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

**COMPONENT UNIT FINANCIAL STATEMENTS
JUNE 30, 2005 and 2004**

**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 12-21-05

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

**COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2005 and 2004
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address:

P. O. Box 2474

West Monroe, LA 71294-2474

Phone (318) 323-1717

Fax (318) 323-5121

E-Mail: chhcpas@bellsouth.net

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, 2005, 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, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2005, 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 32 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, which 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 & Hardt (APAC)

West Monroe, Louisiana
October 20, 2005

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

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

STATE OF LOUISIANA



SCOTT F. KADAR
COURT ADMINISTRATOR

Fourth Judicial District Court

PARISHES OF MOREHOUSE AND OUACHITA

300 ST. JOHN

Monroe, Louisiana 71201

TELEPHONE
(318) 361-2251

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, 2005. 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, 2005 and 2004, net assets changes as follows:

	<u>2005</u>	<u>2004</u>
Beginning net assets	\$ 2,358,259	\$ 2,384,931
Increase (Decrease) in net assets	<u>13,637</u>	<u>(26,672)</u>
Ending net assets	\$ 2,371,896	\$ 2,358,259

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 \$39,081 in additional grants from the prior year related to this program, however the expenditures related to Truancy increased \$41,121. The Court also had additional salaries, retirement costs, and travel costs totaling \$117,657 more than the prior year. Additional staff and expenses related to payroll not reimbursed by the Supreme Court due to budget limits contributed to the increase in the cost of government. The Court also had \$59,994 in additional court fees collected during the year ended June 30, 2005.

Governmental Activities

The Court's assets exceeded its liabilities at the close of the fiscal years 2005 and 2004 by \$2,371,896 and \$2,358,259, respectively. For the fiscal year ended June 30, 2005, the net assets increased by \$13,637 (or 1%) and the Court's revenue increased by \$157,966 (or 9%). 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%).

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, 2005</u>	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Current and noncurrent assets	\$ 2,493,125	\$ 2,476,405	\$ 2,476,994
Current and noncurrent liabilities	121,229	118,146	92,063
Net Assets:			
Investments in capital assets, net	105,836	76,302	67,819
Unrestricted	2,266,060	2,281,957	2,317,112
Total net assets	<u>\$ 2,371,896</u>	<u>\$ 2,358,259</u>	<u>\$ 2,384,931</u>

Net assets of the Court increased by \$13,637 (or 1%) from June 30, 2004 to June 30, 2005 and decreased by \$26,672 (or 1%) from June 30, 2003 to June 30, 2004.

The following schedule presents a summary of general and special revenue fund revenues and expenditures for the fiscal year ended June 30, 2005 and 2004, and the amount and percentage of increases and decreases in relation to the prior year.

	<u>FYE 2005</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 2004</u>	<u>(Decrease)</u>
Revenues:				
Operating grants	\$ 276,243	15%	\$ 55,720	25%
Intergovernmental	1,178,591	63%	84,905	8%
Charges for services	366,099	20%	16,792	5%
Interest	49,974	2%	2,067	4%
Other	1,802		(1,518)	(46%)
Total revenues	<u>\$1,872,709</u>	<u>100%</u>	<u>\$ 157,966</u>	<u>9%</u>

Operating grants experienced a moderate increase during 2005. Intergovernmental revenues increased due to additional court fees from the Ouachita Parish Sheriff Department.

	<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.

	FYE 2005 Amount	Percent of Total	Increase (Decrease) from FYE 2004	Percent Increase (Decrease)
Expenditures:				
District Court	\$1,831,935	97%	\$ 113,345	7%
Capital Outlay	<u>56,671</u>	<u>3%</u>	<u>25,363</u>	<u>81%</u>
Total expenditures	\$1,888,606	100%	\$ 138,708	8%

District Court expenditures increased moderately during 2005. The increase in District Court expenditures was due to increases in salaries, related retirement expense, insurance and supplies.

	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	<u>31,308</u>	<u>2%</u>	<u>(11,653)</u>	<u>(27%)</u>
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.

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 an increased 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 decreases in salaries and payroll taxes with increases in insurance, rent, and supplies expenditures.

The actual general fund revenues were less than the final budget by \$8,894. Actual general fund expenditures were less than the final budget by \$2,046.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2005 and 2004, the Court had \$105,836 and \$76,302, respectively invested in capital assets including computer equipment, and office furniture and equipment (See table below).

	<u>2005</u>	<u>2004</u>
Computer equipment, including software	\$ 85,528	\$ 55,359
Office equipment and furniture	<u>20,308</u>	<u>20,943</u>
Ending net assets	\$ 105,836	\$ 76,302

This year's major additions included six notebook computers, a printer, four mini tower desk computers, sound mixers, a desk and computer software.

Debt

At year end, the Court had a total of \$53,751 estimated for accrued compensated absences that represents the future liability for vacation earned but not used by District Court employees. That is a decrease of two percent as shown in the following table.

	<u>2005</u>	<u>2004</u>
Accrued compensated absences	\$ 53,751	\$ 54,930

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 potential 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, 2005**

ASSETS	<u>GOVERNMENTAL ACTIVITIES</u>
Cash In Bank	\$ 2,225,845
Prepaid Expenses and Deposits	3,541
Due From Other Governmental Units	154,237
Accounts Receivable	3,666
Capital Assets	<u>105,836</u>
Total Assets	<u>\$ 2,493,125</u>
LIABILITIES	
Accrued and Other Liabilities	\$ 15,028
Due to Other Governmental Units (Payroll taxes and overpaid court fees)	52,450
Compensated Absences Payable	<u>53,751</u>
Total Liabilities	<u>\$ 121,229</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt Unrestricted	\$ 105,836
	<u>2,266,060</u>
Total Net Assets	<u>\$ 2,371,896</u>
Total Liabilities and Net Assets	<u>\$ 2,493,125</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, 2004**

ASSETS	<u>GOVERNMENTAL ACTIVITIES</u>
Cash In Bank	\$ 2,270,935
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 Unrestricted	\$ 76,302
	<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 ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005**

	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	\$ 476,873	\$	\$ 202,744	\$ (274,129)
Child Support	583,966			(583,966)
Court Services				
Misdemeanor Probation	334,997	342,908		7,911
Drug Court	463,236	23,191	73,499	(366,546)
Total Government Activities	\$1,859,072	\$ 366,099	\$ 276,243	\$ (1,216,730)
General Revenues:				
Intergovernmental				\$ 1,178,591
Interest				49,974
Other				1,802
Total General Revenues				<u>\$ 1,230,367</u>
Changes in Net Assets				\$ 13,637
NET ASSETS-BEGINNING				<u>2,358,259</u>
NET ASSETS - ENDING				<u>\$ 2,371,896</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**

	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	\$ 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	\$1,741,415	\$ 349,307	\$ 220,523	\$ (1,171,585)
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**

Fund Financial Statements

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

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2005**

	<u>General Fund</u>	<u>Child Support Fund</u>	<u>Court Services Fund</u>	<u>Total Governmental Funds[†]</u>
ASSETS				
Cash In Bank	\$ 525,485	\$ 1,379,813	\$ 320,547	\$ 2,225,845
Prepaid Expenses and Deposits	560	2,271	710	3,541
Due From Other Governmental Units	57,307	45,461	51,469	154,237
Due From Other Funds		45,000		
Accounts Receivable	2,434	980	252	3,666
	<hr/>			
Total Assets	<u>\$ 585,786</u>	<u>\$ 1,473,525</u>	<u>\$ 372,978</u>	<u>\$ 2,387,289</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accrued and Other Liabilities	\$ 3,359	\$ 6,140	\$ 5,529	\$ 15,028
Due to Other Governmental Units				
(Payroll taxes and overpaid court fees)	14,978	8,957	28,515	52,450
Compensated Absences Payable	13,728	20,307	19,716	53,751
Due to Other Funds	45,000			
Total Liabilities	<u>\$ 77,065</u>	<u>\$ 35,404</u>	<u>\$ 53,760</u>	<u>\$ 121,229</u>
<hr/>				
Fund Balances - Unreserved				
Unrestricted	\$ 508,721	\$ 1,358,714	\$ 319,218	\$ 2,186,653
Designated		79,407		79,407
Total Fund Balances	<u>\$ 508,721</u>	<u>\$ 1,438,121</u>	<u>\$ 319,218</u>	<u>\$ 2,266,060</u>
	<hr/>			
Total Liabilities and Fund Balances	<u>\$ 585,786</u>	<u>\$ 1,473,525</u>	<u>\$ 372,978</u>	<u>\$ 2,387,289</u>

† 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, 2005

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

Total Fund Balances - Total Governmental Funds	\$ 2,266,060
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>105,836</u>
Net Assets of Governmental Activities	<u>\$ 2,371,896</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, 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**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Total Governmental Funds
REVENUES					
Court Fees	\$ 261,802	\$ 540,288	\$ 342,908	\$ 23,191	\$ 1,168,189
Supreme Court Receipts				376,501	376,501
Grant Revenue	202,744			73,499	276,243
Interest Income	9,778	32,832	7,364		49,974
Other Income	1,095	133	574		1,802
Total Revenue	\$ 475,419	\$ 573,253	\$ 350,846	\$ 473,191	\$ 1,872,709
EXPENDITURES					
Asset Expenditures	\$ 6,594	\$ 8,141	\$ 37,215	\$ 4,721	\$ 56,671
Small Asset Expenditures	18,667	4,804	5,472	6,197	35,140
Court Reporter/Process Costs	3,351	2,466			5,817
Insurance Expense	23,208	39,414	42,643	15,735	121,000
Internet Access	3,717	1,491	1,829	270	7,307
Miscellaneous	556	621	650	19	1,846
Office Supplies and Postage	12,488		2,404		14,892
Payroll Taxes	4,983	9,185	3,361	1,891	19,420
Professional Fees	60,136	54,700	33,844	208,774	357,454
Reference Material and Dues	845	44,461	170		45,476
Rent - Equipment & Parking	15,933	15,716	7,579	446	39,674
Repair, Maintenance, & Warranty	4,917	2,046	2,019	190	9,172
Retirement Expense	20,125	53,948	25,257	16,062	115,392
Salaries	261,373	330,040	187,914	138,066	917,393
Seminars, Meetings & Travel	25,114	7,661	2,135	11,435	46,345
Supplies		10,779	11,635	58,987	81,401
Telephone & Utility Expense	3,447	1,257	4,138	2,324	11,166
Training	270	10	919	1,841	3,040
Total Expenditures	\$ 465,724	\$ 586,740	\$ 369,184	\$ 466,958	\$ 1,888,606
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	\$ 9,695	\$ (13,487)	\$ (18,338)	\$ 6,233	\$ (15,897)
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	\$ 39,695	\$ (43,487)	\$ (18,338)	\$ 6,233	\$ (15,897)
FUND BALANCE - BEGINNING	469,026	1,481,608	353,563	(22,240)	2,281,957
FUND BALANCE - ENDING	\$ 508,721	\$ 1,438,121	\$ 335,225	\$ (16,007)	\$ 2,266,060

**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, 2005**

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

Net Change in Fund Balance - Total Governmental Funds	<u>\$ (15,897)</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	\$ 56,671
Depreciation Expense	<u>(26,989)</u>
	<u>\$ 29,682</u>
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.	
	<u>(148)</u>
Change in Net Assets of Governmental Activities	<u>\$ 13,637</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	<u>\$ 375,983</u>	<u>\$ 534,266</u>	<u>\$ 324,672</u>	<u>\$ 479,822</u>	<u>\$ 1,714,743</u>
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			7,881
Insurance Expense	15,574	32,821	43,512	15,327	107,234
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	<u>\$ 405,372</u>	<u>\$ 541,972</u>	<u>\$ 311,159</u>	<u>\$ 491,395</u>	<u>\$ 1,749,898</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	<u>\$ (29,389)</u>	<u>\$ (7,706)</u>	<u>\$ 13,513</u>	<u>\$ (11,573)</u>	<u>\$ (35,155)</u>
Other Financing Sources (Uses)					
Operating Transfers In	30,000				30,000
Operating Transfers Out		(30,000)			(30,000)
Total Other Financing Sources (Uses)	<u>\$ 30,000</u>	<u>\$ (30,000)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$ 611</u>	<u>\$ (37,706)</u>	<u>\$ 13,513</u>	<u>\$ (11,573)</u>	<u>\$ (35,155)</u>
FUND BALANCE - BEGINNING	<u>468,415</u>	<u>1,519,314</u>	<u>340,050</u>	<u>(10,667)</u>	<u>2,317,112</u>
FUND BALANCE - ENDING	<u>\$ 469,026</u>	<u>\$ 1,481,608</u>	<u>\$ 353,563</u>	<u>\$ (22,240)</u>	<u>\$ 2,281,957</u>

**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><u>\$ (26,672)</u></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, 2005

	<u>Agency Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ <u>5,271</u>
Total Assets	<u>\$ 5,271</u>
LIABILITIES	
Restitution to Court Ordered Recipients Payable	\$ <u>5,271</u>
Total Liabilities	<u>\$ 5,271</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	\$ 2,529
Total Assets	<u>\$ 2,529</u>
LIABILITIES	
Restitution to Court Ordered Recipients Payable	\$ 2,529
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 insurance expense, 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, improvement and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Computer equipment, including software	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, 2005 and 2004.

**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, 2005 and 2004.

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".

FUND EQUITY: Designated fund balances represent tentative plans for future use of financial resources.

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 greater than total budgeted expenses for the year ended June 30, 2005 by \$7,109.

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.

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, 2005 and 2004, the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling \$2,231,116 and \$2,270,935 as follows:

	<u>2005</u>	<u>2004</u>
Interest-bearing demand deposits	\$ 256,116	\$ 200,935
Time deposits	<u>1,975,000</u>	<u>2,070,000</u>
Total	<u>\$ 2,231,116</u>	<u>\$ 2,270,935</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

Custodial Credit Risks - Deposits

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, 2005 and 2004, the Fourth Judicial District Court had \$2,269,839 and \$2,404,421, respectively in deposits (collected bank balances). These deposits are secured from risk by \$690,000 and \$780,000, respectively of federal deposit insurance (Category 1) and \$1,579,839 and \$1,624,421 of pledged securities held by the bank's agent in the name of the bank (Category 3) as of June 30, 2005 and 2004.

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 counter party's trust department or agent in the Court's name.
- Category 3: Uninsured and unregistered investments held by the counterparty, it's trust or it's agent, but not in the Court's name.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

	June 30,	
	2005	2004
General Fund		
Judicial Expense Fund		
Court fees-Ouachita Parish, Sheriff Department State of Louisiana (includes interest)	\$ 13,430	\$ 8,110
Court fees-Ouachita Parish, Clerk of Court State of Louisiana	3,345	3,690
Court fees-Morehouse Parish, Sheriff Department State of Louisiana	1,698	1,960
Court fees-Morehouse Parish, Clerk of Court State of Louisiana	1,170	1,230
Travel expense reimbursement - Justice Department, State of Louisiana	6,409	7,838
Truancy expense reimbursement - Justice Department, State of Louisiana	30,865	43,055
Repairs reimbursement - Ouachita Parish Police Jury, State of Louisiana	390	819
Totals	<u>\$ 57,307</u>	<u>\$ 66,702</u>
Special Revenue Funds		
Child Support		
Court fees - Department of Health and Human Resources, State of Louisiana	\$ 45,400	\$ 45,644
Equipment rental reimbursement - Monroe City Court, Monroe, Louisiana	61	
Drug Court Fund		
Operation fees - Supreme Court, State of Louisiana	<u>51,469</u>	<u>12,748</u>
Totals	<u>\$ 96,930</u>	<u>\$ 58,392</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, 2005 was as follows:

	Balance June 30, 2004	Additions	Retirements	Balance June 30, 2005
Government Activities:				
Computers & Printers	\$ 159,356	\$ 51,189	\$ (25,912)	\$ 184,633
Equipment	111,399	5,482	(2,995)	113,886
Totals at Historical Cost	<u>\$ 270,755</u>	<u>\$ 56,671</u>	<u>\$ (28,907)</u>	<u>\$ 298,519</u>
Less Accumulated Depreciation for:				
Computers	\$ 103,997	\$ (20,872)	\$ 25,764	\$ 99,105
Equipment	90,456	(6,117)	2,995	93,578
	<u>\$ 194,453</u>	<u>\$ (26,989)</u>	<u>\$ 28,759</u>	<u>\$ 192,683</u>
Governmental Activities Capital Assets Net	<u>\$ 76,302</u>	<u>\$ 29,682</u>	<u>\$ (148)</u>	<u>\$ 105,836</u>

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	<u>\$ 258,751</u>	<u>\$ 36,845</u>	<u>\$ (24,841)</u>	<u>\$ 270,755</u>
Less Accumulated Depreciation for:				
Computers	\$ 103,556	\$ (17,790)	\$ 17,349	\$ 103,997
Equipment	87,376	(10,196)	7,116	90,456
	<u>\$ 190,932</u>	<u>\$ (27,986)</u>	<u>\$ 24,465</u>	<u>\$ 194,453</u>
Governmental Activities Capital Assets Net	<u>\$ 67,819</u>	<u>\$ 8,859</u>	<u>\$ (376)</u>	<u>\$ 76,302</u>

Depreciation expense was charged to governmental functions as follows:

	2005	2004
Judicial Expense Fund	\$ 17,678	\$ 20,420
Child Support Fund	5,284	5,598
Court Services Fund	4,027	1,968
	<u>\$ 26,989</u>	<u>\$ 27,986</u>

**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 17.8 and 19.1 percent of annual covered payroll as of June 30, 2005 and 2004, 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, 2005, 2004 and 2003, were \$54,911, \$42,900, and \$35,068, 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 employer rate is 12.75 percent and 11.75 percent of annual covered payroll effective as of January 1, 2005 and January 1, 2004, respectively. The Court reimbursed \$55,909 and \$42,813, to the Ouachita Parish Police Jury for contributions to the System during the years ending June 30, 2005 and 2004, respectively, as its share of contributions, equal to the required contributions for each year. The Court reimbursed \$3,538 and \$2,515 to the Morehouse Parish Clerk of Court for contributions to the System during the year ending June 30, 2005 and 2004, 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,	
	2005	2004
General Fund		
Judicial Expense Fund		
Ouachita Parish Sheriff Department-State of Louisiana	\$ 771	\$ 715
Ouachita Parish Police Jury - State of Louisiana	14,129	5,124
State of Louisiana, Department of Revenue and Taxation	78	77
Total General Fund	\$ 14,978	\$ 5,916
Special Revenue Funds		
Child Support Fund		
Ouachita Parish Sheriff Department - State of Louisiana	\$ 771	\$ 715
Ouachita Parish Police Jury - State of Louisiana	5,162	1,777
Morehouse Parish Clerk of Court - State of Louisiana	3,024	2,881
Court Services Fund (Misdemeanor and Drug Court)		
Ouachita Parish Sheriff Department - State of Louisiana	771	715
Ouachita Parish Police Jury - State of Louisiana	27,744	11,683
Morehouse Parish Sheriff Department - State of Louisiana		2,512
State of Louisiana, Department of Health and Human Resources Fund		2,833
Total Special Revenue Funds	\$ 37,472	\$ 23,116

NOTE 8 COMPENSATED ABSENCES

At June 30, 2005, employees of the Fourth Judicial District Court have accumulated and vested \$53,751 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$13,728 is recorded as an obligation of the General Fund and \$40,023 is recorded as an obligation of the Special Revenue Funds.

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.

**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>2005</u>	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency Funds:				
Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Department, Monroe, Louisiana	\$ 0	\$ 34,037	\$ 34,037	\$ 0
Morehouse Parish Sheriff's Department, Bastrop, Louisiana	0	1,443	1,443	0
Indigent Defender Board, Monroe, Louisiana	0	6,355	6,355	0
Restitution Recipients, Fourth District, State of Louisiana	<u>2,529</u>	<u>51,516</u>	<u>48,774</u>	<u>5,271</u>
	<u>\$ 2,529</u>	<u>\$ 93,351</u>	<u>\$ 90,609</u>	<u>\$ 5,271</u>
<u>2004</u>	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
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	<u>0</u>	<u>56,683</u>	<u>54,154</u>	<u>2,529</u>
	<u>\$ 0</u>	<u>\$ 79,962</u>	<u>\$ 77,433</u>	<u>\$ 2,529</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 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 Court was ordered to furnish the administration and implementation of Families In Need of Services, per 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, 2004 until June 30, 2005 and funded monthly from July 1, 2004 until June 30, 2005 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 July 1, 2003 until June 30, 2004 and funded monthly from July 1, 2003 until June 30, 2004 for \$44,466.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS programs was \$74,817 and \$61,365 for the fiscal years ended June 30, 2005 and 2004, 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, 2004 until June 30, 2005 and funded based upon monthly statements of plan expenditures. The Court received \$158,279 for the fiscal year ended June 30, 2005.

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, 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 total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to this program were \$165,002 and \$123,881 for the fiscal years ended June 30, 2005 and 2004, 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 \$73,499 and \$56,860 during the fiscal years ended June 30, 2005 and 2004, respectively, from the "Temporary Assistance for Needy Families (TANF) program.

The total expenditures of the Fourth Judicial District Court related to this program was \$83,712 and \$87,553 for the fiscal years ending June 30, 2005 and 2004, 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, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Resources (Inflows):				
Court Fees - Ouachita Parish	\$ 157,280	\$ 209,300	\$ 212,203	\$ 2,903
Court Fees - Morehouse Parish	43,000	51,200	49,599	(1,601)
Grant Revenue	213,250	213,250	202,744	(10,506)
Interest Income	7,875	9,588	9,778	190
Other Income		975	1,095	120
Transfers In From Other Funds	30,000	30,000	30,000	0
Amounts Available for Appropriation	<u>\$ 451,405</u>	<u>\$ 514,313</u>	<u>\$ 505,419</u>	<u>\$ (8,894)</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 38,611	\$ 6,595	\$ 6,594	\$ 1
Small Asset Expenditure	11,900	17,860	18,667	(807)
Court Reporter Costs	6,000	4,277	3,351	926
Insurance Expense	19,103	23,300	23,208	92
Internet Access	1,481	3,625	3,717	(92)
Miscellaneous	1,212	568	556	12
Office Supplies and Postage	15,185	13,427	12,488	939
Payroll Taxes	4,863	5,024	4,983	41
Professional Fees	58,377	58,092	60,136	(2,044)
Reference Materials and Dues	1,400	850	845	5
Rent - Equipment & Parking	15,664	15,874	15,933	(59)
Repair, Maintenance and Warranty	7,145	4,719	4,917	(198)
Retirement Expense	18,809	20,177	20,125	52
Salaries	253,342	263,752	261,373	2,379
Seminars, Meetings, and Travel	24,500	26,457	25,114	1,343
Telephone Expense	7,140	2,903	3,447	(544)
Training	1,350	270	270	
Total Charges to Appropriations	<u>\$ 486,082</u>	<u>\$ 467,770</u>	<u>\$ 465,724</u>	<u>\$ 2,046</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ (34,677)	\$ 46,543	\$ 39,695	\$ (6,848)
Fund Balance - Beginning	<u>469,026</u>	<u>469,026</u>	<u>469,026</u>	
Fund Balance - Ending	<u>\$ 434,349</u>	<u>\$ 515,569</u>	<u>\$ 508,721</u>	<u>\$ (6,848)</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, 2004**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
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	<u>468,415</u>	<u>468,415</u>	<u>468,415</u>	
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 - SPECIAL REVENUE FUND
(CHILD SUPPORT FUND)
FOR THE YEAR ENDED JUNE 30, 2005**

	<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 -	\$ 500,000	\$ 538,000	\$ 540,288	\$ 2,288
Interest Income	35,500	32,760	32,832	72
Other Income	13	133	133	
Amounts Available for Appropriation	<u>\$ 535,513</u>	<u>\$ 570,893</u>	<u>\$ 573,253</u>	<u>\$ 2,360</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 14,000	\$ 8,141	\$ 8,141	\$
Small Asset Expenditure	10,000	4,684	4,804	(120)
Court Process/Operation Fee	2,466	2,466	2,466	
Insurance Expense	36,280	39,366	39,414	(48)
Internet Access	1,481	1,511	1,491	20
Miscellaneous	400	607	621	(14)
Payroll Taxes	10,266	9,179	9,185	(6)
Professional Fees	63,977	59,081	54,700	4,381
Reference Materials and Dues	40,000	42,500	44,461	(1,961)
Rent	11,801	16,028	15,716	312
Repair, Maintenance and Warranty	1,550	728	2,046	(1,318)
Retirement Expense	51,241	54,072	53,948	124
Salaries	382,175	327,299	330,040	(2,741)
Seminars, Meetings & Travel	7,200	7,350	7,661	(311)
Supplies	9,810	10,500	10,779	(279)
Telephone and Utility Expense	1,140	1,260	1,257	3
Training	500	10	10	
Transfers to Other Funds	30,000	30,368	30,000	368
Total Charges to Appropriations	<u>\$ 674,287</u>	<u>\$ 615,150</u>	<u>\$ 616,740</u>	<u>\$ (1,590)</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ (138,774)	\$ (44,257)	\$ (43,487)	\$ 770
Fund Balance - Beginning	<u>1,481,608</u>	<u>1,481,608</u>	<u>1,481,608</u>	
Fund Balance - Ending	<u>\$ 1,342,834</u>	<u>\$ 1,437,351</u>	<u>\$ 1,438,121</u>	<u>\$ 770</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>		Actual Amounts	Final Budget Positive (Negative)	Variance With
	Original	Final			
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><u>\$ 1,579,862</u></u>	<u><u>\$ 1,497,379</u></u>	<u><u>\$ 1,481,608</u></u>	<u><u>\$ (15,771)</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
(MISDEMEANOR PROBATION FUND)
FOR THE YEAR ENDED JUNE 30, 2005**

	<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 -	\$ 324,500	\$ 347,490	\$ 342,908	\$ (4,582)
Interest Income	2,500	6,527	7,364	837
Other Income		574	574	
Amounts Available for Appropriation	<u>\$ 327,000</u>	<u>\$ 354,591</u>	<u>\$ 350,846</u>	<u>\$ (3,745)</u>
Charges to Appropriation (Outflows):				
Assets Expenditures	\$ 25,000	\$ 37,215	\$ 37,215	\$
Small Asset Expenditure		5,207	5,472	(265)
Insurance Expense	49,294	58,265	42,643	15,622
Internet Expense	720	1,889	1,829	60
Miscellaneous		703	650	53
Postage		2,400	2,404	(4)
Payroll Taxes	3,216	3,012	3,361	(349)
Professional Fees	20,423	35,042	33,844	1,198
Reference Materials and Dues	500	170	170	
Rent	4,240	7,616	7,579	37
Repair, Maintenance and Warranty	125	2,019	2,019	
Retirement Expense	23,965	23,425	25,257	(1,832)
Salaries	209,418	179,827	187,914	(8,087)
Seminars, Meetings and Travel	1,432	2,174	2,135	39
Supplies	5,300	8,892	11,635	(2,743)
Telephone and Utility Expense	4,380	3,888	4,138	(250)
Training		919	919	
Total Charges to Appropriations	<u>\$ 348,013</u>	<u>\$ 372,663</u>	<u>\$ 369,184</u>	<u>\$ 3,479</u>
Excess of Resources Over (Under) Charges for Appropriations	\$ (21,013)	\$ (18,072)	\$ (18,338)	\$ (266)
Fund Balance - Beginning	<u>353,563</u>	<u>353,563</u>	<u>353,563</u>	
Fund Balance - Ending	<u>\$ 332,550</u>	<u>\$ 335,491</u>	<u>\$ 335,225</u>	<u>\$ (266)</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>		Actual Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Court Fees -	\$ 276,500	\$ 321,209	\$ 319,636	\$ (1,573)
Interest Income		2,796	4,691	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)
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	\$ 19,179	\$ 26,490	\$ 13,513	\$ (12,977)
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
(DRUG COURT FUND)
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Drug Screen Fees -	\$ 33,700	\$ 23,941	\$ 23,191	\$ (750)
Supreme Court	450,000	393,054	376,501	(16,553)
Supreme Court - TANF		56,372	73,499	17,127
Amounts Available for Appropriation	<u>\$ 483,700</u>	<u>\$ 473,367</u>	<u>\$ 473,191</u>	<u>\$ (176)</u>
Charges to Appropriation (Outflows):				
Asset Expenditure	\$	\$ 4,721	\$ 4,721	\$
Small Asset Expenditure		5,902	6,197	(295)
Insurance Expense	20,939	20,034	15,735	4,299
Internet Expense		265	270	(5)
Miscellaneous		19	19	
Payroll Taxes	1,754	1,818	1,891	(73)
Professional Fees	291,903	207,995	208,774	(779)
Rent	1,759	468	446	22
Repair, Maintenance and Warranty	125	190	190	
Retirement Expense	13,442	15,483	16,062	(579)
Salaries	126,506	130,750	138,066	(7,316)
Seminars, Meetings & Travel	5,398	11,318	11,435	(117)
Supplies	250	52,861	58,987	(6,126)
Telephone and Utility Expense	1,500	2,249	2,324	(75)
Training		1,841	1,841	
Total Charges to Appropriations	<u>\$ 463,576</u>	<u>\$ 455,914</u>	<u>\$ 466,958</u>	<u>\$ (11,044)</u>
Excess of Resources Over (Under)				
Charges for Appropriations	\$ 20,124	\$ 17,453	\$ 6,233	\$ (11,220)
Fund Balance - Beginning	<u>(22,240)</u>	<u>(22,240)</u>	<u>(22,240)</u>	
Fund Balance - Ending	<u>\$ (2,116)</u>	<u>\$ (4,787)</u>	<u>\$ (16,007)</u>	<u>\$ (11,220)</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>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (Inflows):				
Drug Screen Fees -	\$ 26,000	\$ 32,024	\$ 29,671	\$ (2,353)
Supreme Court	450,000	450,000	393,090	(56,910)
Supreme Court - TANF			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.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address:

P. O. Box 2474

West Monroe, LA 71294-2474

Phone (818) 828-1717

Fax (818) 828-5121

E-Mail: chhcpas@bellsouth.net

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, 2005, which collectively comprise the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements and have issued our report thereon dated October 20, 2005. 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.

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 & Hartt (APAC)

West Monroe, Louisiana
October 20, 2005

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2005

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, 2005, and have issued our report thereon dated October 20, 2005. 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, 2005, 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 Unqualified _____ Qualified _____
For Major Programs 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/

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, 2005**

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, 2005

Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
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**Federal Grants/Pass Through
Grantor/Program Title**

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	\$ 231,778	\$ 231,778	\$ 231,778
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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, 2005**

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