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SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 1998

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 7-14-99

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

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INDEPENDENT AUDITORS' REPORT ON
THE FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

Honorable Charles L. Porter
Sixteenth Judicial District
Court - District Judge
Parishes of Iberia, St. Martin
and St. Mary, Louisiana
New Iberia, Louisiana 70560

We have audited the accompanying general purpose financial statements of the Sixteenth Judicial District Court - District Judge, a component unit of the Iberia Parish Council, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the District Court's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Sixteenth Judicial District Court - District Judge, as of December 31, 1998, and the results of its operations and changes in fund balance for the year ended in conformity with generally accepted accounting principles.

Independent Auditors' Report

June 23, 1999

Page Two

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 1999, on our consideration of the Sixteenth Judicial District Court - District Judges' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Guidry & Chauvin, CPAs

Certified Public Accountants

Franklin, Louisiana

June 23, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
 Parishes of Iberia, St. Martin and St. Mary, Louisiana

Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 1998

	<u>GOVT'L</u>	<u>FUND TYPES</u>	<u>ACCOUNT</u>	<u>TOTAL</u>
	<u>GENERAL</u>	<u>SPECIAL</u>	<u>GENERAL</u>	<u>(MEMO</u>
	<u>FUND</u>	<u>REVENUE</u>	<u>FIXED</u>	<u>ONLY)</u>
		<u>FUND</u>	<u>ASSETS</u>	
<u>ASSETS</u>				
Assets:				
Cash and cash equivalents	\$ 31,862	88,319	\$ -	\$ 120,181
Investments	989,990	640,587	-	1,630,577
Interest Receivable	11,969	-	-	11,969
Due from other funds	774	-	-	774
Intergovernmental receivable	65,089	-	-	65,089
Deposits	599	-	-	599
Furniture and equipment	-	-	68,302	68,302
TOTAL ASSETS	<u>\$1,100,283</u>	<u>\$ 728,906</u>	<u>\$ 68,302</u>	<u>\$1,897,491</u>
 <u>LIABILITIES AND EQUITY</u>				
Liabilities:				
Accounts payable	\$ 16,588	\$ 3,076	\$ -	\$ 19,664
Due to other funds	-	774	-	774
Total Liabilities	<u>16,588</u>	<u>3,850</u>	<u>-</u>	<u>20,438</u>
Equity:				
Investment in general fixed assets	-	-	68,302	68,302
Fund balance-unreserved- undesignated	<u>1,083,695</u>	<u>725,056</u>	<u>-</u>	<u>1,808,751</u>
Total Equity	<u>1,083,695</u>	<u>725,056</u>	<u>68,302</u>	<u>1,877,053</u>
TOTAL LIABILITIES AND EQUITY	<u>\$1,100,283</u>	<u>\$ 728,906</u>	<u>\$ 68,302</u>	<u>\$1,897,491</u>

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditors' report.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types
For the Year Ended December 31, 1998

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTAL (MEMO RANDUM ONLY)</u>
REVENUES			
Enforcement fees	\$ -	\$ 440,455	\$ 440,455
Court costs and bond fees	256,131	-	256,131
Interest earnings	52,882	27,606	80,488
Federal grants	20,290	-	20,290
Intergovernmental agreement	-	4,070	4,070
TOTAL REVENUES	<u>329,303</u>	<u>472,131</u>	<u>801,434</u>
EXPENDITURES			
Salaries and related benefits	297,547	105,566	403,113
Operating services	10,091	18,985	29,076
Professional fees	706	6,160	6,866
Materials and supplies	1,213	2,726	3,939
Travel and other charges	2,010	1,641	3,651
Capital outlay	9,708	9,330	19,038
TOTAL EXPENDITURES	<u>321,275</u>	<u>144,408</u>	<u>465,683</u>
EXCESS OF REVENUES OVER EXPENDITURES	8,028	327,723	335,751
FUND BALANCE AT BEGINNING OF YEAR	<u>1,075,667</u>	<u>397,333</u>	<u>1,473,000</u>
FUND BALANCE AT END OF YEAR	<u>\$1,083,695</u>	<u>\$ 725,056</u>	<u>\$1,808,751</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditors' report.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1998

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVOR ABLE)
REVENUES			
Enforcement fees	\$ -	\$ -	\$ -
Court costs and bond fees	250,494	256,131	5,637
Interest earnings	52,210	52,882	672
Federal grants	20,300	20,290	(10)
Intergovernmental agreement	<u>4,449</u>	<u>-</u>	<u>(4,449)</u>
TOTAL REVENUES	<u>327,453</u>	<u>329,303</u>	<u>1,850</u>
EXPENDITURES			
Salaries and related benefits	298,406	297,547	859
Operating services	11,185	10,091	1,094
Professional fees	1,110	706	404
Materials and supplies	1,450	1,213	237
Travel and other charges	2,902	2,010	892
Capital outlay	<u>12,400</u>	<u>9,708</u>	<u>2,692</u>
TOTAL EXPENDITURES	<u>327,453</u>	<u>321,275</u>	<u>6,178</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	8,028	8,028
FUND BALANCE AT BEGINNING OF YEAR	<u>1,075,667</u>	<u>1,075,667</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$1,075,667</u>	<u>\$1,083,695</u>	<u>\$ 8,028</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditors' report.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
 Parishes of Iberia, St. Martin and St. Mary, Louisiana

Combined Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1998

	<u>SPECIAL REVENUE FUND</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVOR ABLE)</u>
REVENUES			
Enforcement fees	\$ 427,000	\$ 440,455	\$ 13,455
Court costs and bond fees	-	-	-
Interest earnings	23,600	27,606	4,006
Federal grants	-	-	-
Intergovernmental agreement	-	4,070	4,070
TOTAL REVENUES	<u>450,600</u>	<u>472,131</u>	<u>21,531</u>
EXPENDITURES			
Salaries and related benefits	104,878	105,566	(688)
Operating services	7,405	18,985	(11,580)
Professional fees	22,700	6,160	16,540
Materials and supplies	2,600	2,726	(126)
Travel and other charges	3,050	1,641	1,409
Capital outlay	6,500	9,330	(2,830)
TOTAL EXPENDITURES	<u>147,133</u>	<u>144,408</u>	<u>2,725</u>
EXCESS OF REVENUES OVER EXPENDITURES	303,467	327,723	24,256
FUND BALANCE AT BEGINNING OF YEAR	<u>397,333</u>	<u>397,333</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 700,800</u>	<u>\$ 725,056</u>	<u>\$ 24,256</u>

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditors' report.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements
December 31, 1998

INTRODUCTION

The Sixteenth Judicial District Court - District Judge Fund was created by R.S. 13:996.37, which provides for the creation of judicial expense funds for the Sixteenth Judicial District. This statute allows for an increase in court costs, authorization to use funds to expedite efficient operation of the court and to prohibit use of the funds for judges' salaries. The judges, en banc, of the Sixteenth Judicial District have control over the fund and all disbursements made therefrom.

The Sixteenth Judicial District Court previously had two funds, the Judicial Expense Fund and the Criminal Court Fund, which were managed by the Iberia Parish Government. Effective April 1, 1994, an intergovernmental agreement was entered into allowing the said court funds to be administered by the office of the Sixteenth Judicial District Attorney in order to avoid the expense of staff and equipment necessary to administer the court funds. The Judicial Expense Fund is accounted for separately in this report and the Criminal Court Fund is accounted for as a special revenue fund under the District Attorney's financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Sixteenth Judicial District Court - District Judge 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.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Iberia Parish Council is the financial reporting entity for Iberia 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 the 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.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Iberia 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish council 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 parish council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The district court system is fiscally dependent on the parish council for office space and courtrooms. The relationship between the district court system and the parish council is that the parish council has approval authority over its capital budget. In addition, the nature and significance of the relationship between the district court and the parish council is such that exclusion from the parish council's financial statements would render the financial statements incomplete or misleading. Because of these criteria, the district court was determined to be a component unit of the Iberia Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Court 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.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

C. FUND ACCOUNTING

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

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 funds because they do not directly affect net expendable financial resources.

Funds of the District Court are classified as governmental funds. Governmental funds account for the Court's general activities, which includes the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. Governmental funds of the court include:

GOVERNMENTAL FUNDS

General Fund

The general fund is the general operating fund of the District Court. It is used to account for all financial resources relative to judicial expense funds. R.S. 13:996.37 provides for the collection of a \$15 court fee on every civil suit and a \$5 fine on every criminal case over which the Sixteenth Judicial Court has jurisdiction and the defendant is convicted. These monies can be used to: pay personnel, maintain the law library, purchase equipment and supplies or other items necessary to efficiently operate the court.

Special Revenue Fund

IV-D Hearing Officer Fund

The IV-D Hearing Office Fund was established by R.S. 46:236.5 provides for the court to implement an expedited process for the establishment or enforcement of support. Such court may assess and collect a fee of not more than 5 percent of all existing and future support obligations to fund the administrative costs of the system for expedited process.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. 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. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Enforcement fees and court costs are recorded in the year they are collected by the authorized agencies. Bond premium fees are recorded in the year they are earned. Interest earned on investments is considered susceptible to accrual and is recorded in the year in which it is earned.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. BUDGETS

The District Court prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The proposed budget for the year ended December 31, 1998 was made available for public inspection at a hearing held at the St. Mary Parish Courthouse on December 19, 1997. The proposed budget was formally adopted by the District Court at this time. The budget, which included proposed expenditures and the means of financing them for all governmental funds was published in the official journals of each parish on December 3, 1997. All appropriations lapse at year end. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budget and actual revenues and expenditures. Formal budgetary accounts are integrated into the accounting system during the year as a management control device.

The District Court is authorized to transfer amounts between line items within each fund. When actual revenues within the General Fund are failing to meet estimated annual budgeted revenues by five percent or more and/or actual expenditures within the General Fund are failing to meet estimated annual budgeted expenditures by five percent or more, a budget amendment to reflect such change is adopted by the District Court.

Budgeted amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

F. ENCUMBRANCES

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

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Court may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 1998, the investments of the District Court consist of certificates of deposit with maturities greater than 90 days. These deposits are held at a local bank and are secured by federal deposit insurance and by pledged securities.

I. DEPOSITS

Deposits include amounts held by the Louisiana Worker's Compensation Corporation as a security deposit against its insurance contract.

J. FIXED ASSETS

Fixed assets used in governmental fund type operations are accounted for in the general fixed assets account group, rather than in the General Fund. Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized in the General Fixed Asset Account Group. Public domain or infrastructures are not capitalized. No depreciation has been provided on these general fixed assets. Fixed assets are valued at historical cost or estimated cost if historical cost is not available. All other fixed assets used in the District Court's office are provided by the parish governing bodies and are accounted for in their general fixed assets account group. The account group is not a "fund". It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

K. COMPENSATED ABSENCES

The District Court does not have a uniform policy relating to vacation and sick leave. Each judge grants vacation and sick leave at his discretion to his employees. However, vacation and sick leave is never allowed to be accumulated from one calendar year to the next.

L. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

M. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities at the date of the financial statements.

N. 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. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: CASH AND CASH EQUIVALENTS

At December 31, 1998, the District Court has bank deposits (book balances) totaling \$1,750,758 as follows:

Demand deposit	\$ 88,319
Interest-bearing demand deposits	31,862
Time deposits	<u>1,630,577</u>
Total	<u>\$1,750,758</u>

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
 Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
 December 31, 1998

Certificates of deposit with a maturity of 90 days or more are classified in the combined balance sheet as "investments". At December 31, 1998, the District Court had \$1,630,577 in certificates of deposits. The remaining carrying amount of \$120,181 is classified as "cash and cash equivalents."

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 Court has \$129,202 in deposits (collected bank balances). These deposits are secured from risk by \$129,202 of federal deposit insurance.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 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 District Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3: DUE FROM/TO OTHER FUNDS

Individual balances due from/to other funds are as follows:

	<u>DUE FROM</u> <u>OTHER FUNDS</u>	<u>DUE TO</u> <u>OTHER FUNDS</u>
General Fund	\$ 774	\$ -
Special Revenue Fund:		
IV-D Hearing Officer	<u> -</u>	<u> 774</u>
TOTAL	<u>\$ 774</u>	<u>\$ 774</u>

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

NOTE 4: INTERGOVERNMENTAL RECEIVABLE/PAYABLE

The following is a summary of the intergovernmental receivable from other governmental units at December 31, 1998:

<u>Receivable From:</u>	
16th Judicial District-	
District Attorney: Criminal Court Fund	\$ 28,754
District Attorney: Criminal Bail Bond Fund	16,688
St. Martin Clerk of Court	1,456
Iberia Clerk of Court	2,310
St. Mary Clerk of Court	1,162
St. Martin, Sheriff	2,955
Iberia Sheriff	2,407
St. Mary Sheriff	3,030
St. Martin Parish Police Jury	352
St. Mary Parish Government	448
Louisiana Supreme Court	<u>5,527</u>
Total	<u>\$ 65,089</u>

NOTE 5: FIXED ASSETS

The changes in general fixed assets follow:

	Balance <u>12-31-97</u>	Additions	Deletions	Balance <u>12-31-98</u>
Furniture & Equipment	<u>\$ 49,967</u>	<u>\$ 19,038</u>	<u>\$ 703</u>	<u>\$ 68,302</u>

NOTE 6: ACCOUNTS, SALARIES AND OTHER PAYABLES

The payables of \$19,664 at December 31, 1998, are as follows:

	General <u>Fund</u>	Special Revenue <u>Fund</u>	<u>Total</u>
Salaries and Benefits	\$ 15,778	\$ -	\$ 15,778
Payments on Account	<u>810</u>	<u>3,076</u>	<u>3,886</u>
Total	<u>\$ 16,588</u>	<u>\$ 3,076</u>	<u>\$ 19,664</u>

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

NOTE 7: PENSION PLAN

Substantially all employees of the Sixteenth Judicial District Court are members of Parochial Employees Retirement System of Louisiana (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District Court are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the court is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The court's contributions to the System under Plan A for the years ending December 31, 1998, 1997, and 1996, were \$30,276, \$34,386, and \$16,142, respectively, equal to the required contributions for each year.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

NOTE 8: LEASES

The District Court's office had no material capital or operating leases at December 31, 1998.

NOTE 9: LITIGATION

There is no litigation pending against the District Court's office at December 31, 1998.

NOTE 10: EXPENDITURES OF THE DISTRICT COURT NOT INCLUDED
IN THE ACCOMPANYING FINANCIAL STATEMENTS

The District Court's offices are located in the courthouses of Iberia, St. Martin and St. Mary Parishes. The upkeep and maintenance of the courthouses are paid for by the respective parish governments.

The accompanying financial statements do not include certain expenditures of the District Court paid out of the funds of the parish governing bodies or directly by the state.

NOTE 11: YEAR 2000 COMPLIANCE

Time and space saving programming decisions made in the prior years resulted in two-digit computer codes that may not correctly recognize "00" as the year 2000. Serious processing error or system failure could result. To prevent this error, computer systems and equipment must be reprogrammed or replaced to make them year 2000 compliant.

The District Court is significantly dependent on computerized systems for essential operations. As a continuing process, the District Court is actively engaged in making necessary changes to its systems and equipment to achieve year 2000 compliance. The Court's computer system programmers have done testing on all applications using simulated year-2000 dates, and have found no problems. They plan to stay informed as to additional potential problems with the turn of the century as it pertains to automated computer systems.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Notes to the Financial Statements (Continued)
December 31, 1998

The stages of implementation are as follows:

<u>Systems</u>	<u>Stages</u>			
	<u>Awareness</u>	<u>Assessment</u>	<u>Remediation</u>	<u>Validation</u>
Financial	X	X	X	X
Personnel-Payroll	X	X	X	X
PC Systems	X	X	X	X

Stages

Awareness Stage - Budget and project plan established.

Assessment Stage - Identification and inventory of year 2000 compliance performed.

Remediation Stage - Technical conversion of existing system completed.

Validation Stage - Test data developed, processed, and reviewed for results to determine that converted systems operate properly.

INDEPENDENT AUDITORS' REPORT REQUIRED
BY GOVERNMENT AUDITING STANDARDS

GUIDRY & CHAUVIN
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ACCOUNTING CORPORATION
P. O. BOX 1028 - 1013 MAIN STREET
FRANKLIN, LOUISIANA 70538

318 - 828-0272
FAX 318 - 828-0290

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

Honorable Charles L. Porter
Sixteenth Judicial District
Court - District Judge
Iberia, St. Martin and St.
Mary, Louisiana
New Iberia, Louisiana 70560

We have audited the general purpose financial statements of the Sixteenth Judicial District Court - District Judge, a component unit of the Iberia Parish Council, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 23, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Sixteenth Judicial District Court - District Judge's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our 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 our audit, we considered the Sixteenth Judicial District Court - District Judge's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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

Report on Compliance and on Internal Control Structure

June 23, 1999

Page Two

components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose 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 information and use of management of the Sixteenth Judicial District Court and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone but these specified parties.

Guidry & Chauvin, CPAs

Certified Public Accountants

Franklin, Louisiana

June 23, 1999

SCHEDULES AND DATA COLLECTION FORM

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Summary Schedule of Findings and Questioned Costs
December 31, 1998

We have audited the financial statements of the District Judge as of and for the year ended December 31, 1998, and have issued our report thereon dated June 23, 1999. We conducted our 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. Our audit of the financial statements as of December 31, 1998 resulted in the unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material

Weaknesses Yes No

Reportable

Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards - There are no federal awards that are required to be audited in accordance with Circular A-133

c. Identification of Major Programs:

None - There are no federal awards that are required to be audited in accordance with Circular A-133

Section II Financial Statement Findings

1998: No matters were reported

Section III Federal Award Findings and Questioned Costs

1998: There are no federal awards that are required to be audited in accordance with Circular A-133, therefore there were no findings or questioned costs.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
 Parishes of Iberia, St. Martin and St. Mary, Louisiana

Summary Schedule of Prior Audit Findings
 December 31, 1998

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description Of Finding</u>	<u>Corrective Action Taken (Yes, No Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>	<u>Additional Explanation</u>

Note: There were no prior year audit findings to be listed in this schedule.

SIXTEENTH JUDICIAL DISTRICT COURT - DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary, Louisiana

Management's Corrective Action Plan for Current Year Audit Findings
December 31, 1998

<u>Ref. No.</u>	<u>Description Of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Note: There are no current year audit findings or management letter comments to be included in this schedule.

DATA COLLECTION FORM

FOR REPORTING ON AUDITS OF STATE AND LOCAL GOVERNMENT AND QUASIPUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.

Date Submitted / /

RETURN to: Legislative Auditor
Attn: Engagement Processing
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

1. Fiscal Year Ending Date For This Submission:

12/31/98

3. Audit Period Covered

Annual Biennial
 Other to

2. Type of Report:

Single Audit GAO Audit Standards Audit
 Compilation Compilation/Attestation
 Program Audit Other

4. AUDITEE INFORMATION

5. AUDITOR INFORMATION

Auditee Name
SIXTEENTH JUDICIAL DISTRICT
COURT - DISTRICT JUDGE

Street Address (Number and Street)
300 IBERIA STREET SUITE 350

Mailing Address (PO No.)
300 IBERIA STREET SUITE 350

City State Zip
NEW IBERIA LA 70560

Auditee Contact Name Title
STEPHANIE RICHARDSON ADMINISTRATOR COURT

Telephone Fax
(318) 369-4466

Email (Optional)

Firm Name
GUIDRY & CHAUVIN, CPA'S

b. Street Address (Number and Street)
1013 MAIN STREET

Mailing Address (PO No.)
POST OFFICE BOX 1028

City State Zip
FRANKLIN LA 70538

c. Auditor Contact Name Title
MICHELE L. CHAUVIN CPA

Telephone Fax
(318) 828-0272 (318) 828-0290

Email (Optional)

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

NONE

If there are no modifications to the auditor's financial opinion, no reportable conditions, no material weaknesses, no reported instances of noncompliance, and no management letter, check this box, do not complete the rest of the form

6. FINANCIAL STATEMENTS

a. Type of audit report on financial statements. Not Applicable
 Unqualified Opinion Qualified Opinion Adverse Opinion Disclaimer of Opinion

b. Is a 'going concern' explanatory paragraph included in the audit report? Yes No

c. Do any of the funds have deficit fund balances? Yes No

d. Is there a related party footnote? Yes No

7. INTERNAL CONTROL

Do the comments on internal control include: material weaknesses reportable conditions not applicable

8. COMPLIANCE

Do the comments on compliance include: illegal acts fraud/criminal acts not applicable

9. MANAGEMENT LETTER (Finding Caption and No.)

Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
\$ _____	Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions? Yes No

Do any findings address violation of bond indenture covenants? Yes No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable

AUDITEE SIGNATURE

[Handwritten Signature]

Date 6/29/99

FOR USE BY LEGISLATIVE AUDITOR

Agency No _____

Proj. No. _____

Firm No. _____

FOR USE BY LEGISLATIVE AUDITOR

Date Report Received: _____

Date Processed: _____

Legislative Audit Advisory Council:	Are there unresolved findings listed below?	Yes or No
District Attorney:	Are there findings of criminal acts?	Yes or No
Board of Ethics:	Are there findings of ethics, nepotism, or related parties?	Yes or No
State Bond Commission (SBC):	Are there any findings relating to violations of bond indentures?	Yes or No
	Does the report express going-concern reservations?	Yes or No
	Does the entity have a deficit greater than 5% of revenue? If so, identify the page(s) No(s) _____	Yes or No
High Profile:	Are there any significant findings?	Yes or No

Report: Approved for Release _____ Date: _____ Rank A B C D

(A=No Comments; B=Management Letter Comments Only, C=Control/Compliance Report(s) Comments; D=Criminal/Fraud Acts)
Note: For grading purposes, schedules of immaterial findings are treated as a management letter

REPORT DISTRIBUTION

File Room (Original Unbound Copy)	①	State of State (State CAFR Entries)	See Below
Attorney General	①	Investigative Group (Criminal Acts)	1
Clerk of Court _____	①	Board of Ethics	1
Kenner Office	1	Actuarial Section (State/Statewide Retirement Systems)	1
Shreveport Office	1	Engagement Manager (SBC's Copy)	1
District Attorney _____	1	Quality Assurance	1
Legislative Auditor (High Profile)	1	_____ Parish Government	1
Assistant Legislative Auditor (High Profile)	1	City/Village/Town of _____	1
Other (High Profile) _____	1	Other: _____	1
Press Bureau Chiefs (High Profile)	8	Other: _____	1
Press	②		
Archives	①	Distribution Approval (Initials) _____	
Legislative Audit Advisory Council	1	Copies Needed: _____ Copies TBM _____	