

THIRTY-THIRD JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND

OBERLIN, LOUISIANA

ANNUAL FINANCIAL STATEMENTS  
AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Year Ended December 31, 2012

***Royce T. Scimemi, CPA, APAC***  
***Oberlin, LA***

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
 ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT  
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TABLE OF CONTENTS

	<u>Pages</u>
Independent Accountants' Review Report	2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	3-7
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	10
Statement of activities	11
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	13
Reconciliation of the governmental funds balance sheet to the statement of net position	14
Statement of revenues, expenditures and changes in fund balances - governmental funds	15
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	16
NOTES TO THE BASIC FINANCIAL STATEMENTS	17-25
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule - General Fund	27
Budgetary comparison schedule - Gaming Fund	28
OTHER SUPPLEMENTARY INFORMATION	
Independent Accountants' Report on Applying Agreed-Upon Procedures	29-31
Louisiana Attestation Questionnaire	32-33

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**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

June 28, 2013

Honorable Judge Joel G. Davis, and  
Honorable Judge Patricia C. Cole  
Thirty-Third Judicial District Court  
Oberlin, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Thirty-Third Judicial District Court Judicial Expense Fund (the Court), as of and for the year ended December 31, 2012, which collectively comprise the Court's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Court. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

The management of the Court is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted generally accepted in the United States of America. The management's discussion and analysis (pages 3-7) and the budgetary comparison information (pages 27-28) are presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the *Louisiana Governmental Audit Guide* and provisions of state law, we have issued a report dated June 28, 2013, on the results of certain agreed-upon procedures that we performed.

Royce T. Scimemi, CPA, APAC

*Royce T. Scimemi, CPA, APAC*

**THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA**

**Management's Discussion and Analysis**

Within this section of the Thirty-Third Judicial District Court Judicial Expense Fund's (Court) annual financial report, the Court's management is pleased to provide this narrative discussion and analysis of the financial activities of the Court for the fiscal year ended December 31, 2012. The Court's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**Financial Highlights**

- The Court's assets exceeded its liabilities by \$784,935 and \$786,087 (net position) for the fiscal years ended December 31, 2012 and 2011, respectively.
- Total revenues of \$217,009 were exceeded by total expenses of \$218,161, which resulted in a current year deficit of \$1,152. In the previous year, total revenues of \$204,869 were exceeded by total expenses of \$215,986, which resulted in a deficit of \$11,117.
- Total net position are comprised of the following:
  - (1) Capital assets of \$40,876 and \$40,309, for years ended December 31, 2012 and 2011, respectively, include property and equipment, net of accumulated depreciation, and are reduced for outstanding debt, if any, related to the purchase of capital assets.
  - (2) Unrestricted net position of \$744,059 and \$745,778 for the years ended December 31, 2012 and 2011, respectively.
- Overall, the Court's financial position deteriorated slightly but the Court continues to maintain a strong financial position and to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

**Overview of the Financial Statements**

This Management's Discussion and Analysis document introduces the Court's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Court also includes in this report additional information to supplement the basic financial statements.

**Government-wide Financial Statements**

The Court's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Court's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the Court's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Court as a whole is improving or deteriorating. Evaluation of the overall health of the Court would extend to other nonfinancial factors in addition to the financial information provided in this report.

**THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND**  
**Oberlin, LA**

**Management's Discussion and Analysis (Continued)**

The second government-wide statement is the *Statement of Activities*, which reports how the Court's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Court's distinct activities or functions on revenues provided.

The government-wide financial statements are presented on pages 10 and 11 of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Court uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Court's, if any, most significant funds rather than the Court as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The Court uses governmental funds as follows:

*Governmental funds* are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Court's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

**Notes to the basic financial statements**

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 17 of this report.

**Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Court's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund and the gaming fund. These schedules demonstrate compliance with the Court's adopted and final budgets. This required supplementary information can be found on pages 27 and 28 of this report.

Other supplementary information, besides the "required supplementary information," is also presented in this report, including the independent accountants' report on applying agreed-upon procedures and the Louisiana Attestation Questionnaire that has been completed by the Court. This other supplementary information is presented on pages 29 to 33 of this report.

**THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA**

**Management's Discussion and Analysis (Continued)**

**Financial Analysis of the Court as a Whole**

The Court's net position at fiscal year-end is \$784,935 and \$786,087 for 2012 and 2011, respectively. The following table provides a summary of the Court's net position:

	2011		2012	
Assets & Deferred Outflows of Resources:				
Current assets	\$ 762,479	95%	\$ 760,874	95%
Capital assets	<u>40,309</u>	<u>5</u>	<u>40,876</u>	<u>5</u>
Total assets	<u>802,788</u>	<u>100%</u>	<u>801,750</u>	<u>100%</u>
Deferred outflows of resources	-	-	-	-
Liabilities & Deferred Inflows of Resources:				
Current liabilities	<u>16,701</u>	<u>100%</u>	<u>16,815</u>	<u>100%</u>
Deferred inflows of resources	-	-	-	-
Net position:				
Investment in capital assets, net	40,309	5%	40,876	5%
Unrestricted	<u>745,778</u>	<u>95</u>	<u>744,059</u>	<u>95</u>
Total net position	<u>\$ 786,087</u>	<u>100%</u>	<u>\$ 784,935</u>	<u>100%</u>

The Court continues to maintain a high current ratio, which compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio is 45.25 to 1. The Court uses the capital assets to provide services to the citizens of Allen Parish. Overall, the Court reports net position of \$784,935 and \$786,087 for 2012 and 2011, respectively. These amounts are \$1,152 lower in 2012 and \$11,117 lower in 2011. The Court has \$40,876 and \$40,309 invested in capital assets for 2012 and 2011, respectively. Approximately 5% of the governmental activities' net position is tied up in capital assets. The Court's overall financial position deteriorated slightly during fiscal year 2012 based on the decrease in total net position.

The following table provides a summary of the Court's changes in net position:

	2011		2012	
Revenues:				
Program:				
Charges for services/fines & court costs	\$ 71,058	35%	\$ 88,890	41%
Operating grants and contributions	126,895	62	125,104	58
General:				
Interest	<u>6,916</u>	<u>3</u>	<u>3,015</u>	<u>1</u>
Total revenues	<u>204,869</u>	<u>100%</u>	<u>217,009</u>	<u>100%</u>
Program expenses:				
Court administration	<u>215,986</u>	<u>100%</u>	<u>218,161</u>	<u>100%</u>

**THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA**

**Management's Discussion and Analysis (Continued)**

Change in net position	(11,117)	(1,152)
Beginning net position	<u>797,204</u>	<u>786,087</u>
Ending net position	<u>\$ 786,087</u>	<u>\$ 784,935</u>
<b>Governmental Revenues</b>		

Note that program revenues covered 99% and 97% of governmental operating expenses in 2012 and 2011, respectively.

**Governmental Functional Expenses**

The total function of the Court is court administration. Of the total cost, depreciation on the furniture, fixtures, and equipment, was \$6,471 or 3% and \$8,012 or 4% of total expenses in 2012 and 2011, respectively.

**Financial Analysis of the Court's Funds**

***Governmental Funds***

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported an ending balance of \$744,059 and \$745,778 in 2012 and 2011, respectively.

The General Fund is the Court's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$4,207 and decreased by \$2,140 in 2012 and 2011, respectively. In fiscal year 2012, revenues increased \$14,761 from the prior year. In fiscal year 2011, revenues decreased \$10,732 from its prior year. Operating expenditures increased by \$16,828 and \$1,734 in 2012 and 2011, respectively.

The Gaming Fund is the Court's special revenue fund that is used largely to fund salaries arising from the second judgeship. The Gaming Fund's fund balance increased by \$2,488 and decreased by \$1,447 in 2012 and 2011, respectively. In fiscal year 2012, revenues decreased by \$2,621 from the prior year. In fiscal year 2011, revenues decreased by \$182 from its prior year. Salary and related expenditures decreased by \$6,556 and increased by \$3,908 in 2012 and 2011, respectively.

**Budgetary Highlights**

***The General Fund*** – When the 2012 original budget was adopted, it was anticipated that the total revenues were going to be less than the previous fiscal year by \$65,753 mainly due to an anticipated decrease in court cost revenue and intergovernmental revenues. The original budget reflected an increase in total expenditures of \$26,707 from the previous fiscal year mainly due to an anticipated increase in salary and related benefits. The budget was not amended during the year. Variances were positive overall.

***The Gaming Fund*** – When the 2012 original budget was adopted, it was anticipated that the total revenues were going to decrease overall. The original budget also reflected an anticipated increase in salary related expenditures. The budget was not amended during the year. Variances were positive overall.

**THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA**

**Management's Discussion and Analysis (Continued)**

**Capital Assets and Debt Administration**

*Capital assets*

The Court's investment in capital assets, net of accumulated depreciation as of December 31, 2012 and 2011, was \$40,876 and \$40,309, respectively. See Note B for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

	2011	2012
Nondepreciable assets-land	\$ -	\$ -
Depreciable assets:		
Furniture & fixtures	35,830	36,222
Machinery & equipment	<u>52,466</u>	<u>59,112</u>
Total depreciable assets	88,296	95,334
Less accumulated depreciation	<u>47,987</u>	<u>54,458</u>
Book value-depreciable assets	\$ <u>40,309</u>	\$ <u>40,876</u>
Percentage depreciated	<u>54%</u>	<u>57%</u>
Book value-all assets	\$ <u>40,309</u>	\$ <u>40,876</u>

At December 31, 2012, the depreciable capital assets for governmental activities were 57% depreciated. The net book value is at 43% of the original cost.

The major additions in 2012 were computers and recording software.

*Long-term debt*

The court had no long-term debt during 2012.

**Contacting the Court's Financial Management**

This financial report is designed to provide a general overview of the Court's finances, comply with finance-related laws and regulations, and demonstrate the Court's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Court, Honorable Judge Joel G. Davis or Honorable Judge Patricia C. Cole at (337) 639-2266.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Statement of Net Position  
December 31, 2012

ASSETS & DEFERRED OUTFLOWS OF RESOURCES

Cash	\$ 120,470
Investments	618,485
Receivables:	
Court costs revenue	12,382
Gaming revenue	5,267
Grant revenue	3,805
Interest revenue	465
Capital assets, net	<u>40,876</u>
<b>TOTAL ASSETS</b>	<u><b>801,750</b></u>

DEFERRED OUTFLOWS OF RESOURCES -

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** **801,750**

LIABILITIES & DEFERRED INFLOWS OF RESOURCES

Current liabilities:	
Accounts payable	960
Payroll liabilities	<u>15,855</u>
<b>TOTAL LIABILITIES</b>	<u><b>16,815</b></u>

DEFERRED INFLOWS OF RESOURCES -

**TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES** **16,815**

NET POSITION

Invested in capital assets	40,876
Unrestricted	<u>744,059</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 784,935</b></u>

See accompanying notes and independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Statement of Activities  
Year Ended December 31, 2012

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Position</u>
		<u>Court Costs and Other Charges</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
Court Administration	<u>\$218,161</u>	<u>\$ 88,890</u>	<u>\$ 125,104</u>	\$ (4,167)
				General revenues:
				Unrestricted investment earnings
				<u>3,015</u>
				Total general revenues
				<u>3,015</u>
				Change in net position
				(1,152)
				Net position-December 31, 2011
				<u>786,087</u>
				Net position-December 31, 2012
				<u>\$784,935</u>

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Balance Sheet – Governmental Funds  
December 31, 2012

	GOVERNMENTAL FUNDS		
	GENERAL FUND	GAMING FUND	TOTAL
<b>ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>			
Cash	\$ 111,013	\$ 9,457	\$ 120,470
Investments	389,998	228,487	618,485
Receivables			
Court cost revenue	12,382	-	12,382
Gaming revenue	-	5,267	5,267
Grant revenue	3,805	-	3,805
Interest	<u>236</u>	<u>229</u>	<u>465</u>
 TOTAL ASSETS	 517,434	 243,440	 760,874
 DEFERRED OUTFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>	 <u>-</u>
 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	 \$ <u>517,434</u>	 \$ <u>243,440</u>	 \$ <u>760,874</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 960	\$ -	\$ 960
Payroll liabilities	<u>9,135</u>	<u>6,720</u>	<u>15,855</u>
 TOTAL LIABILITIES	 <u>10,095</u>	 <u>6,720</u>	 <u>16,815</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <b>Fund Equity</b>			
Fund balances			
Assigned	-	236,720	236,720
Unassigned	<u>507,339</u>	<u>-</u>	<u>507,339</u>
 TOTAL FUND EQUITY	 <u>507,339</u>	 <u>236,720</u>	 <u>744,059</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY	 \$ <u>517,434</u>	 \$ <u>243,440</u>	 \$ <u>760,874</u>

See accompanying notes and independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
December 31, 2012

Total fund balances for governmental funds at December 31, 2012	\$744,059
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Courtroom furniture, fixtures and equipment, net of \$54,458 accumulated depreciation	<u>40,876</u>
Total net position of governmental activities at December 31, 2012	<u>\$784,935</u>

See accompanying notes and independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds

Year Ended December 31, 2012

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	GAMING FUND	TOTAL
<b>REVENUES</b>			
Gaming revenue	\$ -	\$ 21,068	\$ 21,068
Court cost revenue	88,890	-	88,890
Interest income	1,588	1,427	3,015
Intergovernmental	<u>104,036</u>	<u>-</u>	<u>104,036</u>
<b>TOTAL REVENUES</b>	<u>194,514</u>	<u>22,495</u>	<u>217,009</u>
<b>EXPENDITURES</b>			
Current			
Contract labor	720	-	720
Dues & subscriptions	11,519	-	11,519
Insurance	1,316	118	1,434
Meals	8,738	-	8,738
Office supplies	6,763	-	6,763
Professional fees	6,460	-	6,460
Repairs & maintenance	5,356	-	5,356
Retirement	7,941	2,659	10,600
Salaries	111,163	16,978	128,141
Seminars	5,505	-	5,505
Taxes – payroll	5,287	252	5,539
Telephone	9,313	-	9,313
Travel	11,602	-	11,602
Capital Outlays	<u>7,038</u>	<u>-</u>	<u>7,038</u>
<b>TOTAL EXPENDITURES</b>	<u>198,721</u>	<u>20,007</u>	<u>218,728</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	(4,207)	2,488	(1,719)
FUND BALANCE – BEGINNING	<u>511,546</u>	<u>234,232</u>	<u>745,778</u>
FUND BALANCE – ENDING	\$ <u>507,339</u>	\$ <u>236,720</u>	\$ <u>744,059</u>

See accompanying notes and independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Year Ended December 31, 2012

Total net changes in fund balances at December 31, 2012 per  
statement of revenues, expenditures and changes in fund balances \$ (1,719)

The change in net position reported for governmental activities in the  
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlays which are considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 7,038	
Depreciation expense for the year ended December 31, 2012	<u>(6,471)</u>	<u>567</u>

Total changes in net position at December 31, 2012 per statement of activities \$ (1,152)

See accompanying notes and independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Judicial Expense Fund for the Thirty-Third Judicial District Court in and for Allen Parish, Louisiana (the "Court") was established by LSA-RS 13:996.56, for the purpose of administering the district court and the offices of the court's individual judges. The Court is governed by the Honorable Judge Joel G. Davis and Honorable Judge Patricia C. Cole, who are elected officials.

The accounting and reporting policies of the Court conform to generally accepted accounting principles as applied to governments. Such accounting and reporting policies conform to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The following is a summary of certain significant accounting policies:

1. Basis of Presentation

The accompanying basic financial statements of the Court have been prepared in conformity with U.S. generally accepted accounting principles as applied to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB 34, "Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments", issued in June 1999.

GASB 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" is adopted for the fiscal year ended December 31, 2012. GASB 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, "Elements of Financial Statements", introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period and an acquisition of net position by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial elements, which are distinct from assets and liabilities. Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net position reporting requirements in Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

GASB 65 - "Items Previously Reported as Assets and Liabilities" is adopted for the fiscal year ended December 31, 2012. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement amends the financial statement element classification of certain items previously reported as net assets and liabilities to be consistent with the definitions in Concepts Statement No. 4. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

Government-Wide Financial Statements (GWFS)

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

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include court cost income, operating grants and intergovernmental revenues. Revenues such as investment interest income that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Court or its total assets, liabilities, revenues or expenditures is at least 10% of the corresponding total for all governmental funds. The funds of the Court are described below:

Governmental Fund – General Fund

The General Fund is the principal fund of the Court and is used to account for the operations of the Court. The various fees, charges, and grants due to the Court are accounted for in this fund. General operation expenditures are paid from this fund.

Governmental Fund – Gaming Fund

The Gaming Fund is used principally to fund some of the salaries arising from the second judgeship in the Court. Revenues for the fund are derived under a compact between a local Indian tribe and the State of Louisiana.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Financial Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the Court includes all funds, account groups, et cetera, that are within the oversight responsibility of the Thirty-Third Judicial District Court.

As the governing authority, for reporting purposes, the Thirty-Third Judicial District Court Judicial Expense Fund is the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 also established criteria for determining which component units should be considered part of the Thirty-Third Judicial District Court for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the primary government to impose its will on that organization, and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Thirty-Third Judicial District Court.
2. Organizations for which the Thirty-Third Judicial District Court does not appoint a voting majority but are fiscally dependent on the Thirty-Third Judicial District Court.
3. Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, the Thirty-Third Judicial District Court has no component units but is a component unit of the Allen Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the Court and do not present information on the Allen Parish Police Jury, the general government services provided by that governmental unit, or any other governmental units.

3. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Court operations. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The amounts reflected in the governmental funds use the modified accrual basis of accounting, where revenues are recognized when susceptible to accrual (i.e., when they become both measurable and

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Court fees, penalties, fines, intergovernmental revenue, interest income and miscellaneous revenues are recorded in the year earned. They are accrued when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Capital expenditures are regarded as expenditures at the time purchased.

Governmental Funds:

Funds of the Court are classified as governmental funds. Governmental funds account for the Court's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of capital assets. Governmental funds of the Court include:

General Fund - the general operating fund of the Court that accounts for all financial resources, except those required to be accounted for in another fund.

Gaming Fund - this special revenue fund is used for receiving revenues derived under a compact between a local Indian tribe and the State of Louisiana. The Court has been utilizing these funds to pay certain salaries and related benefits.

4. Cash and Investments

Cash include amounts in demand deposits and time deposits with original maturities of 90 days or less. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments include amounts invested in certificates of deposit and government bonds with original maturities of more than 90 days and are readily convertible to cash.

5. Budgetary Accounting

Budgets for the general and gaming funds are prepared on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted amounts are as originally prepared or as amended by the Court.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The Court maintains a threshold level of \$150 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Useful Lives</u>
Furniture and fixtures	10-50 Years
Machinery and equipment	5-20 Years

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

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Court as an extension of formal budgetary integration in the funds.

8. Equity Classification

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

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

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified follows:

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Court. The two district judges are the highest level of decision-making authority for the court. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the district judges.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the court's adopted policy, only district judges may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

9. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

10. Subsequent Events

Management has evaluated subsequent events through June 28, 2013, the date the financial statements were available to be issued.

NOTE B - CHANGES IN CAPITAL ASSETS

Changes in capital assets were as follows:

	12/31/11			12/31/12
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Furniture & fixtures	\$ 35,830	\$ 392	\$ -	\$ 36,222
Machinery & equipment	<u>52,466</u>	<u>6,646</u>	-	<u>59,112</u>
Totals	88,296	7,038	-	95,334
Less: Accumulated Depreciation	<u>47,987</u>	<u>6,471</u>	-	<u>54,458</u>
Net	\$ <u>40,309</u>	\$ <u>567</u>	\$ -	\$ <u>40,876</u>

Depreciation expense in the amount of \$6,471 was charged to court administration.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

NOTE C – CASH AND INVESTMENTS

Under state law, the Court may deposit funds with a fiscal agent bank located in the parish or congressional district in which the Court is located. The fiscal agent bank may be organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Court may also invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2012 the Court has cash and investments (book balances) totaling \$738,955, categorized as follows:

	<u>Governmental Fund Type</u>
Demand Deposits	\$120,470
Time Deposits	<u>618,485</u>
Total	<u>\$738,955</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Court will not recover amounts held on deposit with the institution. Under state law, 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 bank. 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. Deposit balances (bank balances) at December 31, 2012 totaled \$741,416 and are fully secured by federal deposit insurance and pledged securities.

NOTE D – INVESTMENTS

Investments are categorized into these three categories of credit risk:

- (1) Insured or registered, with securities held by the Court or its agent in its own name;
- (2) Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent in the Court's name; and
- (3) Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Court's name.

At December 31, 2012, the Court held the following investments:

	Risk Category	Market Value	Original Cost	Reported Amount
Certificates of Deposit	Category 1	\$618,485	\$618,485	\$618,485

GASB Statement 31 generally mandates that investments be reported in the financial statements at their fair value. For this purpose, the "fair value" or investment is defined as follows:

Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. If a quoted market price is

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

available for an investment, the fair value to be used in applying this Statement is the total of the number of trading units of the instrument times the market price per unit.

All investment income, including changes in the fair value of investments, should be recognized in the operating statement. Reported investment earnings for the year ended December 31, 2012 are as follows:

Interest	\$ <u>3,015</u>
Total reported interest income	\$ <u>3,015</u>

NOTE E - RISK MANAGEMENT

The Court is exposed to various risks of loss related to torts, damage to, theft of and destruction of assets, errors and omissions, injuries to employees and the public; and natural disasters. The Court is covered by commercial insurance. No claims from these risks have exceeded commercial insurance coverage in any of the past three years.

NOTE F - EXPENDITURES OF THE JUDGE'S OFFICE PAID BY THE ALLEN PARISH POLICE JURY

The Court is located in the Allen Parish Court House in Oberlin, Louisiana. The Allen Parish Police Jury (police jury), as required by statute, pays the cost of maintaining and operating the Court. These expenditures are not included in the accompanying basic financial statements. The police jury pays certain operating expenditures of the Judge's office. These operating expenditures paid by the police jury for the Judge's office during the year ended June 30, 2012 were telephone, office supplies, capital outlays, and repairs and maintenance totaling \$18,158. These expenditures are included in the accompanying financial statements.

NOTE G - PENSION PLAN

*Parochial Employees' Retirement System*

Full-time employees of the Court are members of the Parochial Employees' Retirement System of Louisiana, a multi-employer (cost-sharing), 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. Eligible employees of the Court were members of Plan A during 2012.

Under Plan A, members with 10 years of creditable service may retire at age sixty; members with 25 years of service may retire at age fifty-five; and members with 30 years of service may retire regardless of age. The retirement allowance is equal to three percent of the member's final average compensation (defined as the average of the highest consecutive 36 months) multiplied by his years of creditable service. However, any employee who was a member of the supplemental plan only prior to the revision date has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. The retirement allowance may not exceed the greater of one hundred percent of a member's final salary or final compensation.

Contributions to the System include 1/4 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. State statute requires

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Notes to the Basic Financial Statements

December 31, 2012

covered employees to contribute a percentage of their salaries, 3% under Plan B and 9.5% under Plan A, to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The employer contributions for 2012 were 15.75% of covered employees' salaries under Plan A.

The System also provides retirement, death and disability benefits to plan members and beneficiaries. Benefits are established by state statute. The Parochial Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Parochial Employees' Retirement System, 5420 Corporate Boulevard, Suite 103, Baton Rouge, LA 70808 or by calling (225) 928-1361.

The payroll for the Court's employees covered by the System for the year ended December 31, 2012 was \$67,302. The Court's total payroll was \$128,141. The Court contributed \$10,600, \$10,565, and 9,096 to the System during the year ended December 31, 2012 and 2011, and 2010 respectively.

REQUIRED SUPPLEMENTARY INFORMATION

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Budget Comparison Schedule  
General Fund

Year Ended December 31, 2012

	Original/ Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Court cost revenue	\$ 50,000	\$ 88,890	\$ 38,890
Interest income	4,000	1,588	(2,412)
Intergovernmental	<u>60,000</u>	<u>104,036</u>	<u>44,036</u>
<b>TOTAL REVENUES</b>	<u>114,000</u>	<u>194,514</u>	<u>80,514</u>
<b>EXPENDITURES</b>			
Current			
Bank charges	100	-	100
Contract labor	1,000	720	280
Dues & subscriptions	12,500	11,519	981
Insurance	500	1,316	(816)
Meals	2,500	8,738	(6,238)
Office supplies	4,000	6,763	(2,763)
Professional fees	5,000	6,460	(1,460)
Repairs & maintenance	1,000	5,356	(4,356)
Retirement	8,000	7,941	59
Salaries	117,500	111,163	6,337
Seminars	12,000	5,505	6,495
Taxes - payroll	6,500	5,287	1,213
Telephone	5,000	9,313	(4,313)
Travel	9,000	11,602	(2,602)
Uniforms	400	-	400
Capital Outlays	<u>7,500</u>	<u>7,038</u>	<u>462</u>
<b>TOTAL EXPENDITURES</b>	<u>192,500</u>	<u>198,721</u>	<u>(6,221)</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(78,500)</b>	<b>(4,207)</b>	<b>74,293</b>
<b>FUND BALANCE - BEGINNING</b>	<u>511,546</u>	<u>511,546</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<b>\$ <u>433,046</u></b>	<b>\$ <u>507,339</u></b>	<b>\$ <u>74,293</u></b>

See independent accountants' review report.

THIRTY-THIRD JUDICIAL DISTRICT COURT JUDICIAL EXPENSE FUND  
Oberlin, LA

Budget Comparison Schedule  
Gaming Fund

Year Ended December 31, 2012

	Original/ Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Gaming revenue	\$ 20,000	\$ 21,068	\$ 1068
Interest income	<u>2,000</u>	<u>1,427</u>	<u>(573)</u>
<b>TOTAL REVENUES</b>	<u>22,000</u>	<u>22,495</u>	<u>495</u>
<b>EXPENDITURES</b>			
Current			
Insurance	-	118	(118)
Retirement	4,400	2,659	1,741
Salaries	28,000	16,978	11,022
Taxes - payroll	<u>600</u>	<u>252</u>	<u>348</u>
<b>TOTAL EXPENDITURES</b>	<u>33,000</u>	<u>20,007</u>	<u>12,993</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(11,000)	2,488	13,488
<b>FUND BALANCE - BEGINNING</b>	<u>234,232</u>	<u>234,232</u>	-
<b>FUND BALANCE - ENDING</b>	\$ <u>223,232</u>	\$ <u>236,720</u>	\$ <u>13,488</u>

See independent accountants' review report.

# ROYCE T. SCIMEMI, CPA, APAC



## CERTIFIED PUBLIC ACCOUNTANT

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Certified Public Accountants

Member  
Society of Louisiana  
Certified Public Accountants

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

June 28, 2013

Honorable Judge Patricia C. Cole  
Honorable Judge Joel G. Davis  
Thirty-Third Judicial District Court  
Oberlin, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Thirty-Third Judicial District Court (the Court) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Court's compliance with certain laws and regulations during the year ended December 31, 2012 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Court is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law) or LSA-R.S. 39:1551-1775 (the state procurement code), whichever is applicable.

We reviewed all disbursements made during 2012. There were no disbursements in excess of \$30,000 for materials and supplies made during the year ended December 31, 2012. There were no disbursements in excess of \$150,000 for public works made in 2012.

### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of management as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us a listing of all employees paid during the period examined.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

No employees named in the listing obtained from management in agreed-upon procedure (3) were included on the listing obtained from management in agreed-upon procedure (2).

#### Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and there were no amendments.

6. Trace the budget adoption and amendments to the minute book.

The Court is not required to record minutes. The budget was approved timely with the Judges' signatures on December 15, 2011.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted expenditures by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures to determine if actual expenditures exceed budgeted amounts by 10% or more per category or 5% or more in total).

For each fund, we compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues were not in excess of actual revenues by more than 5%. Actual expenditures did not exceed budgeted expenditures by 5% or more.

#### Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account; and

All payments were properly coded to the correct fund and general ledger account.

- c. determine whether payments received approval from proper authorities.

Inspection of documentation supporting the six selected disbursements indicated approval from the proper authority.

#### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law).

The Court is not required to hold public meetings or record minutes as independently elected

officials.

#### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of deposit slips for all bank deposits recorded in the Court's records for the period under examination and determined that no deposits appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

We examined the payroll records for the year and concluded that no payments have been made to employees that may constitute bonuses, advances, or gifts.

#### Prior Comments and Recommendations

The prior year report, dated June 29, 2012, did not include any comments or unresolved matters.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Court and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC

*Royce T. Scimemi, CPA, APAC*

**Thirty-Third Judicial District Court  
Oberlin, Allen Parish, Louisiana**

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

6/27/13  
(Date Transmitted)

**Royce T Scimemi, CPA, APAC  
Attn: Mr. Royce T Scimemi  
PO Box 210  
Oberlin, LA 71655**

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 27 June, 2013 (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes  No

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes  No

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes  No

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No [ ]

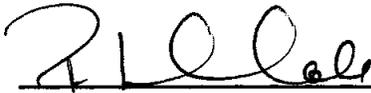
**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.



District Judge 27 June, 2013 Date



District Judge June 27, 2013 Date