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THIRTY-THIRD JUDICIAL DISTRICT COURT

OSHELIN, LOUISIANA

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

Year Ended December 31, 2000

Under provisions of state law, this report is a public document. Accordingly, requests/emails 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.

Prepared Date: 7-2-01-01

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INDEPENDENT AUDITOR'S REPORT

June 10, 2004

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

I have audited the accompanying financial statements of the governmental activities of the Thirty-Third Judicial District Court, Louisiana (the Judges' Office) as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Judges' Office. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Thirty-Third Judicial District Court, Louisiana as of December 31, 2003, and the changes of financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated June 10, 2004, on my consideration of the Judges' Office's internal control over financial reporting and my 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 my audit.

The Management's Discussion and Analysis and the required supplementary information on page 27, 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. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express an opinion on it.

Thirty-Third Judicial District Court
Independent Auditor's Report - continued

As described in Note F to the basic financial statements, the Judges' Office adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, Omnibus*, Statement No. 38 *Certain Financial Statement Note Disclosures*, and Interpretation No. 5, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. This results in a change in the format and content of the basic financial statements.

Rayce T. Linnawi, CPA, APAC

Rayce T. Linnawi, CPA, APAC

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

Management's Discussion and Analysis

Within this section of the Thirty-Third Judicial District Court's (Judge's Office) annual financial report, the Judge's Office Management is pleased to provide this narrative discussion and analysis of the financial activities of the Judge's Office for the fiscal year ended December 31, 2000. The Judge's Office financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Judge's Office assets exceeded its liabilities by \$675,965 (net assets) for the fiscal year reported.
- Total revenues of \$321,233 exceeded total expenditures of \$41,869, which resulted in a current year surplus of \$79,364.
- Total net assets are comprised of the following:
 - (1) Capital assets of \$26,116 include property and equipment, net of accumulated depreciation, and are reduced for outstanding debt, if any related to the purchase of capital assets.
 - (2) Unrestricted net assets of \$649,849.
- Overall, the Judge's Office continues to maintain a strong financial position and is continuing to work to improve its financial position.

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

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Judge's Office basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Judge's Office also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is only available on a limited basis. However, all applicable tables will present comparative data in fiscal year 2004.

Government-wide Financial Statements

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

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

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

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA

Management's Discussion and Analysis (Continued)

The government-wide financial statements are presented on pages 11 through 13 of this report.

Fund Financial Statements

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

The Judges' Office uses governmental funds and fiduciary funds as follows:

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

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

The basic governmental fund financial statements are presented on pages 15 through 18 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Judges' Office budget presentations. Budgetary comparison statements are included as "required supplemental information" for the general fund. These schedules demonstrate compliance with the Judges' Office adopted and final revised budget. Required supplemental information can be found on page 27 of this report.

Financial Analysis of the Judges' Office as a Whole

The Judges' Office implemented the new financial reporting model used in this report beginning with the current fiscal year ended December 31, 2000. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Judges' Office as a whole.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orleans, LA

Management's Discussion and Analysis (Continued)

The Judge's Office net assets at fiscal year-end are \$675,795. The following table provides a summary of the Judge's Office net assets:

Assets:		
Current assets	\$ 630,046	93%
Capital assets	_36,754	_5
Total assets	\$ 663,292	100%
Liabilities:		
Current liabilities	___397	100%
Net assets:		
Investment in capital assets, net	36,754	5%
Unrestricted	626,538	95%
Total net assets	\$ 663,292	100%

Overall, the Judge's Office office reports net assets of \$675,795. This amount is \$79,060 higher than last year. The Judge's Office office has \$36,754 invested in capital assets. The Judge's Office overall financial position improved during fiscal year 2005.

Since this is the first year in which government-wide information is available, comparative data is not presented. However, comparative data will be accumulated and presented to assist analysis in future years. The following table provides a summary of the Judge's Office changes in net assets:

Revenues:		
Programs:		
Charges for services/fees	\$ 46,888	79%
Operating grants and contributions	61,093	94
General:		
Interest	_6,289	_7
Total Revenues	112,770	100%
Program expenses:		
Court Administration	_41,869	100%
Change in net assets	70,901	
Beginning net assets	594,894	
Ending net assets	\$ 665,795	

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orleans, LA

Management's Discussion and Analysis (Continued)

Governmental Revenues

Note that program revenues covered 11.07% of governmental operating expenses.

Governmental Operational Expenses

The total fraction of the Judges' Office is court administration. Of the total cost, depreciation on the equipment, vehicles and buildings was \$5,462 or 1.7% of total expenses.

Financial Analysis of the Judges' Office Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with operating financing requirements. Governmental funds reported an ending balance of \$879,241. The General Fund is the Judges' Office primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$59,054. In fiscal year 2003, revenues decreased \$18,806 from the prior year. This is primarily related to a capital improvements grant of \$20,000 received in fiscal year 2002 and not in 2003. Operating expenditures increased by \$4,681.

Budgetary Highlights

The General Fund -- When the original budget was adopted, it was anticipated that the total revenues were going to be less than the previous fiscal year by \$20,000 mainly due to an anticipated decrease in the one time \$20,000 capital improvements grant. The original budget reflected an increase in total expenditures of \$4,678 from the previous fiscal year. The budget was amended once during the year, decreasing total revenues by \$10,000 due to an anticipated decrease in court costs, parking, and interest income.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA.

Management's Discussion and Analysis (Continued)

Capital Assets and Debt Administration

Capital assets

The Judges' Office investment in capital assets, net of accumulated depreciation as of December 31, 2003, was \$26,524. See Note B for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

Nondepreciable assets-land	\$ -
Depreciable assets:	
Furniture & fixtures	27,785
Machinery & equipment	28,186
Total depreciable assets	65,971
Less accumulated depreciation	39,447
Book value-depreciable assets	\$ 26,524
Percentage depreciated	36%
Book value-all assets	\$ 26,524

At December 31, 2003, the depreciable capital assets for governmental activities were 36% depreciated. The book value is at 64% of the original cost.

The major additions for 2003 were computer equipment costing \$18,778.

Long-term debt

The court had no long term debt during 2003.

Contacting the Judges' Office Financial Management

This financial report is designed to provide a general overview of the Judges' Office finances, comply with financial laws and regulations, and demonstrate the Judges' Office commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Judges' Office office, Honorable Judge Joel G. Davis or Treasurer Patricia C. Cole at (337) 639-2188.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT AND
FINANCIAL STATEMENTS (2008)**

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orlando, LA

Statement of Net Assets
December 31, 2000

Governmental Activities

ASSETS	
Interest-bearing deposits	\$ 179,118
Non interest-bearing deposits	54,328
Investments	171,940
Court costs receivable	2,110
Gaming revenue receivable	18,004
Interest receivable	1,898
Capital assets, net	<u>56,158</u>
Total assets	<u>673,608</u>
LIABILITIES	
Current liabilities	
Accounts payable	218
Payroll taxes payable	<u>355</u>
Total liabilities	<u>573</u>
NET ASSETS	
Invested in capital assets	56,154
Unrestricted	<u>617,450</u>
Total net assets	<u>\$673,608</u>

The accompanying notes are an integral part of the basic financial statements.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Shreve, LA

Statement of Activities
Year Ended December 31, 2003

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Court Costs and Other Charges</u>	<u>Operating Grants and Contributions</u>	
Governmental activities				
Court Administration	\$ 41,468	\$ 41,468	\$ 41,091	\$ 79,066
General revenues				
Unrestricted investment earnings				9,280
Total general revenues				9,280
Change in net assets				79,066
Net assets-December 31, 2002				106,420
Net assets-December 31, 2003				\$ 275,356

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orleans, LA

Balance Sheet – Governmental Funds
 December 31, 2015

	<u>GOVERNMENTAL</u> <u>— FUND TYPES —</u> <u>GENERAL</u> <u>FUND</u>
ASSETS	
Cash	\$ 215,940
Investments	271,545
Receivables	
Gaming revenue	10,824
Cost cost reserves	(2,231)
Accrued interest	—1,855
TOTAL ASSETS	\$ 493,864
 LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts Payable	\$ 210
Payroll Taxes Payable	—865
TOTAL LIABILITIES	—655
Fund Equity	
Fund balances	
Unreserved and undesignated	610,241
TOTAL FUND EQUITY	610,241
TOTAL LIABILITIES AND FUND EQUITY	\$ 493,864

The accompanying notes are an integral part of the basic financial statements.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2003

Total fund balances for governmental funds at December 31, 2003	\$419,241
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:	
Construction in progress, fixtures and equipment, net of \$30,127 accumulated depreciation	____56,156
Total net assets of governmental activities at December 31, 2003	\$675,397

The accompanying notes are an integral part of the basic financial statements.

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

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

Year Ended December 31, 2001

	GENERAL FUNDS
REVENUES	
Dues and revenues	\$ 48,000
Court cost revenue	46,458
Interest income	8,188
Grant revenue	21,000
TOTAL REVENUES	123,646
EXPENDITURES	
General Government	1,000
Dues and subscriptions	2,000
Meals	379
Office Supplies	4,000
Professional fees	118
Repairs & Maintenance	22,200
Salaries	4,727
Taxes - payroll	2,200
Telephone	1,817
Travel/Conferences	781
Uniforms	23,474
Capital outlay	62,181
TOTAL EXPENDITURES	162,181
EXCESS OF REVENUES OVER EXPENDITURES	59,054
FUND BALANCE - BEGINNING	390,871
FUND BALANCE - ENDING	\$ 449,925

The accompanying notes are an integral part of the basic financial statements.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Owens, LA

**Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Statement of Activities
 Year Ended December 31, 2001**

Total net changes in fund balances at December 31, 2001 per Statement of Revenues, Expenditures and Changes in Fund Balances	189,814	
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$25,474	
Depreciation expense for the year ended December 31, 2001	(15,662)	<u>9,812</u>
Total change in net assets at December 31, 2001 per Statement of Activities		99,002

The accompanying notes are an integral part of the basic financial statements.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA

Notes to the Financial Statements

December 31, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Thirty-Third Judicial District Court was created by the LSA-RS 1:1990-996. The Court is governed by the Honorable Judge Joel G. Davis and Honorable Judge Patricia C. Cole, who are elected officials.

The accounting and reporting policies of the Thirty-Third Judicial District Court, conform to generally accepted accounting principles as applied to governments. Such accounting and reporting procedures conform to the requirements of the industry audit guide, *Audits of State and Local Governments*. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions as of October 30, 1989 have been applied unless these 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 subsections of this note.

The following is a summary of certain significant accounting policies:

1. *Basis of Presentation*

The accompanying basic financial statements of the Judges' Office have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB 34, "Basic Financial Statements and Management's Discussion and Analysis For State and Local Governments", issued in June 1998.

Government-Wide Financial Statements (GWFS)

The statement of net assets and the statement of activities display information about the Judges' Office as a whole. These statements include all the financial activities of the Judges'. Information contained in these statements reflects the economic resources management faces and the accrued basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Nonexchange Transactions."

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

Fund Financial Statements (FFS)

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

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oboite, LA

Notes to the Basic Financial Statements - Continued

December 31, 2003

NOTE 8 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

Governmental Fund - General Fund

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

1. Financial Reporting Entity

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

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

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

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

Based upon the application of these criteria, Thirty-Third Judicial District Court is the reporting entity. The accompanying financial statements present information only on the funds maintained by the Judge's Office and do not present information on the Atala Parish Police Jury, the general government services provided by that governmental unit, or any other governmental unit.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA

Notes to the Basic Financial Statements - Continued

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Measurement Focus/Basis of Accounting

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

The amounts reflected in the governmental funds on the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both 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 pay liabilities of the current period. The judge considers all revenues available if they are collected within 60 days after the fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Fines, fees, and miscellaneous revenues are recorded in the year in which they are received in cash because they are generally not measurable until actually received. Intergovernmental revenue and interest income is accrued when their receipts occur soon enough after the end of the accounting period so as to be both measurable and available.

Expenditures

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

Governmental Funds

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

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

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orleans, LA

Notes to the Basic Financial Statements - Continued

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

4. Cash and Investments

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

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. At December 31, 2003 the Court had \$605,467 in deposits (collected bank balances), of which 126,666 was secured from risk by federal deposit insurance and 448,800 was secured from risk by pledged securities. This left \$180,217 unsecured.

5. Budgetary Accounting

A budget for the General fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted amounts are as originally prepared or as amended by the Court. All budgetary appropriations lapse at the end of each fiscal year.

6. Capital Assets

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

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

	Estimated Useful Lives
Furniture and fixtures	10-20 Years
Machinery and equipment	5-20 Years

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

7. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to insure that portions of the applicable appropriation, if not employed by the Judge's Office as an extension of formal budgetary integration in the funds.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, LA.

Notes to the Basic Financial Statements - Continued

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

8. Equity Classification

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

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

In the fund statements, governmental fund equity is classified as fund balances. Fund balances is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

9. Use of Estimates

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

NOTE B - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/02 Balance	Additions	Deletions	12/31/03 Balance
Furniture and Fixtures	\$ 29,897	\$ 8,698	\$ -	\$ 38,595
Machinery and equipment	12,448	26,378	-----	38,826
Total	41,345	\$ 35,076	\$ -----	76,421
Less Accumulated Depreciation	---3,265			18,422
Net	\$ 38,080			\$ 58,000

Depreciation expense in the amount of \$9,842 was charged to court administration.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Oberlin, La.

Notes to the Basic Financial Statements - Continued

December 31, 2003

NOTE C - INVESTMENTS

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

Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. If a quoted market price is available for an investment, the fair value to be used in applying this Statement is the total of the number of trading units of the instrument times the market price per unit.

All investment income, including changes in the fair value of investments, should be recognized in the operating statement. Reported investment earnings for the year ended December 31, 2003 are as follows:

Interest	\$ 9,321
Unrealized Loss	<u>(641)</u>
	\$ 8,680

NOTE D - RISK MANAGEMENT

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

NOTE E - EXPENDITURES OF THE JUDGES' OFFICE PAID BY THE ALLEN PARISH POLICE JURY

The Judges' Office is located in Oberlin Court House. The Allen Parish Police Jury, as required by statute, pays the cost of maintaining and operating the Judges' Office. These expenditures are not included in the accompanying basic financial statements.

NOTE F - CHANGES IN ACCOUNTING PRINCIPLES

For the year ended December 31, 2003, the Judges' Office has implemented GASB Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*. GASB Statement No. 34 revises how basic financial statements for reporting on the Judges' Office financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Judges' Office also implemented GASB Statement No. 36, *Certain Financial Statement Note Disclosures*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orlando, FLA

Notes to the Basic Financial Statements - Continued

December 31, 2002

The implementation of GASB Statement No. 34 caused the opening fund balance at December 31, 2002 to be restated in terms of "net assets" as follows:

Total fund balances -- Governmental Funds at December 31, 2002		\$ 568,187
Add: Cost of capital assets at December 31, 2002	\$ 41,307	
Less: Accumulated depreciation at December 31, 2002	<u>(15,305)</u>	<u>36,002</u>
Net assets at December 31, 2002		<u>\$ 594,494</u>

REQUIRED SUPPLEMENTARY INFORMATION

**THIRTY-THIRD JUDICIAL DISTRICT COURT
Orlando, LA**

**Budget Comparison Schedule
General Fund**

Year Ended December 31, 2000

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Granting revenues	\$ 42,800	\$ 35,800	\$ 48,000	\$ 5,000
Court cost revenue	40,800	35,800	46,800	11,000
Interest income	9,000	4,800	8,200	2,200
Grant revenues	30,800	30,800	29,000	5,000
Intergovernmental	1,400	1,400	-----	(1,400)
TOTAL REVENUES	125,400	92,400	132,100	23,300
EXPENDITURES				
General Government				
Fleet charges	370	370	-	370
Contract Labor	400	400	-	400
Books and subscriptions	1,000	1,000	1,010	(10)
Meals	800	800	2,005	(1,205)
Office supplies	1,800	1,800	378	1,022
Professional fees	18,800	18,800	4,042	17,958
Repairs & maintenance	200	200	218	(18)
Salaries	21,400	21,400	22,200	(800)
Taxes - payroll	2,200	2,200	1,717	473
Telephone	2,600	2,600	2,205	395
Travel/Seminars	5,000	5,000	1,817	3,183
Utilities	2,200	2,200	780	1,410
Capital outlay	8,200	8,200	21,474	(11,674)
TOTAL EXPENDITURES	66,770	66,770	62,181	2,189
EXCESS OF REVENUES OVER EXPENDITURES	48,630	25,630	70,919	21,074
FUND BALANCE - BEGINNING	563,182	563,182	588,182	-----
FUND BALANCE - ENDING	\$ 608,262	\$ 588,262	\$ 659,261	\$ 21,074



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

June 10, 2009

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

I have audited the basic financial statements of Thirty-Third Judicial District Court (the Judges' Office), as of and for the year ended December 31, 2008, and have issued my report thereon dated June 10, 2009. I conducted my 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 Thirty-Third Judicial District Court's basic financial statements are free of material misstatement, I 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 these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance that are required to be reported under *Government Auditing Standards*. It is described in the accompanying schedule of findings and questioned costs.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Thirty-Third Judicial District Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness. 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 basic 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. I noted no matters involving the internal control over financial reporting, and its operation that I consider to be material weaknesses.

Honorable Judge Joel O. Davis, and
Honorable Judge Patricia C. Cole
Thirty-Third Judicial District Court
June 18, 2004
Page 2

This report is intended solely for the information and use of management and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:511, this report is distributed to the Legislative Auditor as a public document.

Boyer T. Simoni, CPA, APAC

Boyer T. Simoni, CPA, APAC

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orlando, LA

SUMMARY OF FINDINGS & QUESTIONED COSTS

December 11, 2003

Carroll Four:

1. *Summary of Auditor's Results:*

- a) Auditor issued an unqualified opinion on the financial statements.
- b) No reportable conditions in internal control over financial reporting and its operation were disclosed by the audit of the financial statements.
- c) No non-compliance which is material to the financial statements was disclosed by the audit of the financial statements.

2. *Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Accounting Standards:*

Louisiana law requires that 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. As reported in Note A (4), the Judge's Office maintained bank balances in excess of federal deposit insurance and sufficient pledged security was not provided by the fiscal agent. This left \$100,117 in cash and certificates of deposit without proper security in accordance with Louisiana law.

3. *Findings and Questioned Costs for Federal Awards:*

N/A

Prior Year:

There were no prior year findings or questioned costs.

THIRTY-THIRD JUDICIAL DISTRICT COURT
Orlando, LA

Corrective Action Plan

Year Ended December 31, 2003

The Judge's Office was unaware of the requirement to monitor and ensure sufficient pledged securities were maintained as collateral for all bank accounts and certificates of deposit in excess of federal insurance. The Judge's Office will ensure that adequate pledged securities will be provided by it's fiscal agents for all interest bearing accounts over \$100,000 and all non-interest bearing accounts over \$100,000.



Honorable David A. Davis

District Judge



Honorable Patricia C. Cook

District Judge