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EAST BATON ROUGE PARISH
JUVENILE COURT -
JUDICIAL EXPENSE FUND

BATON ROUGE, LOUISIANA

DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 7-28-04

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INDEPENDENT AUDITOR'S REPORT

Honorable Judges of the
East Baton Rouge Parish Juvenile Court

We have audited the accompanying financial statements of the governmental activities and major fund of the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund, a component unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, as of and for the year ended December 31, 2003, which collectively comprise the Judicial Expense Fund's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Judicial Expense Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund as of December 31, 2003, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2004 on our consideration of the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the budgetary comparison information on pages 1 - 4 and 18 - 19, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.


March 16, 2010

REQUIRED SUPPLEMENTARY INFORMATION



JUVENILE COURT

Parish of East Baton Rouge

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Baton Rouge, Louisiana 70802

Telephone (225) 384-1230
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Kathleen Stewart Risley
Judge, Division A

Francis Taylor Johnson
Judge, Division B

Bonnie T. Carter
Judicial Administrator

Sharon Kaufman
Deputy Judicial Administrator

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the *East Baton Rouge Parish Juvenile Court – Judicial Expense Fund* (the JEF) provides an overview of the JEF's activities for the year ended December 31, 2003. Please read it in conjunction with the JEF's financial statements that begin on page 8.

FINANCIAL HIGHLIGHTS

- The JEF's net assets increased by approximately \$11,500 or 13 percent.
- During the year, the \$58,600 of JEF revenues generated for governmental operations exceeded expenses of \$47,100 resulting in an increase of net assets of \$11,500 for 2003. This is an increase of \$7,000 from the previous year.
- The total cost of all the JEF's operations decreased by more than \$4,500 or 9 percent. The decrease is mainly due to a reduction in salaries and benefits and other contractual services.
- The general fund reported excess revenues this year of approximately \$23,100 due principally to maintaining the same expenditure level as the previous year.
- The resources available for appropriation were approximately \$1,000 more than amounts budgeted for the general fund. Expenditures were less than budgetary limits by approximately \$1,000 due to decreases in contractual services.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The *Statement of Net Assets* and the *Statement of Activities* (on pages 8 and 9) provide information about the activities of the JEF as a whole and present a longer-term view of the JEF's finances. Fund financial statements (on pages 10 – 11) tell how governmental activities were financed in the short term as well as what remains for future spending. Fund financial statements also report the JEF's operations in more detail than the government-wide statements.

Reporting the JEF as a Whole

Our analysis of the JEF as a whole begins on page 8. One of the most important questions asked about the JEF's finances is, "Is the JEF as a whole better off or worse off as a result of the year's activities?" The *Statement of Net Assets* and the *Statement of Activities* report information about the

JEP as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the JEP's net assets and changes in them. You can think of the JEP's net assets—the difference between assets and liabilities—as one way to measure the JEP's financial health, or financial position. Over time, increases or decreases in the JEP's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as number of cases handled by Juvenile Court as well as the number of judgeships approved by the State Legislature and the State's economic condition to assess the overall health of the JEP.

Currently, the JEP has only governmental activities that provide for personnel, equipment, supplies and other costs related to the proper administration of Juvenile Court. Primarily, court costs and fees finance these activities.

Reporting the JEP's Funds

Our analysis of the JEP's funds begins on page 18. The fund financial statements provide detailed information about the JEP's funds—not the JEP as a whole. The General Fund accounts for the fees for court costs and fines and other revenues that finance activities of Juvenile Court. It is a governmental fund that focuses on how money flows into and out of this fund and the balance left at year-end that is available for spending. This fund is reported using an accounting method called modified accrual basis of accounting, which measures only cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the JEP's operations and the services it provides. Governmental fund information helps you determine the amount of financial resources available to be spent in the near future to finance the JEP's operations. We describe the relationship (or differences) between governmental activities (reported in the *Statement of Net Assets and the Statement of Activities*) and governmental funds in a reconciliation following the fund financial statements.

THE JEP AS A WHOLE

The JEP's net assets increased by more than \$51,500 from \$89,000 to \$106,600. Last year net assets increased by \$4,600.

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the JEP's governmental activities.

For the year ended December 31, 2003, net assets changed as follows:

Table 1
Net Assets

	2003	2002	Increase (Decrease)	
			Amount	Percent
Current and other assets	\$ 94,535	\$ 83,225	\$ 11,313	14 %
Capital assets	6,338	7,925	(1,587)	(20) %
Total assets	<u>100,873</u>	<u>91,150</u>	<u>9,725</u>	11 %
Current liabilities	260	2,873	(1,813)	(67) %
Total liabilities	<u>260</u>	<u>2,873</u>	<u>(1,813)</u>	(67) %
Net assets:				
Invested in capital assets	6,338	7,925	(1,587)	(20) %
Unrestricted	94,535	81,150	13,385	16 %
Total net assets	<u>\$ 100,873</u>	<u>\$ 89,075</u>	<u>\$ 11,538</u>	13 %

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by other legal restrictions – increased by more than \$13,100 to \$94,500 at the end of the year.

While travel increased by \$4,200 and supplies increased by \$1,900, other contractual services decreased by \$2,400 or 14 percent, and salaries, payroll taxes and related benefits decreased by almost \$2,500 or 13 percent.

The JEP's total revenues increased by 4 percent or \$2,500. The total cost of all operations and services decreased by almost \$4,100 or 9 percent. This decrease was mainly due to the use of capital assets past their expected useful life.

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is provided. Of particular interest is its format that is significantly different than that of the typical *Statement of Revenue, Expenses, and Changes in Fund Balances*. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net Revenue(Expense). The reason for this kind of format is to highlight the relative financial burden of each of the governmental functions. It also identifies how much each function draws from the general revenues or if it is self-financing through fees. Fees in the form of court costs and fines represent the majority of the revenues reported for the Juvenile Court function.

Table 1
Changes in Net Assets

	2003	2002	Increase (Decrease)	
			Amount	Percent
Revenues				
Fees and fines	\$ 50,785	\$ 48,000	\$ 2,785	6 %
Intergovernmental	6,171	6,297	(126)	(2)
Charges for services	724	631	100	17
Interest	927	1,185	(258)	(22)
Total revenues	<u>58,607</u>	<u>56,113</u>	<u>2,494</u>	<u>4</u>
Program expenses				
Juvenile Court	47,068	51,556	(4,487)	(9)
Total expenses	<u>47,068</u>	<u>51,556</u>	<u>(4,487)</u>	<u>(9)</u>
Increase in net assets	\$ 11,539	\$ 4,557	\$ 6,982	153 %

THE JEF'S FUNDS

As the JEF completed the year, its governmental fund (as presented in the balance sheet on page 10) reported a fund balance of \$84,300, which is \$13,180 more than last year's total of \$71,120.

The following schedule presents a summary of the general fund revenues and expenditures for the fiscal year ended December 31, 2003, and the amount and percentage of increases and decreases in relation to the prior year.

Fees and fines experienced an increase of \$2,800 this year. Intergovernmental revenues remained constant as did charges for services which include transcript billings that depend on the number of cases that are appealed during the year. Interest declined due to the decrease in interest rates throughout the year.

Juvenile Court expenditures increased by \$2,000 this year. This increase in expenditures was due to an increase in travel and supplies. Capital outlay expenditures totaled \$1,100 for the year.

Table 3
General Fund Revenues and Expenditures

	2003		2002	
	Amount	Percent of Total	Amount	Percent of Total
Revenues				
Fees and fines	\$ 30,785	87 %	\$ 48,803	86 %
Intergovernmental	6,171	19	6,297	11
Charges for services	724	1	621	1
Interest	927	3	3,095	5
Total revenues	<u>38,607</u>	<u>100</u>	<u>58,816</u>	<u>100</u>
Expenditures				
Avenue Court	44,573	76	43,885	77
Capital outlay	1,189	3	-	-
Total expenditures	<u>45,762</u>	<u>79</u>	<u>43,885</u>	<u>77</u>
Excess of revenues over expenditures	<u>\$ 13,125</u>	<u>33 %</u>	<u>\$ 15,031</u>	<u>23 %</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the General Fund budget was revised our time. This budget amendment decreased appropriations to coincide with the reduction in amounts received during the year.

The actual general fund revenues exceeded the final budget by \$1,007. Actual general fund expenditures were \$1,348 less than the amount budgeted.

There were no significant changes in the original budget and actual revenues and expenditures for the year.

CAPITAL ASSETS

At the end of December 31, 2003, the JEF had \$99,180 invested in capital assets including computer equipment. (See table below.) This decrease was due to the transfer of unusable equipment to City inventory surplus for sale at public auction.

Table 4
Capital Assets at Year-end

	<u>2003</u>	<u>2002</u>
Computer equipment, including software	\$ 39,830	\$ 42,249
Other office equipment	1,485	1,485
Furniture and fixtures	<u>1,745</u>	<u>1,636</u>
Totals	<u>\$ 43,060</u>	<u>\$ 45,370</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City and Parish of East Baton Rouge extensively fund the Court's operations. The annual budget from the City of Baton Rouge for 2004 shows an increase of 2.55 percent over the 2003 appropriation. The budget includes an additional \$2,050 in salaries, \$14,100 in retirement contributions, and \$3,200 to cover post-employment benefits for Court employees. No increases were appropriated for supplies or contractual services with the exception of an additional \$130 for water and sewer fees. Nothing was budgeted for capital outlay. Consequently, JEF revenues will fund any increases in supplies and contractual services. Traffic fines received by the JEF have declined by more than 50% over the past few years since the driving age was increased. The Court assesses delinquency fines as an additional court cost in juvenile cases. This additional court cost assessment increased revenues by approximately \$2,800 in 2003, helping to offset lost revenues due to the decrease in traffic fines. The 2004 JEF budget only shows a projected revenue increase of \$1,400 while estimated expenditures increased by about \$10,300 to cover additional costs no longer funded by the City-Parish budget.

CONTACTING THE JEF'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the JEF's finances and to show the JEF's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Judicial Administrator's Office at 8333 Veterans Memorial Boulevard, Baton Rouge, Louisiana.

Deanna T. Carter

Deanna T. Carter
Judicial Administrator

BASIC FINANCIAL STATEMENTS

EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
STATEMENT OF NET ASSETS
 December 31, 2000

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash	\$ 92,068
Receivable from other governments	<u>2,447</u>
Total current assets	94,515
Noncurrent assets:	
Capital assets, net of depreciation	<u>6,338</u>
Total assets	<u>100,853</u>
LIABILITIES	
Current liabilities:	
Accounts payable	<u>260</u>
Total current liabilities	<u>260</u>
Total liabilities	<u>260</u>
NET ASSETS	
Invested in capital assets	6,338
Unrestricted	<u>94,275</u>
Total net assets	<u>\$ 100,613</u>

See accompanying notes to the basic financial statements.

**EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
STATEMENT OF ACTIVITIES**

Year ended December 31, 2003

Functions/Programs Governmental activities Juvenile Court	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses)
Total governmental activities	\$ 47,000	\$ 61,509	\$ -	\$ -	\$ 4,440
	<u>\$ 47,000</u>	<u>\$ 61,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,440</u>
General revenues:					
					6,974
					<u>927</u>
					<u>7,098</u>
					11,538
Change in net assets					<u>89,075</u>
Net assets - beginning of year					\$ 100,513
Net assets - end of year					<u>\$ 100,513</u>

See accompanying notes to the basic financial statements.

EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2003

	General Fund
ASSETS	
Cash	\$ 62,008
Receivable from other governments	2,447
Total assets and other debits	\$ 64,455
LIABILITIES	
Accounts payable	\$ 289
Total liabilities	289
FUND BALANCES	
Unreserved, reported in	
General fund	64,166
Total fund balances	64,166
Total liabilities and fund balances	\$ 64,455

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES**

Total governmental fund balances	\$ 64,166
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	8,289
Net assets of governmental activities	\$ 72,455

See accompanying notes to the basic financial statements.

**EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year ended December 31, 2003**

	<u>General Fund</u>
REVENUES	
Fees and fines	\$ 58,785
Intergovernmental	8,171
Charges for services	724
Interest	<u>827</u>
Total revenues	<u>58,507</u>
EXPENDITURES	
Current operations:	
Juvenile Court	44,373
Capital expenditures	<u>1,189</u>
Total expenditures	<u>45,562</u>
OTHER FINANCING SOURCES (USES)	
Operating transfers in	-
Operating transfers out	<u>-</u>
	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	13,126
Fund balances - beginning of year	<u>81,150</u>
Fund balances - end of year	<u>\$ 94,276</u>
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	
Net change in fund balances - total governmental funds	\$ 13,126
Amounts reported for governmental activities in the statement of activities are 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 as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	<u>11,887</u>
Change in net assets of governmental activities	<u>\$ 11,638</u>

See accompanying notes to the basic financial statements.

**EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2008**

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Judicial Expense Fund complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note. Effective January 1, 2008, the Judicial Expense Fund adopted the financial reporting requirements of GASB Statement Nos. 33 and 34.

Financial reporting entity

The East Baton Rouge Parish Juvenile Court - Judicial Expense Fund was established by a legislative act effective July 1, 1991. The act provides for the collection of fees in the form of court costs and fines, and provides for court reporters and such sectorial, clerical, research, administrative or other personnel as are deemed necessary to expedite the business and functions of the court. The Fund may also be used to pay for establishing and maintaining a law library, equipment, supplies and any other costs or expenses related to the proper administration of the court, except for the payment of judges' salaries.

As the governing authority of the consolidated government, the City of East Baton Rouge Parish of East Baton Rouge (City-Parish) is the financial reporting entity for the consolidated government. In compliance with the provisions of GASB No. 14, *The Financial Reporting Entity*, the financial reporting entity consists of the primary government (City-Parish), and includes all component units of which the City-Parish appoints a voting majority of the units' board; the City-Parish is either able to impose its will on the unit or a financial benefit or burden relationship exists.

The Judicial Expense Fund is part of the operations of the juvenile court system that is fiscally dependent on the City-Parish. The City-Parish provides directly to the court office space, courtrooms, personal services, and other supplies and services. The nature of the relationship between the Judicial Expense Fund and the juvenile court and the City-Parish is significant. Therefore, the Judicial Expense Fund was determined to be a component unit of the City of East Baton Rouge Parish of East Baton Rouge, the financial reporting entity. The accompanying financial statements present information only on the Judicial Expense Fund maintained by the East Baton Rouge Parish Juvenile Court and do not present any other information on the Juvenile Court, or the City-Parish, the general government services provided by that governmental unit, or on the other governmental units that comprise the financial reporting entity.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation

Government-wide financial statements – The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund financial statements – The financial transactions of the Judicial Expense Fund are reported in individual funds in the fund financial statements. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Judicial Expense Fund uses the governmental fund type. The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Currently, the Judicial Expense Fund only uses a general fund that is the general operating fund and accounts for all activities of the Judicial Expense Fund.

Measurement focus and basis of accounting

Measurement focus is a term used to describe "what" transactions are recorded within the various financial statements. **Basis of accounting** refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement focus – The government-wide financial statements are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current financial assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

Basis of accounting – The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when "measurable and available." Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial statement amounts

Cash, including time deposits – “Cash, including time deposits” includes all demand deposits of the Judicial Expense Fund.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. All amounts are deemed collectible in full and no allowance for uncollectible accounts receivable has been recorded.

Interest earnings are recorded when earned only if paid within 90 days since they would be considered both measurable and available.

Capital assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost. Additions, improvement and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Computer equipment, including software	3 – 10 years
Other office equipment	3 – 10 years
Furniture and fixtures	10 – 20 years

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures of the fund upon acquisition. Capital assets reported herein include only those assets purchased by the Judicial Expense Fund and do not reflect assets of the court obtained from other sources.

Revenues

Substantially all government fund revenues are accrued. These revenues include filing fees, fines, and court costs collected by other agencies and remitted to the Judicial Expense Fund in the following month, as well as, amounts due under grant contracts, and interest revenue.

Expenditures

Expenditures are recognized when the related fund liability is incurred.

Accounting estimates

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

B: CASH AND INVESTMENTS

Cash includes amounts in demand deposits and time deposits. Under state law, the Judicial Expense Fund 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.

At December 31, 2003, the Judicial Expense Fund had interest-bearing demand deposits (book balances) of \$92,898. 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 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. At December 31, 2003, the Judicial Expense Fund had \$92,948 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance (OASB Category 1).

C: INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables due to the general fund at December 31, 2003 are as follows:

East Baton Rouge Parish:	
Juvenile Court	\$ 1,700
Clerk of Court	494
Louisiana Supreme Court	250
	<u>\$ 2,447</u>

D: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 is as follows:

	Balance			Balance
	December 31, 2002	Additions	Deletions	December 31, 2003
Computer equipment, including software	\$ 42,249	\$ -	\$ 2,419	\$ 44,668
Other office equipment	1,495	-	-	1,495
Furniture and fixtures	4,634	1,189	-	5,823
Total at historical cost	<u>\$ 48,378</u>	<u>1,189</u>	<u>2,419</u>	<u>\$ 51,148</u>

D: CAPITAL ASSETS (Continued)

	Balance			Balance
	December 31, 2002	Depreciation	Deletions	December 31, 2003
Less accumulated depreciation				
Computer equipment, including software	38,336	2,108	2,419	36,223
Other office equipment	1,515	399	-	1,885
Furniture and fixtures	1,494	241	-	1,645
Totals at historical cost	<u>42,455</u>	<u>2,698</u>	<u>2,419</u>	<u>42,732</u>
Capital assets, net	\$ 7,825	\$ (1,987)	\$ -	\$ 6,738

Depreciation expense was charged to governmental activities for Juvenile Court.

E: CONCENTRATIONS OF CREDIT RISK

Intergovernmental receivables represent amounts due from other East Baton Rouge Parish governmental agencies. Payment of these amounts is partly dependant upon the economic and financial conditions within East Baton Rouge Parish and the State of Louisiana.

F: EXPENDITURES OF THE JUDICIAL EXPENSE FUND PAID BY THE CITY-PARISH

Certain operating expenditures of the juvenile court and the judicial expense fund are paid by the City-Parish and are not included in the accompanying financial statements. The City-Parish has a calendar year end, and the expenditures for the operation of the Judicial Expense Fund for the year ended December 31, 2003 are summarized as follows:

Supplies \$ 204

The East Baton Rouge Parish Juvenile Court General Fund administers the payroll for the juvenile court. One employee of the Juvenile Court received a supplemental salary from the Judicial Expense Fund, and two part-time employees of the Juvenile Court receive their salary from the Judicial Expense Fund. The Judicial Expense Fund reimburses the Court's general fund for a portion of the salary and related expenses, which include employer's portion of retirement and FICA taxes on the supplemental salary. The amounts shown in the accompanying financial statements are the actual salary and related expenditures of the Judicial Expense Fund.

REQUIRED SUPPLEMENTARY INFORMATION

**EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**
Year ended December 31, 2003

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	with Final Budget - Positive (Negative)
Budgetary fund balance - December 31, 2002	\$ 81,888	\$ 81,188	\$ 81,188	\$ -
Resources (inflows):				
Fees and fines:				
Clerk of Court - filing fees	6,000	6,000	6,171	171
East Baton Rouge Parish Juvenile Court - court costs	49,500	49,000	49,918	(52)
Bond revenues	2,000	950	1,703	753
Transcript fees	1,000	725	724	(1)
Interest	1,200	925	927	2
Other	-	-	184	184
Amounts available for appropriation	<u>59,700</u>	<u>57,600</u>	<u>59,607</u>	<u>1,007</u>
Charges to appropriations (outflows):				
Juvenile Court:				
Personal services:				
Salaries	22,000	18,050	19,047	3
Employee benefits:				
Retirement and post-employment benefits	-	152	152	-
FICA	1,580	1,130	1,130	-
Supplies:				
Office supplies	1,000	2,500	2,389	182
General supplies	500	-	-	-
Computer supplies	500	-	-	-
Subscriptions and publications	500	140	140	-
Small equipment and furniture	2,000	2,583	2,583	-
Contractual services:				
Auditing and accounting services	4,500	3,500	2,790	1,184
Professional services	1,000	950	950	-
Transcript preparation services	1,000	725	724	1
Dues and memberships	750	540	540	-
Communications	7,000	5,650	5,650	(9)
Meetings and special functions	1,000	310	359	3
Education and training	1,000	980	979	1
Travel	1,500	4,500	4,480	8
Expert witness fees	500	100	125	(25)

Continued . . .

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Base)	with Final Budget - Positive (Negative)
Postage	300	220	219	1
Printing	750	680	668	(240)
Equipment repair and maintenance	1,500	1,600	1,601	(1)
Bank service charges	79	140	144	(40)
Special programs	2,000	2,090	2,068	2
Capital outlay	-	1,110	1,109	1
Miscellaneous	-	332	320	(30)
Total charges to appropriations	<u>\$1,629</u>	<u>\$6,372</u>	<u>\$6,442</u>	<u>1,696</u>
Budgetary fund balance - December 31, 2003	<u>\$ 69,934</u>	<u>\$ 69,320</u>	<u>\$ 69,275</u>	<u>\$ 1,825</u>

See accompanying note to budgetary comparison schedules.

**EAST BATON ROUGE PARISH JUVENILE COURT -
JUDICIAL EXPENSE FUND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
ON BUDGETARY ACCOUNTING AND CONTROL
December 31, 2003**

Budgetary accounting and control

Budget law

The Judicial Expense Fund prepares its annual operating budget under the provisions of the Louisiana Municipal Budget Act. In accordance with those provisions, the following procedures are used in adopting the annual budget for the general fund:

- (1) An operating budget is prepared for the general fund at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
- (2) The budget is adopted prior to year end and authorized for implementation on the first day of the fiscal year.
- (3) The general funds budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by character (personal services, group-benefits, supplies, contractual services and capital outlay). Total expenditures constitute the legal level of control. Expenditures may not exceed the sum of appropriations plus the unreserved prior year fund balance. The budget may be revised during the year as estimates regarding revenues and expenditures change.
- (4) Appropriations lapse at the end of each fiscal year.

Budgetary accounting

The general fund budget is prepared and presented on the modified accrual basis of accounting.

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EO 13708-0008

INDEPENDENT AUDITOR'S 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 Judges of the
East Baton Rouge Parish Juvenile Court

We have audited the financial statements of the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund, a component unit of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, as of and for the year ended December 31, 2003, and have issued our report thereon dated March 16, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund's 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 East Baton Rouge Parish Juvenile Court - Judicial Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our 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 for the information and use of the management and governing body of the East Baton Rouge Parish Juvenile Court - Judicial Expense Fund, the City of Baton Rouge and Parish of East Baton Rouge, Louisiana, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

L. A. Champagne, Jr.
March 16, 2007

**EAST BATON ROUGE PARISH JUVENILE COURT –
JUDICIAL EXPENSE FUND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2009**

A: SUMMARY OF AUDIT RESULTS

1. The auditor expresses an unqualified opinion on the financial statements of the East Baton Rouge Parish Juvenile Court – Judicial Expense Fund.
2. No reportable conditions relating to the audit of the financial statements of the East Baton Rouge Parish Juvenile Court – Judicial Expense Fund are reported in the "Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards."
3. No instances of noncompliance material to the financial statements of the East Baton Rouge Parish Juvenile Court – Judicial Expense Fund were disclosed during the audit.
4. Not applicable.
5. Not applicable.
6. Not applicable.
7. A management letter was not issued in conjunction with this engagement.
8. Not applicable.
9. Not applicable.

B: FINDINGS – FINANCIAL STATEMENT AUDIT

None