

RECEIVED
LEGISLATIVE DIRECTOR
59 JUN 21 AM 11:08

OFFICIAL
FILE COPY
DO NOT REMOVE
(All necessary
copies for this
copy and PLACE
BACK in FILE)

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been provided to the public, including the public entity and other interested parties. The report is available for review and copying at the Baton Rouge office of the Louisiana State Auditor, the Louisiana State Auditor's office, or the public clerk of court.

Release Date **JUN 30 1999**

**FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA**

Component Unit Financial Statements
As of and for the Year Ended December 31, 1998

C O N T E N T S

	<u>Statement</u>	<u>Schedule</u>	<u>Page</u>
Independent Auditor's Report			3
Component Unit Financial Statements:			
Combined Balance Sheets, All Fund Types and Account Groups -----	A		5
Governmental Funds:			
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances-----	B		6
Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual: Special Revenue Funds-----	C		8
Notes to Financial Statements-----			10
Required Supplementary Information -----			19

**FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA**

Component Unit Financial Statements
As of and for the Year Ended December 31, 1998

C O N T E N T
(Continued)

	<u>Statement</u>	<u>Schedule</u>	<u>Page</u>
Supplemental Information Schedules:			
Special Revenue Funds:			
Combining Balance Sheets -----		1	
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances-----		2	
General Fixed Assets Group of Accounts			
Combining Schedules of General Fixed Assets Account Group-----		3	
Summary Schedule of Prior Audit Findings			
Corrective Action Plan for Current Year Audit Findings			
Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards			

Nolan H. Schexnayder

*Certified Public Accountant
Personal Financial Specialist*

*330 Belle Terre, Suite 201
La Place, Louisiana 70068
Telephone (504) 652-2877
Fax (504) 652-9155*

INDEPENDENT AUDITOR'S REPORT

To the Judges
Fortieth Judicial District Court
Edgard, Louisiana

I have audited the accompanying financial statements of the Fortieth Judicial District Judicial Expense Fund, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 1998, as listed in the table of contents. These financial statements are the responsibility of the judges of the Fortieth Judicial District Court. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Fortieth Judicial District Judicial Expense Fund, as of December 31, 1998, and the results of operations for the year then ended in conformity with generally accepted accounting principles.

The year 2000 supplementary information on page 19 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that The Fortieth Judicial District Court is or will become year 2000 compliant, that the Fortieth Judicial District Court's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Fortieth Judicial District Court does business are or will become year 2000 compliant

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The combining and individual fund and account group financial statements, listed in the table of content, are presented for purposes of additional analysis and are not a required part of the financial statements of the Fortieth Judicial District Judicial Expense Fund. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated April 23, 1999 on my consideration of the Fortieth Judicial District Court's compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards. This report is presented separately after the notes to the financial statements of this audit report.



Nolan H. Schexnayder

April 23, 1999

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 ALL FUND TYPES AND ACCOUNT GROUPS
 COMBINED BALANCE SHEET
 December 31, 1998

STATEMENT A

DECEMBER 31, 1998

	Governmental Fund Type	Account Group	
	Special Revenue Fund	General Fixed Assets	Total (Memorandum Only)
ASSETS			
Cash	\$167,409		\$167,409
Petty Cash	100		100
Revenue Receivable - Criminal	2,451		2,451
Revenue Receivable - Civil	1,845		1,845
Revenue Receivable - Supreme Court	678		678
Property and Equipment (Note 2)			
Furniture & Fixtures		\$28,205	28,205
Equipment		94,392	94,392
TOTAL ASSETS	\$172,483	\$122,597	\$295,080
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts Payable	\$2,630		\$2,630
TOTAL LIABILITIES	2,630		2,630
FUND EQUITY			
Investment in General Fixed Assets		\$122,597	122,597
Fund Balance			
Unreserved			
Undesignated	169,853		169,853
TOTAL EQUITY	169,853	122,597	292,450
TOTAL LIABILITIES AND EQUITY	\$172,483	\$122,597	\$295,080

See Accountant's Audit Report.

The accompanying notes to the financial statements are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 GOVERNMENTAL FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED DECEMBER 31, 1998

STATEMENT B

DECEMBER 31, 1998		

	Governmental Fund Type	
	-----	-----
	Special Revenue Fund	Total (Memorandum Only)
	-----	-----
REVENUES:		
Criminal	\$55,350	\$55,350
Civil	23,865	23,865
Supreme Court Reimbursements	18,613	18,613
FLNS Grant	25,000	25,000
Juvenile Probation Fee	375	375
Interest	2,171	2,171
Grant-LCLE	5,133	5,133
Grant-St. John Parish Council	5,000	5,000
	-----	-----
TOTAL REVENUES	135,507	135,507
EXPENDITURES:		
Current-		
Conferences, Dues, and Courses	6,113	6,113
Supplemental Pay		
Clerical	6,835	6,835
Court Reporter	8,975	8,975
Law Clerk	1,337	1,337
Probation Officer	9,971	9,971
Library	16,483	16,483
Miscellaneous	584	584
Jury & Court Lunches	713	713
Juvenile Services	909	909
Office Supplies	5,859	5,859
Professional Fees	4,900	4,900
Repairs & Maintenance	1,579	1,579
Supplies	2,518	2,518
Telephone	2,826	2,826
Travel	9,152	9,152
Advertising & Public Relations	1,119	1,119
Storage	633	633
Salary Reimbursement	26,687	26,687
Meetings	450	450
Lease	1,768	1,768
Personnel	10,800	10,800
Service Charges	94	94

See Accountant's Audit Report.

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT B
(Continued)

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1998

	DECEMBER 31, 1998	
	Special Revenue Fund	Total (Memorandum Only)
Capital Outlay-		
Equipment	3,006	3,006
Furniture	378	378
TOTAL EXPENDITURES	123,689	123,689
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$11,818	\$11,818
OTHER FINANCING SOURCES (USES)		
Operating transfer in	558	558
Operating transfer out	(558)	(558)
TOTAL OTHER FINANCING SOURCES (USES)	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	\$11,818	\$11,818
FUND BALANCE, January 1	158,035	158,035
FUND BALANCE, December 31	\$169,853	\$169,853

See Accountant's Audit Report.

The accompanying notes to the financial statements are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 1998

STATEMENT C

DECEMBER 31, 1998

 Special Revenue Funds

	Budget	Actual	Favorable (Unfavorable)
	-----	-----	-----
REVENUES:			
Criminal	\$55,350	\$55,350	\$0
Civil	24,000	23,865	(135)
Supreme Court Reimbursements	12,500	18,613	6,113
FINS Grant	25,000	25,000	0
Juvenile Probation Fee		375	375
Interest		2,171	2,171
Grant-ICIE	5,133	5,133	0
Grant- St. John Parish Council	5,000	5,000	0
	-----	-----	-----
TOTAL REVENUES	126,983	135,507	8,524
EXPENDITURES:			
Current-			
Conferences, Dues, and Courses	6,860	6,113	747
Supplemental Pay			
Clerical	7,160	6,835	325
Court Reporter	8,907	8,975	(68)
Law Clerk	950	1,337	(387)
Probation Officer	10,075	9,971	104
Library	13,300	16,483	(3,183)
Miscellaneous	1,145	584	561
Jury & Court Lunches	220	713	(493)
Juvenile Services	920	909	11
Office Supplies	6,754	5,859	895
Professional Fees	6,875	4,900	1,975
Repairs & Maintenance	1,545	1,579	(34)
Supplies	1,925	2,518	(593)
Telephone	2,235	2,826	(591)
Travel	8,900	9,152	(252)
Advertising & Public Relations	1,100	1,119	(19)
Storage	675	633	42
Salary Reimbursement	26,687	26,687	0
Meetings	345	450	(105)
Lease	1,782	1,768	14
Personnel	10,000	10,800	(800)
Service Charges	-	94	(94)

See Accountant's Audit Report.

The accompanying notes to the financial statements are an integral part of this statement.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 1998

STATEMENT C
 (Continued)

DECEMBER 31, 1998			
Special Revenue Funds			
	Budget	Actual	Variance Favorable (Unfavorable)
Capital Outlay-			
Equipment	3,175	3,006	169
Furniture	400	378	22
TOTAL EXPENDITURES	121,935	123,689	(1,754)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$5,048	\$11,818	\$6,770
OTHER FINANCING SOURCES (USES)			
Operating transfer in		558	(558)
Operating transfer out		(558)	558
TOTAL OTHER FINANCING SOURCES (USES)		-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	\$5,048	\$11,818	\$6,770
FUND BALANCE, January 1	158,035	158,035	
FUND BALANCE, December 31	\$163,083	\$169,853	\$6,770

See Accountant's Audit Report.

The accompanying notes to the financial statements are an integral part of this statement.

FORM 6

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

Note 1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Fortieth Judicial District Judicial Expense Fund, a component unit of the St. John the Baptist Parish Council, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. John the Baptist Parish Council is the financial reporting entity for St. John the Baptist Parish. The financial reporting entity consists of (a) the primary government (parish council), (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.

Governmental Accounting Standards Board Statement No.14 established criteria for determining which component units should be considered part of the St. John the Baptist Parish Council 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. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the council to impose its will on that organization and/or

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
3. Organizations for which the reporting entity financial statement would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the court is fiscally dependent on the council, the Fortieth Judicial District Judicial Expense Fund was determined to be a component unit of the St. John the Baptist Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the expense fund and do not present information on the parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The court uses funds and account groups 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.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable available financial resources.

Funds of the court are classified as governmental funds. Governmental funds account for the court's general activities,

**FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998**

including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the judicial expense fund include:

Special Revenue--the general operating fund of the court and accounts for all financial resources, except those required to be accounted for in other funds.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Special Revenue Fund is 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 operating statement presents increases and decreases in net current assets.

The records of the Fortieth Judicial District Judicial Expense Fund are maintained on a cash basis of accounting. However, the Special Revenue Fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures:

Revenues

Court costs are recorded in the month the fees are collected by the St. John Parish Clerk of Court for civil cases and the St. John Parish Sheriff's office for criminal cases. Revenues receivables reflect amounts collected in December but not remitted until January of the following year. Interest income is recorded when earned.

All other revenues are recorded when received.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term liabilities which is recognized when due.

E. Budgets and Budgetary Accounting

The Judges formally adopted a budget during the year for the special revenue funds on a basis consistent with generally accepted accounting principles (GAAP). During the year, the budgets for the Special Revenue Funds were amended and adopted by the Judges.

F. Background

The Fortieth Judicial District Judicial Expense Fund was created by the State of Louisiana Act No. 52, House Bill No. 39 of the 1984 regular Legislative session. It authorized collection from every person filing any type of civil suit or proceeding and who is not otherwise exempted by law from the payment of court costs, a sum not to exceed fifteen dollars. In all criminal cases, there shall be collected an amount not to exceed seven dollars and fifty cents from every defendant who is convicted after a trial or other plea of guilty or who forfeits his bond. These costs are to be in addition to all other fines, costs or forfeitures imposed by law. Act 834, Section 571.11 of the 1993 Regular Legislative session authorizes all judgements of bond forfeitures resulting from the posting of a surety bond in a criminal proceeding in the State of Louisiana shall be collected by the district attorney. The district attorney shall distribute ten (10%) percent of all funds collected to the court fund of the parish where the bond was posted. The Fortieth Judicial District Court has three (3) divisions.

In general, the funds may be used for any purpose or purposes connected with, incidental in or related to proper administration or function of the Fortieth Judicial District Court or the offices of the individual judges. For further information one should refer to Act 52, House Bill No. 39, Section 996:40 of

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

the 1984 regular Louisiana Legislative session and Act 382, House Bill No.2037, of section 996:41 of the 1990 Regular Louisiana Legislative session.

G. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the board 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.

Under state law, the board may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities are 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

H. Fixed Assets

Fixed Assets are recorded as expenditures at the time purchased, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on fixed assets. Fixed assets are valued at historical cost.

I. Total Columns on Statements

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

Note 2. Cash and Cash Equivalents

At December 31, 1998, the board has cash and cash equivalents (book balances) totaling \$167,409 as follows:

Demand deposits	\$ 1,955
Interest-bearing demand deposits	<u>165,454</u>
Total	\$ 167,409 =====

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1998, the district has \$168,619 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$68,619 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the judges that the fiscal agent has failed to pay deposited funds upon demand.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

Note 3. Changes in Fixed Assets

Division A

The following is a summary of the changes in the general fixed assets account group for the year ended December 31, 1998.

	Balance 1/1/98	Additions	Deductions	Balance 12/31/98
Furniture & Fixtures	\$ 9,113	\$ - 0 -	\$ - 0 -	\$ 9,113
Equipment	<u>48,800</u>	<u>1,477</u>	<u>1,962</u>	<u>48,315</u>
	\$57,913	\$ 1,477	\$1,962	\$57,428
	=====	=====	=====	=====

Division B

The following is a summary of the changes in general fixed assets account group for the year ended December 31, 1998.

	Balance 1/1/98	Additions	Deductions	Balance 12/31/98
Furniture & Fixtures	\$ 8,019	\$ - 0 -	\$ - 0 -	\$ 8,019
Equipment	<u>25,310</u>	<u>884</u>	<u>2,771</u>	<u>23,423</u>
	\$33,329	\$ 884	\$ 2,771	\$31,442
	=====	=====	=====	=====

Division C

The following is a summary of the changes in general fixed assets account group for the year ended December 31, 1998.

	Balance 1/1/98	Additions	Deductions	Balance 12/31/98
Furniture & Fixtures	\$10,694	\$ 378	\$ - 0 -	\$11,072
Equipment	<u>23,195</u>	<u>645</u>	<u>1,185</u>	<u>22,655</u>
	\$33,889	\$ 1,023	\$ 1,185	\$33,727
	=====	=====	=====	=====

**FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998**

Note 4. Revenues

Thirty-three and one-third percent (33 1/3%) of total revenues are allocated to each division of the Fortieth Judicial District Court. Each judge is responsible for administering the funds for his or her division.

Note 5. Act No.52 of the 1984 regular Louisiana Legislative Session

Prior to this Act, the Twenty-Ninth Judicial District included the two parishes of St. Charles and St. John the Baptist. Section 5 of this act split the Twenty-Ninth Judicial District and created the Fortieth Judicial District. Presently, the Twenty-Ninth Judicial District includes St. Charles Parish and the Fortieth Judicial District includes St. John the Baptist Parish.

Note 6. Litigation and Claims

There are no claims or litigation pending against the court at December 31, 1998.

Note 7. Leases

Division A leases a copier under a three year operating lease. The lease is based on usage and expires January, 1999. The monthly rental is \$80.15.

Division C leases a copier under a three year operating lease. The lease is based on usage and expires January, 2000. The monthly rental is \$80.15.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

Note 8. Supplemental Information

The Fortieth Judicial District Court has no board members and therefore no one was paid a per diem. The Fortieth Judicial District Judicial Expense Fund received federal financial assistance through a subgrant from the Louisiana Commission on Law Enforcement. These funds are accounted for under the Mentoring Program Fund. The amount of expenditure for 1998 was \$5,133.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 1998

Note A - Year 2000- Issue (Unaudited)

The Year 2000 Issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

Fortieth Judicial District Court has not inventoried computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting the court's operations. It is unknown as of December 31, 1998, what effects, if any, failing to remediate any such systems will have upon court operations and financial reporting.

Because of the unprecedented nature of the Year 2000 Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Fortieth Judicial District Court is or will be year 2000 ready, that the Court's remediation efforts will be successful in whole or in part, or that parties with whom the Court does business will be year 2000 ready.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA

SUPPLEMENTAL INFORMATION SCHEDULES
SPECIAL REVENUE FUNDS

As of and for the Year Ended December 31, 1998

Division A

Division A accounts for the operations of Division A. This fund receives its revenues from criminal and civil court cases.

Division B

Division B accounts for the operations of Division B. This fund receives its revenues from criminal and civil court cases.

Division C

Division C accounts for the operations of Division C. This fund receives its revenues from criminal and civil court cases.

FINS Program

The FINS Program accounts for the operations of the families in needs of services program. Funding is provided primarily by a state grant.

Juvenile Probation Fee Fund

The Juvenile Probation Fee Fund accounts for the operations of a juvenile probation and parole program. The fund receives its revenues from juvenile court cases.

Mentoring Program

The Mentoring Program accounts for the operations of the mentoring program. The fund receives its revenues from federal funds through a subgrant from the Louisiana Commission on Law Enforcement and the parish council.

SCHEDULE 1

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 COMBINING BALANCE SHEETS-SPECIAL REVENUE FUNDS
 DECEMBER 31, 1998

DECEMBER 31, 1998

Governmental Fund Types-Special Revenue Funds

	Division A	Division B	Division C	Families in Need of Services Program	Juvenile Probation Fee	Mentoring Program	Total (Memorandum Only)
Cash	\$68,642	\$19,999	\$69,996	\$3,246	\$3,571	\$1,955	\$167,409
Petty Cash		100					100
Revenue Receivable-Criminal	817	817	817				2,451
Revenue Receivable-Civil	615	615	615				1,845
Revenue Receivable-Supreme Court	558	120					678
TOTAL ASSETS	\$70,632	\$21,651	\$71,428	\$3,246	\$3,571	\$1,955	\$172,483

LIABILITIES AND FUND EQUITY

LIABILITIES							
Accounts Payable	\$132	\$2,034	\$464	\$0	\$0	\$0	2,630
TOTAL LIABILITIES	132	2,034	464	0	0	0	2,630
FUND EQUITY							
Fund Balance							
Unreserved	70,500	19,617	70,964	3,246	3,571	1,955	169,853
Undesignated							
TOTAL EQUITY	70,500	19,617	70,964	3,246	3,571	1,955	169,853
TOTAL LIABILITIES AND EQUITY	\$70,632	\$21,651	\$71,428	\$3,246	\$3,571	\$1,955	\$172,483

See Accountant's Audit Report.
 The accompanying notes to the financial statements are an integral part of this statement.
 FORM 4

SCHEDULE 2

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1998

DECEMBER 31, 1998

Governmental Fund Types-Special Revenue Funds

	Division A	Division B	Division C	Families in Need of Services Program	Juvenile Probation Fee	Mentoring Program	Total (Memorandum Only)
REVENUES:							
Criminal	\$18,450	\$18,450	\$18,450				\$55,350
Civil	7,955	7,955	7,955				23,865
Supreme Court Reimbursements	5,095	8,237	5,281				18,613
FINs Grant				\$25,000			25,000
Juvenile Probation Fee					\$375		375
Interest	895	202	826	200	58	\$5,133	2,171
Grant-LCLE						5,000	5,133
Grant-St. John Parish Council							5,000
TOTAL REVENUES	32,385	34,844	32,512	25,200	433	10,133	135,507

EXPENDITURES:

Current-							
Conferences, Dues, and Courses	1,923	2,312	1,423	455			6,113
Supplemental Pay							
Clerical	2,331	4,504					6,835
Court Reporter	2,543	5,100	1,332				8,975
Law Clerk	554	454	329				1,337
Probation Officer	3,891	2,088	3,992				9,971
Library	6,090	3,285	7,108				16,483
Miscellaneous	162	150	223		49		584
Jury & Court Lunches	30	122	561				713
Juvenile Services	734	175					909
Office Supplies	2,627	2,147	1,079	6			5,859
Professional Fees	2,100	1,400	1,400				4,900
Repairs & Maintenance	423	810	346				1,579
Supplies	1,430	431	657				2,518
Telephone	1,214	740	366			506	2,926
Travel	3,305	2,939	1,560	405		943	9,152
Advertising & Public Relations	437	469	213				1,119
Storage		583	50				633
Salary Reimbursement				26,687			26,687
Meetings		323	127				450
Lease			886				1,768
Personnel	882					10,800	10,800
Service Charges						94	94

See Accountant's Audit Report.
 The accompanying notes to the financial statements are an integral part of this statement.
 PCBY 9

SCHEDULE 2
(Continued)

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1998

DECEMBER 31, 1998

Governmental Fund Types-Special Revenue Funds

	Division A	Division B	Division C	Families in Need of Services Program	Juvenile Probation Fee	Mentoring Program	Total (Memorandum Only)
Capital Outlay-							
Equipment	1,477	884	645				3,006
Furniture			378				378
TOTAL EXPENDITURES	32,153	28,916	22,675	27,553	0	12,392	123,689
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$232	\$5,928	\$9,837	(\$2,353)	\$433	(\$2,259)	\$11,819
OTHER FINANCING SOURCES (USES)							
Operating transfers in	(558)					\$558	558
Operating transfers out							(558)
TOTAL OTHER FINANCING SOURCES (USES)	(558)	0	0	0	0	558	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(\$326)	\$5,928	\$9,837	(\$2,353)	\$433	(\$1,701)	11,819
FUND BALANCE, January 1	70,826	13,689	61,127	5,599	3,138	3,656	158,035
FUND BALANCE, December 31	\$70,500	\$19,617	\$70,964	\$3,246	\$3,571	\$1,955	\$169,853

See Accountant's Audit Report.
The accompanying notes to the financial statements are an integral part of this statement.
FORM 9

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
 ST. JOHN THE BAPTIST PARISH COUNCIL
 COMBINING SCHEDULES OF GENERAL FIXED ASSETS ACCOUNT GROUP
 DECEMBER 31, 1998
 SCHEDULE 3

		DECEMBER 31, 1998		
		General Fixed Assets Account Group		Total
		Division A	Division B	(Memorandum Only)
ASSETS				
Property and Equipment	\$9,113	\$8,020	\$11,072	\$28,205
Furniture & Fixtures	48,315	23,422	22,655	94,392
Equipment	\$57,428	\$31,442	\$33,727	\$122,597
TOTAL GENERAL FIXED ASSETS				
FUND EQUITY				
Investment in General Fixed Assets	\$57,428	\$31,442	\$33,727	122,597
TOTAL EQUITY	\$57,428	\$31,442	\$33,727	\$122,597

See Accountant's Audit Report.
 The accompanying notes to the financial statements are an integral part of this statement.
 FORM 7

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA

Supplemental Information Schedules
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 1998

Reference No.: 1

There were no prior year findings or management letter comments.

FORTIETH JUDICIAL DISTRICT JUDICIAL EXPENSE FUND
ST. JOHN THE BAPTIST PARISH COUNCIL
EDGARD, LOUISIANA
Supplemental Information Schedules
Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 1998

Reference No.: 1

Fiscal Year Finding Initially Occurred: December 31, 1998

Finding Described: The Year 2000 Issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

Corrective Action and Additional Explanation: Management is aware of the Year 2000 Issue and will develop a plan to try and resolve the problem.

Anticipated Completion Date: October 31, 1999.

Nolan H. Schexnayder

Certified Public Accountant

Personal Financial Specialist

330 Belle Terre, Suite 201

La Place, Louisiana 70068

Telephone (504) 652-2877

Fax (504) 652-9155

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

Fortieth Judicial District Court
of St. John the Baptist Parish
State of Louisiana
Edgard, Louisiana

I have audited the financial statements of the Fortieth Judicial District Judicial Expense Fund, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 1998, and have issued my report thereon dated April 23, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Fortieth Judicial District Judicial Expense Fund's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of management and the State of Louisiana Legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



Nolan H. Schexnayder

April 23, 1999

Nolan H. Schexnayder

Certified Public Accountant

Personal Financial Specialist

RECEIVED
LEGISLATIVE AUDITOR
99 JAN 21 AM 11:08

330 Belle Terre, Suite 201

La Place, Louisiana 70068

Telephone (504) 652-2877

Fax (504) 652-9155

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

Fortieth Judicial District Court
P. O. Box 277
Edgard, LA 70049
Attn: Chief Judge Madeline Jasmine

Dear Judge Jasmine:

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 _____

I am pleased to report that our audit of the three divisions did not find any significant problems. Generally speaking, the records are well maintained and accurate. Whenever an organization is audited, it is customary to make administrative suggestions to improve the operating efficiency of the organization. Listed below are my comments:

1. Prior audit suggestions have been complied with.
2. The Year 2000 Issue results from a computer's inability to process year-date data accurately beyond the year 1999. Except in recent years, computer programmers consistently have abbreviated dates by eliminating the first two digits of the year, with the assumption that these two digits would always be 19. Thus January 1, 1965 became 01/01/65. Unless corrected, this shortcut is expected to create widespread problems when the clock strikes 12:00:01 A. M. on January 1, 2000. On that date, some computer programs may recognize the date as January 1, 1900, and process data inaccurately or stop processing altogether. Additionally, the use of abbreviated dates may cause failures when systems currently attempt to perform calculations into the year 2000.

The Year 2000 Issue presents another challenge-the algorithm used in some computers for calculating leap years is unable to detect that the year 2000 is a leap year. Therefore, systems that are not year 2000 ready may not register the additional day, and date calculations may be incorrect. Furthermore, some software programs use several dates in the year 1999 to mean something other than the date. Examples of such dates are 01/01/99, 09/09/99, and 12/31/99. As systems process information using these dates, they may produce erratic results or stop functioning.

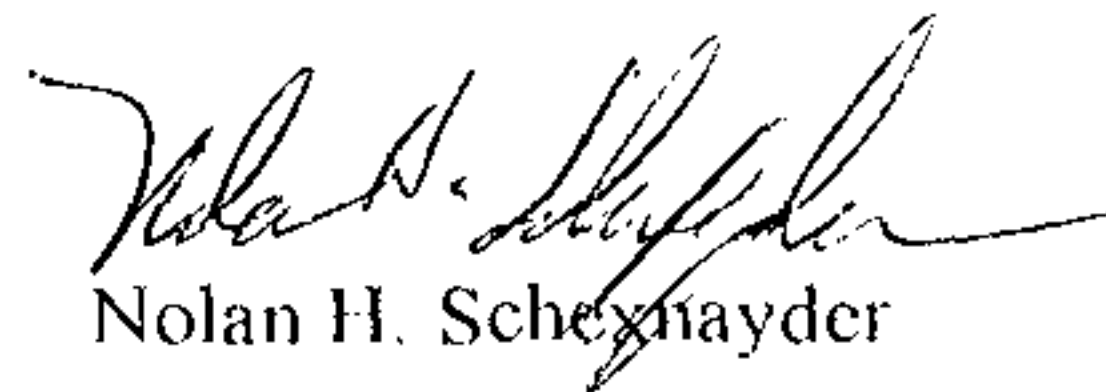
I recommend that you take the necessary actions to remediate or replace, and test all systems that may be negatively affected by the Year 2000 Issue, particularly mission-critical systems. This project should be monitored closely to ensure completion before mission-critical systems begin to fail. Such failures may be evident before January 1, 2000. If the Court fails to take timely and appropriate action, it may experience costly and significant application-program failures that could prevent it from performing its normal processing activities. Depending on the extent of system failures, noncompliance could have catastrophic consequences for the Court.

Also, the Court should implement additional verification procedures to test the accuracy of information received from its vendors, service providers, bankers, customers, and other third-party organizations (i.e. Clerk of Court) with whom it exchanges date-dependent information, because these organizations also must become year 2000 ready. The Court also should satisfy itself that vendors, service providers, bankers, customers, and other third-party organizations will not experience problems relating to the Year 2000 Issue that could affect the Court's operations or cash flows.

I recommend you consult with a Year 2000 solution provider to help you through the Year 2000 issues.

If you have any questions, please call me at my office.

Sincerely,



Nolan H. Scheynayder