	1,032	654	378
Internet provider charges	1,800	800	949	(149)
Judges' allowances (including prior banked)	186,449	177,949	156,847	21,102
Judges' meeting expenses and ad hoc	3,500	3,500	6,252	(2,752)
Miscellaneous/other	10,446	4,646	4,440	206
Office expenses, services, and small equipment	14,503	10,003	13,775	(3,772)
Parking fees	11,400	11,400	10,816	584
Postage	2,327	1,327	1,179	148
Security expense	7,000	500	62	438
Telephone - cellular	8,427	8,427	9,694	(1,267)
Testing and lab	9,602	6,957	6,877	80
Travel and seminars	9,223	9,223	10,080	(857)
Treatment	189,175	185,475	159,203	26,272
Total expenditures	<u>964,215</u>	<u>935,999</u>	<u>892,587</u>	<u>43,412</u>
Excess (deficiency) of revenues over expenditures	72,974	.72,958	104,547	31,589
Other financing sources (uses):				
Operating transfers in (out)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	92,974	92,958	124,547	31,589
Fund balance, beginning	<u>2,100,162</u>	<u>2,100,162</u>	<u>2,100,162</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,193,136</u>	<u>\$ 2,193,120</u>	<u>\$ 2,224,709</u>	<u>\$ 31,589</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
 Child Support Fund
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 600,000	\$ 653,000	\$ 652,909	\$ (91)
Investment income	<u>31,000</u>	<u>13,900</u>	<u>14,555</u>	<u>655</u>
Total revenues	<u>631,000</u>	<u>666,900</u>	<u>667,464</u>	<u>564</u>
Expenditures				
Accounting	2,503	2,803	2,812	(9)
Advertising	500	-	-	-
Compensation, supplements, and benefits	495,042	521,892	520,877	1,015
Computer expenses	5,000	500	81	419
Contractual services	10,000	2,000	5,928	(3,928)
Court reporter	500	300	270	30
Development expenses	1,500	-	-	-
DSS operation fee	5,500	-	-	-
Dues and subscriptions	19,300	16,400	10,696	5,704
Grants	6,000	6,000	6,000	-
Internet provider charges	1,950	1,450	1,415	35
Judges' expense allowance	31,879	31,879	31,072	807
Mileage in dist.-Acad./Verm. hearing officers	5,000	4,000	3,727	273
Miscellaneous/other	4,450	2,350	2,299	51
Office expenses, services, and small equipment	14,300	9,300	11,314	(2,014)
Postage	2,000	200	176	24
Security	23,000	4,000	4,462	(462)
Telephone - cellular	1,950	2,450	2,344	106
Total expenditures	<u>630,374</u>	<u>605,524</u>	<u>603,473</u>	<u>2,051</u>
Excess (deficiency) of revenues over expenditures	626	61,376	63,991	2,615
Other financial sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	626	61,376	63,991	2,615
Fund balance, beginning	<u>962,952</u>	<u>962,952</u>	<u>962,952</u>	<u>-</u>
Fund balance, ending	<u>\$ 963,578</u>	<u>\$ 1,024,328</u>	<u>\$ 1,026,943</u>	<u>\$ 2,615</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Misdemeanor Probation Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Administrative collection fees	\$ 398,766	\$ 437,466	\$ 437,850	\$ 384
Investment income	<u>13,459</u>	<u>5,759</u>	<u>5,351</u>	<u>(408)</u>
Total revenue	<u>412,225</u>	<u>443,225</u>	<u>443,201</u>	<u>(24)</u>
Expenditures				
Accounting	4,000	4,300	4,292	8
Litter Abatement	17,000	15,000	15,339	(339)
Compensation, supplements, and benefits	289,334	294,534	294,500	34
Computer expenses	7,000	5,500	5,050	450
Dues and subscriptions	125	125	125	-
Internet provider charges	2,300	2,300	2,240	60
Miscellaneous/other	1,559	1,000	2,899	(1,899)
Office expenses, services, and small equipment	35,700	44,200	42,780	1,420
Parking fees	2,940	1,440	1,565	(125)
Postage	5,500	5,500	5,152	348
Security	15,360	360	-	360
Telephone - cellular	6,300	5,700	5,597	103
Travel and seminars	<u>5,000</u>	<u>2,000</u>	<u>2,026</u>	<u>(26)</u>
Total expenditures	<u>392,118</u>	<u>381,959</u>	<u>381,565</u>	<u>394</u>
Net change in fund balance	20,107	61,266	61,636	(418)
Fund balance, beginning	<u>408,472</u>	<u>408,472</u>	<u>408,472</u>	<u>-</u>
Fund balance, ending	<u>\$ 428,579</u>	<u>\$ 469,738</u>	<u>\$ 470,108</u>	<u>\$ (418)</u>

FIFTEENTH JUDICIAL DISTRICT COURT

Budgetary Comparison Schedule
Drug Court Enhancement Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Adult Drug Court Fee Income	\$ 44,000	\$ 46,600	\$ 46,650	\$ 50
Juvenile Drug Court Fee Income	<u>44,000</u>	<u>46,600</u>	<u>46,650</u>	<u>50</u>
Total Revenues	<u>88,000</u>	<u>93,200</u>	<u>93,300</u>	<u>100</u>
Expenditures				
Contractual service	23,000	20,200	26,730	(6,530)
Incentives	2,500	500	661	(161)
Miscellaneous/other	1,200	900	1,004	(104)
Office expenses, services, and small equipment	6,000	500	404	96
Rent	7,500	7,500	6,721	779
Travel and training	13,000	5,800	6,022	(222)
Treatment	<u>14,000</u>	<u>15,100</u>	<u>8,735</u>	<u>6,365</u>
Total expenditures	<u>67,200</u>	<u>50,500</u>	<u>50,277</u>	<u>223</u>
Excess (deficiency) of revenues over expenditures	<u>20,800</u>	<u>42,700</u>	<u>43,023</u>	<u>323</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balance	800	22,700	23,023	323
Fund balance, beginning	<u>177,653</u>	<u>177,653</u>	<u>177,653</u>	<u>-</u>
Fund balance, ending	<u>\$ 178,453</u>	<u>\$ 200,353</u>	<u>\$ 200,676</u>	<u>\$ 323</u>

FIFTEENTH JUDICIAL DISTRICT COURT
NOTES TO THE BUDGETARY COMPARISION SCHEDULES

Budgets and budgetary accounting:

The Court follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the Court Administrator prepares a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is then approved by the Judges en banc.
3. An amendment involving the transfer of monies from one department to another or from one program or function to another or any other increases in expenditures exceeding amounts estimated must be approved by the Court.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final amended budget. Actual amounts may not vary more than 5% from the final amended budget at the individual fund level.



Darnall, Sikes, Gardes & Frederick.

(A Corporation of Certified Public Accountants)

Independent Auditor's 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*

To the Honorable Glennon P. Everett
Fifteenth Judicial District Court
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fifteenth Judicial District Court as of and for the year ended June 30, 2010, which collectively comprise the Fifteenth Judicial District Court's basic financial statements and have issued our report thereon dated August 16, 2010. We have 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 the Fifteenth Judicial District Court's internal control over financial reporting in order to determine 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 Fifteenth Judicial District Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fifteenth Judicial District Court'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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Fifteenth Judicial District Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Fifteenth Judicial District Court's financial statements that is more than inconsequential will not be prevented or detected by the Fifteenth Judicial District Court's internal control.

A material weakness is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility, that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

2000 Kaiiste Saloom Rd.
Suite 300
Lafayette, LA 70508
Phone: 337.232.3312
Fax: 337.237.3614

1231 E. Laurel Ave.
Eunice, LA 70535
Phone: 337.457.4146
Fax: 337.457.5060

1201 Brashear Ave.
Suite 301
Morgan City, LA 70380
Phone: 985.384.6264
Fax: 985.384.8140

203 S. Jefferson Street
Abbeville, LA 70510
Phone: 337.893.5470
Fax: 337.893.5470

Member of
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants
www.dsicpas.com

E. Larry Sikes, CPA/PFS, CVA, CFPTM
Danny P. Frederick, CPA
Clayton E. Darnall, CPA, CVA
Eugene H. Darnall, III, CPA
Stephanie M. Higginbotham, CPA
John P. Armato, CPA/PFS
J. Steven Gardes, CPA, CVA
Jennifer S. Ziegler, CPA/PFS, CFPTM
Chris A. Miller, CPA, CVA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA
M. Rebecca Gardes, CPA
Pamela Mayeaux Bonin, CPA, CVA
Joan B. Moody, CPA
Erich G. Loewer, III, MTX, CPA, M.S.Tax
Lauren F. Hebert, CPA/PFS
Barbara Ann Watts, CPA
Craig C. Babineaux, CPA/PFS, CFPTM
Jeremy C. Meaux, CPA

Kathleen T. Darnall, CPA
Dustin B. Baudin, CPA, MBA
Kevin S. Young, CPA
Adam J. Curry, CPA
Chad M. Bailey, CPA
Carol C. Guillory, CPA
Christy S. Dew, CPA
Cecelia A. Hoyt, CPA
Blaine M. Crochet, CPA, M.S.
Rachel W. Ashford, CPA
Veronica L. LeBleu, CPA
Jacob C. Roberie, CPA
S. Luke Sonnier, CPA
Kyle P. Saltzman, CPA
Elise B. Fauchaux, CPA

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 over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fifteenth Judicial District Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Fifteenth Judicial District Court's management, the judges en banc, and the Louisiana Legislative Auditor 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.

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana
August 16, 2010

FIFTEENTH JUDICIAL DISTRICT COURT

Schedule of Findings And Questioned Costs
Year Ended June 30, 2010

Part I: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unqualified opinion has been issued on Fifteenth Judicial District Court's financial statements as of and for the year ended June 30, 2010.

Significant Deficiencies - Financial Reporting

There were no significant deficiencies or material weaknesses noted during the audit.

Material Noncompliance - Financial Reporting

There were no material instances of noncompliance noted during the audit.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2010.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

This section is not applicable for the fiscal year ended June 30, 2010.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2010, the Fifteenth Judicial District Court did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

Part IV: Management Letter

The auditor did not issue a management letter this year.

FIFTEENTH JUDICIAL DISTRICT COURT

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2010**

This section is not applicable for the fiscal year ended June 30, 2010.

FIFTEENTH JUDICIAL DISTRICT COURT

**Management's Corrective Action Plan
Year Ended June 30, 2010**

This section is not applicable for the fiscal year ended June 30, 2010.