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**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS
JUNE 30, 2004 and 2003**

**AND
INDEPENDENT AUDITORS' REPORT**

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 12-8-04

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2004 and 2003
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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INDEPENDENT AUDITORS' REPORT

The Honorable Judges of the
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the accompanying component unit financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Fourth Judicial District Court, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury as of and for the year ended June 30, 2004, which collectively comprise the Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fourth Judicial District Court, Judicial Expense Fund's management. Our responsibility is to express opinions 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 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Fourth Judicial District Court, Judicial Expense Fund, as of June 30, 2004, 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.

**The Honorable Judges of the
Fourth Judicial District Court
Judicial Expense Fund
Page 2**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2004, on our consideration of the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 31 through 38 are not a required part of the component unit financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, with consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements. Management's discussion and analysis and budgetary comparison information are presented for purposes of additional analysis and are not a required part of the component unit financial statements. Management's discussion and analysis and budgetary comparison information have been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. Management's discussion and analysis and budgetary comparison information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cameron, Hines & Hartt (APAC)

**West Monroe, Louisiana
October 14, 2004**

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**Required Supplemental Information (Part A)
Management Discussion and Analysis**

STATE OF LOUISIANA

Fourth Judicial District Court

PARISHES OF MOREHOUSE AND OUACHITA

300 ST. JOHN - SUITE 400

Monroe, Louisiana 71201



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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Fourth Judicial District Court provides an overview of the Court's activities for the year ended June 30, 2004. Please read it in conjunction with the Court's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Court as a whole and present a longer-term view of the Court's finances. Fund financial statements tell how governmental activities were financed in the short term as well as what remains for future spending. Fund financial statements also report the Court's operations in more detail than the government-wide statements by also providing information about all the Court governmental funds.

These financial statements consists of three sections: Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and supplementary information.

Reporting the Court as a Whole

The Statement of Net Assets and the Statement of Activities

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 Court's net assets and changes in them. The Court's net assets-the difference between assets and liabilities- measure the Court's financial position. The increases or decreases in the Court's net assets are an indicator of whether its financial position is improving or deteriorating. Other non-financial factors, however, such as number of cases handled by District Court as well as the number of judgeships approved by the State Legislature and the State's economic condition should be considered in order to assess the overall condition of the Court.

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

Reporting the Court's Funds

Fund Financial Statements

The fund financial statements provide detailed information about the Court's funds, not the Court as a whole. In addition to accounting for the court costs and fees and other revenues that finance activities of District Court, the Court also accounts for appropriations received from the Department of Health and Human Resources, State of Louisiana, related to child support cases and from the State of Louisiana Supreme Court to administer the Drug Court. The General Fund, the Child Support Fund, and the Court Services Fund are all governmental funds that are available for spending. These funds are reported using an accounting method called modified accrual 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 Court'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 Court's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements.

THE COURT AS A WHOLE

For the year ended June 30, 2004 and 2003, net assets changes as follows:

	<u>2004</u>	<u>2003</u>
Beginning net assets	\$ 2,384,931	\$ 2,261,911
Increase (Decrease) in net assets	<u>(26,672)</u>	<u>123,020</u>
Ending net assets	\$ 2,358,259	\$ 2,384,931

This reflects a constant level of government activities for the year. It should be noted that there was an increase in the (TASC) Truancy Assessment and Service Center activity from the prior year. The Court obtained \$103,057 in additional grants from the prior year related to this program, however the expenditures related to Truancy increased \$108,013. The Court also had additional salaries, retirement costs, and travel costs totaling \$212,367 more than the prior year. Additional staff, a higher state retirement employer contribution rate, and travel costs unreimbursed by the Supreme Court due to budget limits contributed to the increase in the cost of government.

Governmental Activities

The Court's assets exceeded its liabilities at the close of the fiscal years 2004 and 2003 by \$2,358,259 and \$2,384,931, respectively. For the fiscal year ended June 30, 2004, the net assets decreased by \$26,672 (or 1%) and the Court's revenue increased by \$ 83,189 (or 5%). For the fiscal year ended June 30, 2003, the net assets increased by \$123,020 (or 5%) and the Court's revenue increased by \$85,921 (or 6%).

To aid in the understanding of the Statement of Activities some additional explanation is provided. Its format is significantly different than that of the Statement of Revenues, Expenses, and Changes in Fund Balance. The 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 and grants. Court costs and fees reported represent the majority of the revenues for the District Court function.

All other governmental revenues (such as interest) are reported as general.

THE COURT'S FUNDS

The following schedule presents a summary of general and special revenue funds net assets:

	<u>Net Assets as of</u>		
	<u>June 30, 2004</u>	<u>June 30, 2003</u>	<u>June 30, 2002</u>
Current and noncurrent assets	\$ 2,476,405	\$ 2,476,994	\$ 2,365,146
Current and noncurrent liabilities	118,146	92,063	103,235
Net Assets:			
Investments in capital assets, net	76,302	67,819	63,381
Unrestricted	2,281,957	2,317,112	2,198,530
Total net assets	<u>\$ 2,358,259</u>	<u>\$ 2,384,931</u>	<u>\$ 2,261,911</u>

Net assets of the Court decreases by \$26,672 (or 1%) from June 30, 2003 to June 30, 2004 and increased by \$123,020 (or 5%) from June 30, 2002, to June 30, 2003.

The following schedule presents a summary of general and special revenue fund revenues and expenditures for the fiscal year ended June 30, 2004 and 2003, and the amount and percentage of increases and decreases in relation to the prior year.

	<u>FYE 2004</u>	<u>Percent</u>	<u>Increase</u>	<u>Percent</u>
	<u>Amount</u>	<u>of Total</u>	<u>(Decrease)</u>	<u>Increase</u>
			<u>from</u>	<u>(Decrease)</u>
			<u>FYE 2003</u>	<u>(Decrease)</u>
Revenues:				
Operating grants	\$ 220,523	13%	\$ 54,542	33%
Intergovernmental	1,093,686	64%	(8,342)	(1%)
Charges for services	349,307	20%	36,835	12%
Interest	47,907	3%	(3,121)	(6%)
Other	3,320		3,275	728%
Total revenues	<u>\$1,714,743</u>	<u>100%</u>	<u>\$ 83,189</u>	<u>5%</u>

Operating grants increased this year. The Truancy Assessment and Service Center (TASC) Assistance Program participation and revenues increased. The charges for services increase reflects higher fees collected for the Misdemeanor Probation Program, primarily.

	<u>FYE 2003</u>	<u>Percent</u>	<u>Increase</u>	<u>Percent</u>
	<u>Amount</u>	<u>of Total</u>	<u>(Decrease)</u>	<u>Increase</u>
			<u>from</u>	<u>(Decrease)</u>
			<u>FYE 2002</u>	<u>(Decrease)</u>
Revenues:				
Operating grants	\$ 165,981	10%	\$ 60,220	57%
Intergovernmental	1,102,028	67%	119,573	12%
Charges for services	312,472	20%	(85,028)	(21%)
Interest	51,028	3%	(6,481)	(11%)
Other	45		(2,364)	(98%)
Total revenues	<u>\$1,631,554</u>	<u>100%</u>	<u>\$ 85,920</u>	<u>6%</u>

Operating grants experienced a moderate increase during 2003. Intergovernmental revenues increased due to additional drug court revenue from the Supreme Court.

	FYE 2004 Amount	Percent of Total	Increase (Decrease) from FYE 2003	Percent Increase (Decrease)
Expenditures:				
District Court	\$1,718,590	98%	\$ 248,579	17%
Capital Outlay	31,308	2%	(11,653)	(27%)
Total expenditures	\$1,749,898	100%	\$ 236,926	16%

District Court expenditures increased moderately during this year. The increase in District Court expenditures was due to increases in salaries, travel, retirement, insurance, and supplies.

	FYE 2003 Amount	Percent of Total	Increase (Decrease) from FYE 2002	Percent Increase (Decrease)
Expenditures:				
District Court	\$1,470,011	97%	\$ 121,585	9%
Capital Outlay	42,961	3%	553	1%
Total expenditures	\$1,512,972	100%	\$ 122,138	9%

District Court expenditures increased moderately during 2003. The increase in District Court expenditures was due to increases in salaries, related retirement expense, insurance and supplies.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the General Fund and Special Revenue Funds budgets were revised one time. The General Fund budget amendment was an increase in anticipated grant receipts and a reduced amount of court costs collected from the Morehouse Parish Sheriff's Office and Ouachita Parish Sheriff's Office. The Special Revenue Fund budget amendments were due to an increase in appropriations as a result of additional fees received as well as increase in salaries, travel, insurance, professional fees, and supplies expenditures.

The actual general fund revenues were less than the final budget by \$45,424. Actual general fund expenditures were less than the final budget by \$48,726. This reflects grant revenue that was anticipated in the final budget that did not materialize during the current fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2004 and 2003, the Court had \$76,302 and \$67,819, respectively invested in capital assets including computer equipment, and office furniture and equipment (See table below).

	2004	2003
Computer equipment, including software	\$ 55,359	\$ 38,836
Office equipment and furniture	20,943	28,983
Ending net assets	\$ 76,302	\$ 67,819

This year's major additions included ten notebook computers, two fax machines, four mini tower desk computers, and an ice maker.

Debt

At year end, the Court had a total of \$54,930 estimated for accrued compensated absences that represents the future liability for vacation earned but not used by District Court employees. That is an increase of sixty-six percent as shown in the following table.

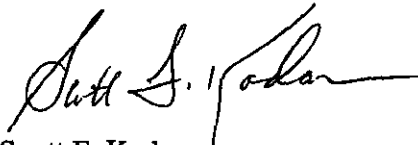
	<u>2004</u>	<u>2003</u>
Accrued compensated absences	\$ 54,930	\$ 33,055

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Court operations are funded extensively by the Parishes of Morehouse and Ouachita. The annual budget for the Court anticipates a flat growth with very little change except for grant participation beyond previous activity.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with general overview of the Court's finances and to show the Court'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 The Fourth Judicial District Court, 300 St. John, Suite 400, Monroe, Louisiana.



Scott F. Kadar
Judicial Administrator

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

Government-Wide Financial Statements

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2004**

ASSETS	<u>GOVERNMENTAL ACTIVITIES</u>
Cash In Bank	\$ 2,270,935
Investments - LAMP	
Prepaid Expenses and Deposits	3,083
Due From Other Governmental Units	125,094
Accounts Receivable	991
Capital Assets	<u>76,302</u>
Total Assets	<u>\$ 2,476,405</u>
LIABILITIES	
Accrued and Other Liabilities	\$ 34,184
Due to Other Governmental Units (Payroll taxes and overpaid court fees)	29,032
Compensated Absences Payable	<u>54,930</u>
Total Liabilities	<u>\$ 118,146</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	\$ 76,302
Unrestricted	<u>2,281,957</u>
Total Net Assets	<u>\$ 2,358,259</u>
Total Liabilities and Net Assets	<u>\$ 2,476,405</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2003**

ASSETS	<u>GOVERNMENTAL ACTIVITIES</u>
Cash In Bank	\$ 1,536,879
Investments - LAMP	766,543
Prepaid Expenses and Deposits	450
Due From Other Governmental Units	92,436
Accounts Receivable	12,867
Capital Assets	<u>67,819</u>
Total Assets	<u>\$ 2,476,994</u>
LIABILITIES	
Accrued and Other Liabilities	\$ 32,818
Due to State of Louisiana Group Benefits Plan (insurance withheld)	135
Due to Other Governmental Units (Payroll taxes and overpaid court fees)	26,055
Compensated Absences Payable	<u>33,055</u>
Total Liabilities	<u>\$ 92,063</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	\$ 67,819
Unrestricted	<u>2,317,112</u>
Total Net Assets	<u>\$ 2,384,931</u>
Total Liabilities and Net Assets	<u>\$ 2,476,994</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Assets
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Function/Program Activities:				
Government Activities:				
Judicial Expense Fund	\$ 395,532	\$	\$ 163,663	\$ (231,869)
Child Support	543,602			(543,602)
Court Services				
Misdemeanor Probation	310,123	319,636		9,513
Drug Court	492,158	29,671	56,860	(405,627)
Total Government Activities	<u>\$1,741,415</u>	<u>\$ 349,307</u>	<u>\$ 220,523</u>	<u>\$ 0</u>
General Revenues:				
Intergovernmental				\$ 1,093,686
Interest				47,907
Other				3,320
Total General Revenues				<u>\$ 1,144,913</u>
Changes in Net Assets				\$ (26,672)
NET ASSETS-BEGINNING				<u>2,384,931</u>
NET ASSETS - ENDING				<u>\$ 2,358,259</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2003**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
Function/Program Activities:				
Government Activities:				
Judicial Expense Fund	\$ 294,179	\$	\$ 63,849	\$ (230,330)
Child Support	439,568			(439,568)
Misdemeanor Probation	269,604	283,927		14,323
Drug Court	505,123	28,545	102,132	(374,446)
Total Government Activities	\$1,508,474	\$ 312,472	\$ 165,981	\$ (1,030,021)
General Revenues:				
				\$ 1,102,028
				51,028
				45
				<u>\$ 1,153,101</u>
				\$ 123,080
				<u>2,261,911</u>
				<u>\$ 2,384,991</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

Fund Financial Statements

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2004**

	General Fund	Child Support Fund	Court Services Fund	Total Governmental Funds [†]
ASSETS				
Cash in Bank	\$ 476,960	\$ 1,420,315	\$ 373,660	\$ 2,270,935
Prepaid Expenses and Deposits	503	2,496	84	3,083
Due From Other Governmental Units	66,702	45,644	12,748	125,094
Due From Other Funds	368	45,000		
Accounts Receivable	572	269	150	991
Total Assets	\$ 545,105	\$ 1,513,724	\$ 386,642	\$ 2,400,103
LIABILITIES AND FUND BALANCES				
Liabilities				
Accrued and Other Liabilities	\$ 11,851	\$ 9,885	\$ 12,448	\$ 34,184
Due to State of Louisiana Group Benefits Plan (insurance withheld)				
Due to Other Governmental Units (Payroll taxes and overpaid court fees)	5,916	5,373	17,743	29,032
Compensated Absences Payable	13,312	16,490	25,128	54,930
Due to Other Funds	45,000	368		
Total Liabilities	\$ 76,079	32,116	55,319	118,146
Fund Balances - Unreserved				
Unrestricted	\$ 434,349	1,342,834	330,434	2,107,617
Designated	34,677	138,774	889	174,340
Total Fund Balances	\$ 469,026	1,481,608	331,323	2,281,957
Total Liabilities and Fund Balances	\$ 545,105	\$ 1,513,724	\$ 386,642	\$ 2,400,103

† After internal receivables and payables have been eliminated.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2004**

*Amounts reported for governmental activities in the
Statement of Net Assets are different because:*

Total Fund Balances - Total Governmental Funds	\$ 2,281,957
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>76,302</u>
Net Assets of Governmental Activities	<u>\$ 2,358,259</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2003**

	General Fund	Child Support Fund	Court Services Fund	Total Governmental Funds
ASSETS				
Cash In Bank	\$ 367,467	\$ 1,030,330	\$ 139,082	\$ 1,536,879
Investments-LAMP	104,635	448,216	213,692	766,543
Prepaid Expenses and Deposits		450		450
Due From Other Governmental Units	26,631	43,834	21,971	92,436
Due From Other Funds		10,000		10,000
Accounts Receivable	129	12,588	150	12,867
	<u>\$ 498,862</u>	<u>\$ 1,545,418</u>	<u>\$ 374,895</u>	<u>\$ 2,419,175</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accrued and Other Liabilities	\$ 9,995	\$ 11,606	\$ 11,217	\$ 32,818
Due to State of Louisiana Group Benefits Plan (insurance withheld)	135			135
Due to Other Governmental Units (Payroll taxes and overpaid court fees)	4,333	7,685	14,037	26,055
Compensated Absences Payable	5,984	6,813	20,258	33,055
Due to Other Funds	10,000			10,000
Total Liabilities	<u>\$ 30,447</u>	<u>26,104</u>	<u>45,512</u>	<u>102,063</u>
Fund Balances - Unreserved				
Unrestricted	\$ 445,255	1,519,314	329,383	2,293,952
Designated	23,160			23,160
Total Fund Balances	<u>\$ 468,415</u>	<u>1,519,314</u>	<u>329,383</u>	<u>2,317,112</u>
Total Liabilities and Fund Balances	<u>\$ 498,862</u>	<u>\$ 1,545,418</u>	<u>\$ 374,895</u>	<u>\$ 2,419,175</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2003**

*Amounts reported for governmental activities in the
Statement of Net Assets are different because:*

Total Fund Balances - Total Governmental Funds	\$ 2,317,112
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>67,819</u>
Net Assets of Governmental Activities	<u>\$ 2,384,931</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2004**

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Total Governmental Funds
REVENUES					
Court Fees	\$ 201,808	\$ 498,788	\$ 319,636	\$ 29,671	\$ 1,049,903
Supreme Court Receipts				393,090	393,090
Grant Revenue	163,663			56,860	220,523
Interest Income	7,811	35,405	4,691		47,907
Other Income	2,701	73	345	201	3,320
Total Revenue	\$ 375,983	\$ 534,266	\$ 324,672	\$ 479,822	\$ 1,714,743
EXPENDITURES					
Asset Expenditures	\$ 25,100	\$ 3,968	\$ 2,240	\$	\$ 31,308
Small Asset Expenditures	16,555	11,331	2,112	898	30,896
Court Reporter/Process Costs	5,415	2,466		15,327	23,208
Insurance Expense	15,574	32,821	43,512		91,907
Internet Access	1,353	1,373		462	3,188
Miscellaneous	2,843	391	1,301		4,535
Office Supplies and Postage	13,914		1,800		15,714
Payroll Taxes	4,060	7,704	7,157	1,548	20,469
Professional Fees	44,064	69,814	19,676	280,724	414,278
Reference Material and Dues	1,644	40,952	60		42,656
Rent - Equipment & Parking	14,946	13,913	4,255	760	33,874
Repair, Maintenance, & Warranty	5,799	1,549	1,463	61	8,872
Retirement Expense	17,500	40,105	20,603	10,713	88,921
Salaries	212,153	292,287	196,532	115,537	816,509
Seminars, Meetings, Travel & Training	23,268	8,125	1,227	8,036	40,656
Supplies		13,951	7,403	56,232	77,586
Telephone & Utility Expense	1,184	1,222	1,818	1,097	5,321
Total Expenditures	\$ 405,372	\$ 541,972	\$ 311,159	\$ 491,395	\$ 1,749,898
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	\$ (29,389)	\$ (7,706)	\$ 13,513	\$ (11,573)	\$ (35,155)
Other Financing Sources (Uses)					
Operating Transfers In	30,000				30,000
Operating Transfers Out		(30,000)			(30,000)
Total Other Financing Sources (Uses)	\$ 30,000	\$ (30,000)	\$	\$	\$ 0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	\$ 611	\$ (37,706)	\$ 13,513	\$ (11,573)	\$ (35,155)
FUND BALANCE - BEGINNING	468,415	1,519,314	340,050	(10,667)	2,317,112
FUND BALANCE - ENDING	\$ 469,026	\$ 1,481,608	\$ 353,563	\$ (22,240)	\$ 2,281,957

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004**

*Amounts reported for governmental activities in the
Statement of Net Assets are different because:*

Net Change in Fund Balance - Total Governmental Funds	<u>\$ (35,155)</u>
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:</p>	
Capital Asset Purchases Capitalized	\$ 36,845
Depreciation Expense	<u>(27,986)</u>
	<u>\$ 8,859</u>
<p>In the statement of activities, only the gain on the disposition of the furniture and equipment is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by cost of furniture and equipment that was disposed of in the current period.</p>	
	<u>(376)</u>
Change in Net Assets of Governmental Activities	<u>\$ (26,672)</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2003**

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Total Governmental Funds
REVENUES					
Court Fees	\$ 207,156	\$ 509,504	\$ 283,927	\$ 28,545	\$ 1,029,132
Supreme Court Receipts				385,368	385,368
Grant Revenue	63,849			102,132	165,981
Interest Income	10,481	35,883	4,664		51,028
Other Income			45		45
Total Revenue	\$ 281,486	\$ 545,387	\$ 288,636	\$ 516,045	\$ 1,631,554
EXPENDITURES					
Asset Expenditures	\$ 22,980	\$ 12,299	\$ 1,998	\$ 5,684	\$ 42,961
Small Asset Expenditures	10,787	1,748	778		13,313
Court Reporter Costs	5,648				5,648
Insurance Expense	13,764	29,794	33,543	15,327	92,428
Internet Access	3,483	3,275			6,758
Miscellaneous	1,742	1	646	820	3,209
Office Supplies and Postage	12,481	10,164	6,255		28,900
Payroll Taxes	3,752	6,060	2,590	1,435	13,837
Professional Fees	43,355	83,126	29,011	279,244	434,736
Reference Material and Dues	1,990	48,714	60		50,764
Rent - Equipment & Parking	14,428	15,927	1,688	1,410	33,453
Repair, Maintenance, & Warranty	10,695	1,825	249	420	13,189
Retirement Expense	14,094	26,822	14,332	8,117	63,365
Salaries	121,141	196,896	168,009	101,921	587,967
Seminars, Meetings, Travel & Training	18,451	3,667	1,364	15,092	38,574
Supplies				76,656	76,656
Telephone & Utility Expense	874	673	2,311	3,356	7,214
Total Expenditures	\$ 299,665	\$ 440,991	\$ 262,834	\$ 509,482	\$ 1,512,972
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	\$ (18,179)	\$ 104,396	\$ 25,802	\$ 6,563	\$ 118,582
Other Financing Sources (Uses)					
Operating Transfers In	17,500				17,500
Operating Transfers Out		(17,500)			(17,500)
Total Other Financing Sources (Uses)	\$ 17,500	\$ (17,500)	\$	\$	\$ 0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	\$ (679)	\$ 86,896	\$ 25,802	\$ 6,563	\$ 118,582
FUND BALANCE - BEGINNING	469,094	1,432,418	314,248	(17,230)	2,198,530
FUND BALANCE - ENDING	\$ 468,415	\$ 1,519,314	\$ 340,050	\$ (10,667)	\$ 2,317,112

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2003**

*Amounts reported for governmental activities in the
Statement of Net Assets are different because:*

Net Change in Fund Balance - Total Governmental Funds	<u>\$ 118,582</u>
 Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital Asset Purchases Capitalized	\$ 10,538
Depreciation Expense	<u>(6,100)</u>
	<u>\$ 4,438</u>
 Change in Net Assets of Governmental Activities	 <u>\$ 123,020</u>

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

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2004

	<u>Agency Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ <u>2,529</u>
Total Assets	\$ <u>2,529</u>
LIABILITIES	
Restitution to Court Ordered Recipients Payable	\$ <u>2,529</u>
Total Liabilities	\$ <u>2,529</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 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. For the fiscal year ended June 30, 2003, the Judicial Expense Fund has adopted the new financial reporting requirements of GASB Statement Nos. 33 and 34. As a result, an entirely new financial presentation format has been implemented.

FINANCIAL REPORTING ENTITY: The Fourth Judicial District Court, General Fund (Judicial Expense Fund), was created under the Act No. 52 of 1984, effective on the 60th day after final adjournment of the 1984 legislative session of the State of Louisiana. The effective date of funding was set on November 1, 1984.

The purpose of the fund is to provide sufficient funding to expedite efficient operation of the court. In general, the fund is established and may be used for any purpose or purposes connected with, incidental to or related to the proper administration of the court.

The Fourth Judicial District Court, Special Revenue Fund (Child Support), authority was created under the Act No. 517 of 1986, effective within one year after final adjournment of the 1986 legislative session of the State of Louisiana. In accordance with Louisiana Revised Statutes, § 46: 236.5 the Fourth Judicial District Court implemented this process beginning November 1, 1990.

The purpose of the fund is to provide an expedited process for establishment and enforcement of support obligations which are brought by the Department of Health and Human Resources. Revenues are to be expended to administer the proceedings related to the expedited process.

The Fourth Judicial District Court, Special Revenue Fund (Misdemeanor Probation), authority was created under the Louisiana Code of Criminal Procedure Article 895.1C. The Fourth Judicial District Court issued an order signed en banc February 26, 1993 implementing this process.

The purpose of the fund is to provide misdemeanor probation services by collecting monthly fines for establishment and enforcement of the probationary period. Revenues are to be expended to administer the proceedings related to the probation process.

The Fourth Judicial District Court, Special Revenue Fund (Drug Court), authority was created under the Louisiana Code of Criminal Procedure Article 193 and Article 18 by Rule XI of this court. The drug treatment and probation program shall be established in accordance with the provisions of LSAR.5.13:5301-5304. The Fourth Judicial District Court issued an order signed en banc February 4, 2000 implementing the process effective January 1, 2000.

The purpose of the fund is to administer drug offense charges. Revenues are to be expended to administer the monitoring, counseling, and enforcement of drug offense probation.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The accounting and reporting policies of the Fourth Judicial Court, Judicial Expense Fund conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Municipal Audit and Accounting Guide, the industry audit guide, Audits of State and Local Governmental Units; Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, and/or, where applicable, Public Law 98-502, the Single Audit Act of 1996, and OMB Circular A-133.

For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB), the Judicial Expense Fund and Child Support is a part of the Fourth Judicial District Court, a component of the Ouachita Parish Police Jury judicial system. The financial reporting entity consists of (a) the primary government (Ouachita Parish Policy Jury), (b) organization 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Ouachita Parish Police Jury 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 Ouachita Parish Policy Jury 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 Ouachita Parish Police Jury.
2. Organizations for which the Ouachita Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Ouachita Parish Police Jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Ouachita Parish Police Jury provides for the operation and maintenance of the Courtroom and office space of the Judges in its parish courthouse, the Fourth Judicial District Court was determined to be a component unit of the Ouachita Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fourth Judicial District Court and do not present information on the Ouachita Parish Police Jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

BASIS OF PRESENTATION: In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include, for the first time a Management Discussion and Analysis (MD & A) section providing an analysis of the Judicial Expense Fund's overall financial position and results of operations and financial statements prepared using full accrual accounting for all Judicial Expense Fund's activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements. The Judicial Expense Fund has elected to implement the general provisions of the Statement in the current year and plans to retroactively report capital assets acquired prior to July 1, 2002.

BASIC FINANCIAL STATEMENTS: *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 comprises its assets, liabilities, fund equity, revenues, and expenditures.

The funds of the Judicial Expense Fund are described as follows:

General Fund - The general fund is the general operating fund and accounts for all activities of the Judicial Expense Fund except those required to be accounted for in another fund.

Special Revenue Fund - Special revenue funds are used to account for specific revenue sources that are legally restricted to expenditures for specified purposes. Included in special revenue funds are the Child Support Fund and Court Services Fund which includes Misdemeanor Probation and Drug Court.

This report includes funds which are controlled by the Fourth Judicial District Court (Chief Judge and Judges) but determined to be a component unit of the Ouachita Parish Police Jury. The Ouachita Parish Police Jury has significant control over the Judicial Expense Fund in the area of necessary capital outlay. The Ouachita Parish Police Jury would present this component unit in a discreet presentation format if it were included in their financial statements. The funds are administered by the Court Administrator.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING: Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of 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 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.

BUDGETS AND BUDGETARY ACCOUNTING: The Fourth Judicial District Court follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Judicial Administrator prepares a proposed budget for the General Fund and each Special Revenue Fund and submits same to the Chief Judge, prior to the beginning of each fiscal year.
2. The Chief Judge, Fourth Judicial District Court, signs written approval of the budgets.
3. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Chief Judge.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets for the General Fund (Judicial Expense Fund), and Special Revenue Funds (Child Support Fund, Misdemeanor Probation Fund, and Drug Court Fund), are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Amendments of the budget are prepared by the Judicial Administrator and the process is the same as indicated for the original budget during the fiscal year.

BUDGET VARIANCE: The significant variation of actual expenses in the areas of miscellaneous expenditures, payroll related expenses, supplies and professional fees were primarily due to the uncertainties of budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd).

CASH AND CASH EQUIVALENTS: Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts, and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

INVESTMENTS: In accordance with GASB Statement No. 31, the Court's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the credit standing of the issuer or by other factors, it is reported at fair value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

INTERFUND RECEIVABLES/PAYABLES: Short-term interfund loans are classified as interfund receivables/payables.

PREPAID ITEMS: Advance payments for rent are expensed as the period lapses. The balance in prepaid expense represents advance rent payments due to expire during the subsequent month.

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, improvements, 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	5-10 years
Other office equipment	5-10 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.

COMPENSATED ABSENCES: The Fourth Judicial District Court accrues compensated absence expense based on unused vacation available to employees as of the last day of the fiscal year. Effective January 1, 1998, unused vacation will be accumulated, therefore all of the accrued compensated absence is recognized as a current year expenditure in the governmental funds. Accumulated sick leave is non-compensable, therefore, no provision has been made for unused sick leave.

NET ASSETS: Net assets comprise the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net assets are classified in the following three components:

Invested in capital assets, net of related debt - This component of net assets consists of 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 of those assets. There was no outstanding debt attributable to these fixed assets as of June 30, 2004 and 2003.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd) .

Restricted - This component of net assets consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There were no restricted net assets as of June 30, 2004 and 2003.

Unrestricted net assets - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

INTERFUND TRANSACTIONS: 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 reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

COMPARATIVE DATA: Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Fourth Judicial District Court's financial position and operations. However, comparative (ie., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

USE OF ESTIMATES: The preparation of component unit financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect 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 expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 EXPENDITURES - ACTUAL AND BUDGET

The Judicial Expense Fund had total actual expenditures less than total budgeted expenses for the year ended June 30, 2004 by \$48,726.

The Unfavorable variances for the current period were due to the uncertainties involved with budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses. Truancy Assessment and Service Center (TASC) Assistance Program revenue of \$49,587 was not available for expenditure due to a change in the administration of the program.

NOTE 3 DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

Included as cash and cash equivalents are bank accounts and short-term investments, especially certificates of deposit.

At June 30, 2004 and 2003, the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling \$2,270,935 and \$1,536,879 as follows:

	<u>2004</u>	<u>2003</u>
Interest-bearing demand deposits	\$ 200,935	\$ 166,879
Time deposits	<u>2,070,000</u>	<u>1,370,000</u>
Total	<u>\$ 2,270,935</u>	<u>\$ 1,536,879</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

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. At June 30, 2004, the Fourth Judicial District Court had \$2,404,421 and \$1,644,258, respectively in deposits (collected bank balances). These deposits are secured from risk by \$780,000 and \$585,000, respectively of federal deposit insurance (Category 1) and \$1,624,421 and \$1,059,258 of pledged securities held by the bank's agent in the name of the bank (Category 3) as of June 30, 2004 and 2003.

In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmaturing or payable on demand. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

Category 1 represents deposits insured (inclusive of FDIC, SIPC, or similar federal security) or collateralized with securities held by the Court or its agent in the Court's name. Category 2 represents deposits collateralized with securities held by the pledging financial institution's trust department or agent in the Court's name. Category 3 represents deposits uncollateralized including any securities held for the entity but not in the Court's name.

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 securities within 10 days of being notified by the Fourth Judicial District Court that the fiscal agent has failed to pay deposited funds upon demand.

B. Investments

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are:

- Category 1: Investments that are insured, registered or held by the entity or by its agent in the Court's name.
- Category 2: Investments that are uninsured and unregistered held by the counterparty's trust department or agent in the Court's name.
- Category 3: Uninsured and unregistered investments held by the counterparty, its trust or its agent, but not in the Court's name.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

The Court invests in the Louisiana Asset Management Pool (LAMP) which is administered by LAMP, Inc. These approved investments are carried at cost (See Note 1), which approximates market and may be liquidated as needed. This investment pool has not been assigned a risk category since the Court is not issued securities, but rather owns an undivided beneficial interest in the assets of the pool. The carrying value of investments owned at year end June 30, 2004 and 2003 was \$0 and \$766,543, respectively, (Louisiana Asset Management Pool or LAMP) which approximates market as required by GASB 31.

Louisiana Asset Management Pool (LAMP) was created as a cooperative endeavor in 1993 to assist local Louisiana governmental entities with the investment of their cash balances. LAMP is not a bank and an investment in LAMP constitutes a direct investment in the assets constituting the pool, not a deposit. *Investments in LAMP are not insured by the Federal Depository Insurance Corporation or any other federal agency.* Collateralization requirements are not applicable when participating in the pool.

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

	June 30,	
	2004	2003
General Fund		
Judicial Expense Fund		
Court fees-Ouachita Parish, Sheriff Department State of Louisiana	\$ 8,110	\$ 6,448
Court fees-Ouachita Parish, Clerk of Court State of Louisiana	3,690	
Court fees-Morehouse Parish, Sheriff Department State of Louisiana	1,960	2,149
Court fees-Morehouse Parish, Clerk of Court State of Louisiana	1,230	1,320
Travel expense reimbursement - Justice Department, State of Louisiana	7,838	8,698
Truancy expense reimbursement - Justice Department, State of Louisiana	43,055	4,777
Family in needs services expense reimbursement- Justice Department State of Louisiana		3,239
Repairs reimbursement - Ouachita Parish Police Jury, State of Louisiana	819	
Totals	<u>\$ 66,702</u>	<u>\$ 26,631</u>
Special Revenue Funds		
Child Support		
Court fees - Department of Health and Human Resources, State of Louisiana	\$ 45,644	\$ 43,834
Drug Court Fund		
Operation fees - Supreme Court State of Louisiana	<u>12,748</u>	<u>21,971</u>
Totals	<u>\$ 58,392</u>	<u>\$ 65,805</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

	Balance June 30, 2003	Additions	Retirements	Balance June 30, 2004
Government Activities:				
Computers & Printers	\$ 142,392	\$ 34,468	\$ (17,504)	\$ 159,356
Equipment	116,359	2,377	(7,337)	111,399
Totals at Historical Cost	\$ 258,751	\$ 36,845	\$ (24,841)	\$ 270,755
Less Accumulated Depreciation for:				
Computers	\$ 103,556	\$ (17,790)	\$ 17,349	\$ 103,997
Equipment	87,376	(10,196)	7,116	90,456
	\$ 190,932	\$ (27,986)	\$ 24,465	\$ 194,453
Governmental Activities Capital Assets Net	\$ 67,819	\$ 8,859	\$ (376)	\$ 76,302

Capital asset activity for the year ended June 30, 2003 was as follows:

	Balance June 30, 2002	Additions	Retirements	Balance June 30, 2003
Government Activities:				
Computers & Printers	\$ 136,624	\$ 19,940	\$ (14,172)	\$ 142,392
Equipment	111,589	12,786	(8,016)	116,359
Totals at Historical Cost	\$ 248,213	\$ 32,726	\$ (22,188)	\$258,751
Less Accumulated Depreciation for:				
Computers	\$ 100,152	\$ (15,921)	\$ 12,517	\$ 103,556
Equipment	84,680	(10,712)	8,016	87,376
	\$ 184,832	\$ (26,633)	\$ 20,533	\$ 190,932
Governmental Activities Capital Assets Net	\$ 63,381	\$ 6,093	\$ (1,655)	\$ 67,819

Depreciation expense was charged to governmental functions as follows:

	2004	2003
Judicial Expense Fund	\$ 20,420	\$ 7,366
Child Support Fund	5,598	9,820
Court Services Fund	1,968	9,447
	\$ 27,986	\$ 26,633

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 6 PENSION PLANS

Plan Description. Many employees of the Court are members of the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The LASERS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. Benefits granted by the LASERS are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Louisiana State Employees' Retirement, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600.

Funding Policy. Plan members of the Court are required by state statute to contribute 7.5 percent of their annual covered salary and the Court (employer) is required to contribute at an actuarially determined rate. The current employer rate is 19.1, 14.1, and 13.0 percent of annual covered payroll as of June 30, 2004, 2003, and 2002, respectively. The contribution requirements of plan members and the Court are established and may be amended by state statute. As provided by state statute, 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 employer contributions to the LASERS for the years ending June 30, 2004, 2003, and 2002 were \$42,900, \$35,068, and \$31,511, respectively, equal to the required contributions for each year.

Other Plan Description. The employees that are not members of LASERS are members of the Parochial Employees' Retirement System of Louisiana (System), a multiple-employer (cost-sharing), Public Employee Retirement System (PERS), controlled and administered by a separate board of trustees. This System is composed of two distinct plans, Plan A and Plan B with separate assets and benefit provisions. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

Other Plan Funding Policy. To this system plan members are required to contribute 9.5 percent of their annual covered salary and this court reimburses the primary government, the Ouachita Parish Police Jury and Morehouse Parish Clerk of Court for retirement contributions at actuarially determined rates made into the System. The current employer rate is 11.75 percent of annual covered payroll. The Court reimbursed \$42,813, \$26,152, and \$17,934, to the Ouachita Parish Police Jury for contributions to the System during the years ending June 30, 2004, 2003 and 2002, respectively, as its share of contributions, equal to the required contributions for each year. The Court reimbursed \$2,515, \$2,145, \$1,940 to the Morehouse Parish Clerk of Court for contributions to the System during the year ending June 30, 2004, 2003 and 2002, respectively as its share of contributions, equal to the required contributions for each year.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 7 DUE TO OTHER GOVERNMENTAL UNITS

Accounts due to other governmental units consist of the following:

	June 30,	
	2004	2003
General Fund		
Judicial Expense Fund		
Ouachita Parish Sheriff Department-State of Louisiana	\$ 715	\$ 648
Ouachita Parish Police Jury - State of Louisiana	5,124	2,161
Louisiana State Employee's Retirement System		986
State of Louisiana, Department of Revenue and Taxation	77	538
	\$ 5,916	\$ 4,333
Special Revenue Funds		
Child Support Fund -		
State of Louisiana, Department of Health and Human Resources	\$	\$ 18
Ouachita Parish Sheriff Department - State of Louisiana	715	648
Ouachita Parish Police Jury - State of Louisiana	1,777	1,175
Morehouse Parish Clerk of Court - State of Louisiana	2,881	2,621
State of Louisiana, Unemployment Compensation Control System		802
Louisiana State Employee's Retirement System		2,421
Court Services Fund (Misdemeanor and Drug Court)	715	
Ouachita Parish Sheriff Department - State of Louisiana	11,683	648
Ouachita Parish Police Jury - State of Louisiana	2,512	7,617
Morehouse Parish Sheriff Department - State of Louisiana		2,454
Ouachita Parish District Attorney - State of Louisiana		250
Louisiana State Employee's Retirement System		307
State of Louisiana, Unemployment Compensation Control System		94
State of Louisiana, Department of Health and Human Resources Fund	2,833	2,667
	\$ 23,116	\$ 21,722
Total Special Revenue Funds	\$ 23,116	\$ 21,722

NOTE 8 COMPENSATED ABSENCES

At June 30, 2004, employees of the Fourth Judicial District Court have accumulated and vested \$54,930 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$13,312 is recorded as an obligation of the General Fund and \$41,618 is recorded as an obligation of the Special Revenue Funds.

At June 30, 2003, employees of the Fourth Judicial District Court had accumulated and vested \$33,055 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$5,984 is recorded as an obligation of the General Fund and \$27,071 is recorded as an obligation of the Special Revenue Funds.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 9 CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

<u>2004</u>	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Agency Funds:				
Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Department, Monroe, Louisiana	\$ 0	\$ 17,119	\$ 17,119	\$ 0
Morehouse Parish Sheriff's Department, Bastrop, Louisiana	0	1,320	1,320	0
Indigent Defender Board, Monroe, Louisiana	0	4,840	4,840	0
Restitution Recipients, Fourth District, State of Louisiana	0	56,683	54,154	2,529
	<u>\$ 0</u>	<u>\$ 79,962</u>	<u>\$ 77,433</u>	<u>\$ 2,529</u>

<u>2003</u>	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
Agency Funds:				
Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Department, Monroe, Louisiana	\$ 0	\$ 11,540	\$ 11,540	\$ 0
Morehouse Parish Sheriff's Department, Bastrop, Louisiana	0	1,775	1,775	0
Indigent Defender Board, Monroe, Louisiana	0	3,350	3,350	0
Restitution Recipients, Fourth District, State of Louisiana	0	53,182	53,182	0
	<u>\$ 0</u>	<u>\$ 69,847</u>	<u>\$ 69,847</u>	<u>\$ 0</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 10 JOINT VENTURES

The Child Support Fund has entered into agreements with the Ouachita Parish Police Jury, Ouachita Clerk of Court, and the Morehouse Clerk of Court for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Misdemeanor Probation Fund and Drug Court Fund have also entered into agreements with the Ouachita Parish Police Jury for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Ouachita Parish Police Jury also bills the Child Support Fund one dollar per page filed by that office to reimburse it for costs directly related to the Child Support enforcement program included in these financial statements as a special revenue fund. The Ouachita Parish Police Jury and Morehouse Parish Police Jury are reimbursed one dollar per page per case filed by those offices for costs directly related to the indigent cases of the Judicial Expense Fund included in these financial statements as a general fund expense. As the Fourth Judicial District Court, Child Support Fund, Misdemeanor Probation Fund, and Drug Court Fund reimburses the other governmental units, the appropriate expense accounts are debited and reflected in the financial statements.

NOTE 11 GRANT PROGRAM

Families in Need of Services (FINS)

The Fourth Judicial District Court, Judicial Expense Fund, has entered into a contract with the Office of Community Services, State of Louisiana under the "Families In Need of Services Program" (FINS). The Court agreed to furnish the administration and implementation of Families In Need of Services, Title VII of the Louisiana Children's Code, within the Fourth Judicial District, State of Louisiana.

The Fourth Judicial District Court, Judicial Expense Fund, continues to participate in another contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was continued for the period beginning July 1, 2003 until June 30, 2004 and funded monthly from July 1, 2003 until June 30, 2004 for \$44,466.

The Fourth Judicial District Court, Judicial Expense Fund, continued to participate in another contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was continued for the period beginning January 1, 2003 until June 30, 2003 and funded monthly from January 1, 2003 until June 30, 2003 for \$25,473.

The Fourth Judicial District Court, Judicial Expense Fund, had entered into a contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was approved for the period beginning January 1, 2002 until December 31, 2002 and funded monthly from January 1, 2002 until June 30, 2002 for \$22,235 and July 1, 2002 until December 31, 2002 for \$22,235.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS programs was \$61,365 and \$47,441 for the fiscal years ended June 30, 2004 and 2003, respectively.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 11 GRANT PROGRAM (Cont'd)

Truancy Assessment and Service Center (TASC)

The Fourth Judicial District Court, Judicial Expense Fund, continues to participate in another contract with the Louisiana State University, Office of Social Services Research and Development, State of Louisiana under the "Truancy Assessment and Service Center (TASC) Assistance Program". The contract was approved for the period beginning July 1, 2003 until June 30, 2004 and funded based upon monthly statements of plan expenditures. The Court received \$119,197 for the fiscal year ended June 30, 2004.

The Fourth Judicial District Court, Judicial Expense Fund, has entered into a contract with the Louisiana State University, Office of Social Services Research and Development, State of Louisiana under the "Truancy Assessment and Service Center (TASC) Assistance Program". The contract was approved for the period beginning July 1, 2002 until June 30, 2003 and funded based upon monthly statements of plan expenditures. The court received \$16,140 for the fiscal year ended June 30, 2003.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to this program were \$123,881 and \$15,868 for the fiscal years ended June 30, 2004 and 2003, respectively.

Temporary Assistance for Needy Families (TANF)

The Fourth Judicial District Court, Court Services Fund, has been awarded from the Louisiana Supreme Court, State of Louisiana Drug Court Program Office funds that include federal grants totaling \$56,860 and \$102,132 during the fiscal years ended June 30, 2004 and 2003, respectively, from the "Temporary Assistance for Needy Families (TANF) program.

The total expenditures of the Fourth Judicial District Court related to this program was \$87,553 and \$107,158 for the fiscal years ending June 30, 2004 and 2003, respectively.

NOTE 12 RISK MANAGEMENT

The Fourth Judicial District Court, Judicial Expense Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters for which the Fourth Judicial District Court, Judicial Expense Fund carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES**

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
(JUDICIAL EXPENSE FUND)
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees - Ouachita Parish	\$ 169,500	\$ 157,280	\$ 157,607	\$ 327
Court Fees - Morehouse Parish	41,350	43,000	44,201	1,201
Grant Revenue	213,250	213,250	163,663	(49,587)
Interest Income	10,500	7,877	7,811	(66)
Other Income			2,701	2,701
Transfers In From Other Funds	30,000	30,000	30,000	
Amounts Available for Appropriation	<u>\$ 464,600</u>	<u>\$ 451,407</u>	<u>\$ 405,983</u>	<u>\$ (45,424)</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 29,100	\$ 25,109	\$ 25,100	\$ 9
Small Asset Expenditure	10,500	16,413	16,555	(142)
Court Reporter Costs	6,000	5,475	5,415	60
Insurance Expense	17,439	15,876	15,574	302
Internet Access	1,200	1,373	1,353	20
Miscellaneous	4,263	14,827	2,843	11,984
Office Supplies and Postage	18,575	12,816	13,914	(1,098)
Payroll Taxes	2,538	3,895	4,060	(165)
Professional Fees	67,043	54,887	44,064	10,823
Reference Materials and Dues	2,050	1,282	1,644	(362)
Rent - Equipment & Parking	11,952	13,224	14,946	(1,722)
Repair, Maintenance and Warranty	9,900	5,927	5,799	128
Retirement Expense	12,502	16,668	17,500	(832)
Salaries	267,524	239,059	212,153	26,906
Seminars, Meetings, Travel and Training	25,300	24,142	23,268	874
Telephone and Utility Expense	1,875	3,125	1,184	1,941
Total Charges to Appropriations	<u>\$ 487,761</u>	<u>\$ 454,098</u>	<u>\$ 405,372</u>	<u>\$ 48,726</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ (23,161)	\$ (2,691)	\$ 611	\$ 3,302
Fund Balance - Beginning	468,415	468,415	468,415	
Fund Balance - Ending	<u>\$ 445,254</u>	<u>\$ 465,724</u>	<u>\$ 469,026</u>	<u>\$ 3,302</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
(JUDICIAL EXPENSE FUND)
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees - Ouachita Parish	\$ 185,429	\$ 168,500	\$ 166,531	\$ (1,969)
Court Fees - Morehouse Parish	50,210	40,530	40,625	95
Grant Revenue	106,826	213,250	63,849	(149,401)
Interest Income	13,500	10,507	10,481	(26)
Transfers In From Other Funds	30,000	17,500	17,500	
Amounts Available for Appropriation	<u>\$ 385,965</u>	<u>\$ 450,287</u>	<u>\$ 298,986</u>	<u>\$ (151,301)</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 38,155	\$ 26,824	\$ 22,980	\$ 3,844
Small Asset Expenditure		10,570	10,787	(217)
Court Reporter Costs	4,900	6,000	5,648	352
Insurance Expense	11,469	17,439	13,764	3,675
Internet Access	5,669	3,290	3,483	(193)
Miscellaneous	1,556	7,058	1,742	5,316
Office Supplies and Postage	16,022	16,448	12,481	3,967
Payroll Taxes	5,560	2,772	3,752	(980)
Professional Fees	43,446	63,977	43,355	20,622
Reference Materials and Dues	1,000	2,050	1,990	60
Rent - Equipment & Parking	35,874	10,539	14,428	(3,889)
Repair, Maintenance and Warranty	6,433	9,400	10,695	(1,295)
Retirement Expense	11,083	11,837	14,094	(2,257)
Salaries	183,924	241,803	121,141	120,662
Seminars, Meetings, Travel and Training	11,276	21,263	18,451	2,812
Telephone and Utility Expense	2,866	625	874	(249)
Total Charges to Appropriations	<u>\$ 379,233</u>	<u>\$ 451,895</u>	<u>\$ 299,665</u>	<u>\$ 152,230</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ 6,732	\$ (1,608)	\$ (679)	\$ 929
Fund Balance - Beginning	<u>469,094</u>	<u>469,094</u>	<u>469,094</u>	
Fund Balance - Ending	<u>\$ 475,826</u>	<u>\$ 467,486</u>	<u>\$ 468,415</u>	<u>\$ 929</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(CHILD SUPPORT FUND)
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 510,000	\$ 500,000	\$ 498,788	\$ (1,212)
Interest Income	35,942	35,526	35,405	(121)
Other Income		13	73	60
Amounts Available for Appropriation	<u>\$ 545,942</u>	<u>\$ 535,539</u>	<u>\$ 534,266</u>	<u>\$ (1,273)</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 9,000	\$ 3,968	\$ 3,968	\$
Small Asset Expenditure	1,500	11,831	11,331	500
Court Process/Operation Fee	2,466	2,466	2,466	
Insurance Expense	22,436	32,421	32,821	(400)
Internet Access	720	1,373	1,373	
Miscellaneous	500	390	391	(1)
Payroll Taxes	6,491	7,706	7,704	2
Professional Fees	68,703	70,015	69,814	201
Reference Materials and Dues	50,000	38,000	40,952	(2,952)
Rent	16,398	13,913	13,913	
Repair, Maintenance and Warranty	1,487	1,671	1,549	122
Retirement Expense	25,556	39,937	40,105	(168)
Salaries	230,137	281,307	292,287	(10,980)
Seminars, Meetings, Travel and Training	9,000	8,045	8,125	(80)
Supplies	10,000	13,200	13,951	(751)
Telephone and Utility Expense	1,000	1,231	1,222	9
Transfers to Other Funds	30,000	30,000	30,000	
Total Charges to Appropriations	<u>\$ 485,394</u>	<u>\$ 557,474</u>	<u>\$ 571,972</u>	<u>\$ (14,498)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ 60,548	\$ (21,935)	\$ (37,706)	\$ (15,771)
Fund Balance - Beginning	<u>1,519,314</u>	<u>1,519,314</u>	<u>1,519,314</u>	
Fund Balance - Ending	<u>\$ 1,579,862</u>	<u>\$ 1,497,379</u>	<u>\$ 1,481,608</u>	<u>\$ (15,771)</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE -SPECIAL REVENUE FUND
(CHILD SUPPORT FUND)
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 477,500	\$ 508,000	\$ 509,504	\$ 1,504
Interest Income	36,000	35,910	35,883	(27)
Other Income	100			
Amounts Available for Appropriation	<u>\$ 513,600</u>	<u>\$ 543,910</u>	<u>\$ 545,387</u>	<u>\$ 1,477</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 53,000	\$ 12,299	\$ 12,299	\$
Small Asset Expenditure		1,351	1,748	(397)
Court Process/Operation Fee	2,466	2,466		2,466
Insurance Expense	27,286	27,379	29,794	(2,415)
Internet Access	4,175	3,275	3,275	
Miscellaneous	1,000		1	(1)
Office Supplies and Postage			10,164	(10,164)
Payroll Taxes	6,427	6,352	6,060	292
Professional Fees	54,431	75,315	83,126	(7,811)
Reference Materials and Dues	40,000	50,888	48,714	2,174
Rent	10,841	16,075	15,927	148
Repair, Maintenance and Warranty	1,847	1,607	1,825	(218)
Retirement Expense	25,224	24,650	26,822	(2,172)
Salaries	220,209	196,549	196,896	(347)
Seminars, Meetings, Travel and Training	7,350	6,092	3,667	2,425
Supplies	8,500	9,800		9,800
Telephone and Utility Expense	840	685	673	12
Transfers to Other Funds		17,500	17,500	
Total Charges to Appropriations	<u>\$ 463,596</u>	<u>\$ 452,283</u>	<u>\$ 458,491</u>	<u>\$ (6,208)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ 50,004	\$ 91,627	\$ 86,896	\$ (4,731)
Fund Balance - Beginning	<u>1,432,418</u>	<u>1,432,418</u>	<u>1,432,418</u>	
Fund Balance - Ending	<u>\$ 1,482,422</u>	<u>\$ 1,524,045</u>	<u>\$ 1,519,314</u>	<u>\$ (4,731)</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE -SPECIAL REVENUE FUND
(MISDEMEANOR PROBATION FUND)
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 276,500	\$ 321,209	\$ 319,636	\$ (1,573)
Interest Income		2,796	4691	1,895
Other Income		384	345	(39)
Amounts Available for Appropriation	<u>\$ 276,500</u>	<u>\$ 324,389</u>	<u>\$ 324,672</u>	<u>\$ 283</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$	\$ 2,240	\$ 2,240	\$
Small Asset Expenditure		2,112	2,112	
Insurance Expense	36,496	44,298	43,512	786
Miscellaneous		1,124	1,301	(177)
Office Supplies and Postage	1,200	1,800	1,800	
Payroll Taxes	2,708	7,868	7,157	711
Professional Fees	20,423	20,712	19,676	1,036
Reference Materials and Dues	500	60	60	
Rent	895	4,587	4,255	332
Repair, Maintenance and Warranty	125	1,394	1,463	(69)
Retirement Expense	14,001	19,255	20,603	(1,348)
Salaries	178,070	185,508	196,532	(11,024)
Seminars, Meetings, Travel and Training	1,433	846	1,227	(381)
Supplies	1,050	4,270	7,403	(3,133)
Telephone and Utility Expense	420	1,825	1,818	7
Total Charges to Appropriations	<u>\$ 257,321</u>	<u>\$ 297,899</u>	<u>\$ 311,159</u>	<u>\$ (13,260)</u>
Excess of Resources Over (Under) Charges for Appropriations	<u>\$ 19,179</u>	<u>\$ 26,490</u>	<u>\$ 13,513</u>	<u>\$ (12,977)</u>
Fund Balance - Beginning	<u>340,050</u>	<u>340,050</u>	<u>340,050</u>	
Fund Balance - Ending	<u>\$ 359,229</u>	<u>\$ 366,540</u>	<u>\$ 353,563</u>	<u>\$ (12,977)</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE -SPECIAL REVENUE FUND
(MISDEMEANOR PROBATION FUND)
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 233,000	\$ 276,700	\$ 283,927	\$ 7,227
Interest Income	4,500	1,500	4,664	3,164
Other Income			45	45
Amounts Available for Appropriation	<u>\$ 237,500</u>	<u>\$ 278,200</u>	<u>\$ 288,636</u>	<u>\$ 10,436</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$	\$ 2,377	\$ 1,998	\$ 379
Small Asset Expenditure			778	(778)
Insurance Expense	30,222	36,040	33,543	2,497
Miscellaneous		694	646	48
Office Supplies and Postage	2,250	6,353	6,255	98
Payroll Taxes	2,708	2,537	2,590	(53)
Professional Fees	38,441	30,480	29,011	1,469
Reference Materials and Dues	500	60	60	
Rent	977	2,013	1,688	325
Repair, Maintenance and Warranty	125	2,413	249	2,164
Retirement Expense	12,340	13,788	14,332	(544)
Salaries	160,875	155,113	168,009	(12,896)
Seminars, Meetings, Travel and Training	1,432	1,058	1,364	(306)
Telephone and Utility Expense	420	1,849	2,311	(462)
Total Charges to Appropriations	<u>\$ 250,290</u>	<u>\$ 254,775</u>	<u>\$ 262,834</u>	<u>\$ (8,059)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ (12,790)	\$ 23,425	\$ 25,802	\$ 2,377
Fund Balance - Beginning	<u>314,248</u>	<u>314,248</u>	<u>314,248</u>	
Fund Balance - Ending	<u><u>\$ 301,458</u></u>	<u><u>\$ 337,673</u></u>	<u><u>\$ 340,050</u></u>	<u><u>\$ 2,377</u></u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(DRUG COURT FUND)
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 26,000	\$ 32,024	\$ 29,671	\$ (2,353)
Supreme Court	450,000	450,000	393,090	(56,910)
Grant Income-				
TANF (Supreme Court)			56,860	56,860
Other Income		201	201	
Amounts Available for Appropriation	<u>\$ 476,000</u>	<u>\$ 482,225</u>	<u>\$ 479,822</u>	<u>\$ (2,403)</u>
Charges to Appropriation (Outflows):				
Small Asset Expenditure	\$	\$ 200	\$ 898	\$ (698)
Insurance Expense	16,586	14,974	15,327	(353)
Miscellaneous		442	462	(20)
Payroll Taxes	1,140	1,422	1,548	(126)
Professional Fees	261,918	251,695	280,724	(29,029)
Rent	895	859	760	99
Repair, Maintenance and Warranty	125	61	61	
Retirement Expense	8,262	9,143	10,713	(1,570)
Salaries	104,429	103,777	115,537	(11,760)
Seminars, Meetings, Travel and Training	8,279	7,356	8,036	(680)
Supplies	63,626	49,271	56,232	(6,961)
Telephone and Utility Expense	1,500	1,030	1,097	(67)
Total Charges to Appropriations	<u>\$ 466,760</u>	<u>\$ 440,230</u>	<u>\$ 491,395</u>	<u>\$ (51,165)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ 9,240	\$ 41,995	\$ (11,573)	\$ (53,568)
Fund Balance - Beginning	<u>(10,667)</u>	<u>(10,667)</u>	<u>(10,667)</u>	
Fund Balance - Ending	<u>\$ (1,427)</u>	<u>\$ 31,328</u>	<u>\$ (22,240)</u>	<u>\$ (53,568)</u>

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(DRUG COURT FUND)
FOR THE YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Resources (Inflows):</i>				
Court Fees -	\$ 46,900	\$ 27,755	\$ 28,545	\$ 790
Supreme Court Receipts	450,000	487,500	385,368	(102,132)
Grant Income-				
TANF (Supreme Court)			102,132	102,132
Amounts Available for Appropriation	<u>\$ 496,900</u>	<u>\$ 515,255</u>	<u>\$ 516,045</u>	<u>\$ 790</u>
<i>Charges to Appropriation (Outflows):</i>				
Asset Expenditure	\$	\$ 3,168	\$ 5,684	\$ (2,516)
Insurance Expense	16,708	16,933	15,327	1,606
Miscellaneous		819	820	(1)
Payroll Taxes	1,140	2,766	1,435	1,331
Professional Fees	284,918	287,044	279,244	7,800
Reference Materials and Dues	500			
Rent	896	1,303	1,410	(107)
Repair, Maintenance and Warranty	125		420	(420)
Retirement Expense	8,066	8,240	8,117	123
Salaries	104,079	95,159	101,921	(6,762)
Seminars, Meetings, Travel and Training	11,000	14,771	15,092	(321)
Supplies	63,738	65,705	76,656	(10,951)
Telephone and Utility Expense		2,635	3,356	(721)
Total Charges to Appropriations	<u>\$ 491,170</u>	<u>\$ 498,543</u>	<u>\$ 509,482</u>	<u>\$ (10,939)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ 5,730	\$ 16,712	\$ 6,563	\$ (10,149)
Fund Balance - Beginning	<u>(17,230)</u>	<u>(17,230)</u>	<u>(17,230)</u>	
Fund Balance - Ending	<u>\$ (11,500)</u>	<u>\$ (518)</u>	<u>\$ (10,667)</u>	<u>\$ (10,149)</u>

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

CAMERON, HINES & HARTT

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

The Honorable Judges of the
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the component unit financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Fourth Judicial District Court, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury, as of and for the year ended June 30, 2004, which collectively comprise the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements and have issued our report thereon dated October 14, 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the component unit 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 reportable 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 caused by error or fraud 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.

The Honorable Judges of the
Fourth Judicial District Court
Judicial Expense Fund
Page 2

Compliance

As part of obtaining reasonable assurance about whether the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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*.

This report is intended solely for the information and use of management, others within the organization, Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Cameron, Hines & Hauff (APAC)

West Monroe, Louisiana
October 14, 2004

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004**

The Honorable Judges of the
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund as of and for the year ended June 30, 2004, and have issued our report thereon dated October 14, 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. Our audit of the financial statements as of June 30, 2004, resulted in an unqualified opinion.

Section I- Summary of Auditor's Reports

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

Internal Control

Material Weakness ___ yes X no Reportable Conditions ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards – N/A

Internal Control

Material Weakness ___ yes ___ no Reportable Conditions ___ yes ___ no

Type of Opinion on Compliance
For Major Programs

Unqualified ___ Qualified ___
Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)?

C. Identification of Major Programs: N/A

CFDA Number(s)

Name of Federal Program (or cluster)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Question Costs- N/A

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004**

Section I- Internal Control and Compliance Material to the Financial Statements

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
WITH NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

FOR THE YEAR ENDED JUNE 30, 2004

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Program Passed Through the Louisiana State Supreme Court: Department of Health and Human Services – Administration for Children and Families: Temporary Assistance For Needy Families	93.558	<u>\$ 176,057</u>	<u>\$ 176,057</u>	<u>\$ 176,057</u>

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Fourth Judicial District Court. The Fourth Judicial District Court did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the component unit financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
SCHEDULE OF JUDGES
FOR THE YEAR ENDED JUNE 30, 2004**

Division A	Judge Jimmy N. Dimos
Division B	Judge Sharon I. Marchman
Division C	Judge Wilson Rambo
Division D	Judge H. Stephens Winters
Division E	Judge Marcus R. Clark
Division F	Judge C. Wendell Manning
Division G	Chief Judge Carl Van Sharp
Division H	Judge Benjamin Jones
Division I	Judge Alvin R. Sharp