FOURTH JUDICIAL DISTRICT COURT

JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
JUNE 30, 2015

B&S BOSCH & STATHAM
Certified Public Accountants

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2015
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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BOSCH & STATHAM
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Judges of the
Fourth Judicial District Court
Monroe, Louisiana

Report on the Financial Statements

We have audited the accompanying 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, 2015, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2015, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Post Office Box 303, Jonesboro, LA 71251-0303 · Melissa (318) 475-1987 · Michael (318) 355-9943

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Employer's Proportionate Share of the Net Pension Liability, and Schedule of Employer's Contributions on pages 3-7, pages 54–58, and pages 59-60, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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, a component unit of the Ouachita Parish Police Jury's basic financial statements. The combining schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Heads is required by state law and is also not a required part of the basic financial statements.

The combining schedules; the Schedule of Expenditures of Federal Awards; and the Schedule of Compensation, Benefits, and Other Payments to Agency Heads are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2015, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and compliance.

BOSCH & STATHAM, LLC

Bosch & Statham

Jonesboro, Louisiana
December 30, 2015

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT DISCUSSION AND ANALYSIS

STATE OF LOUISIANA

Fourth Judicial District Court

PARISHES OF MOREHOUSE AND OUACHITA

300 ST. JOHN ST. - SUITE 400

Monroe, Louisiana 71201

TELEPHONE (318) 361-2250
FAX (318) 361-2273

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, 2015. Please read it in conjunction with the Court's financial statements.

FINANCIAL HIGHLIGHTS

Our financial statement provides these insights into the results of this year's operations:

- Liabilities of the Fourth Judicial District Court exceeded its assets at the close of the most recent fiscal year by $2,225,627 (net position). Of this amount, $3,909,524 (unrestricted net deficit) resulted from recognizing $1,316,926 of post retirement benefits and $2,472,639 of retirement benefits payable at some time in future years, and $1,499,373 (restricted net assets) may be used to meet the Court's obligations to citizens and creditors within the Court's designation and policies.

- The Court's total net position decreased by $127,755 during the current fiscal year.

- At the end of the most recent fiscal year, unassigned fund balance of the General Fund was $456,334, or 31.6% of total current year General Fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Court as a whole and present a long-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's governmental funds.

These financial statements consist 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 Position 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 position and changes in them. The Court's net position - the difference between assets, deferred outflows, and liabilities - measure the Court's financial position. The increases or decreases in the Court's net position 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, warrants, 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 Position 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, 2015, net position changed as follows:

Beginning net position	$	1,110,933
Cumulative effect of change in accounting principle		(3,208,805)
Beginning net position, Restated	$	(2,097,872)
Increase (Decrease) in net position		(127,755)
Ending net position	$	(2,225,627)

This reflects a constant level of government activities for the year, but also reflects the implementation of GASB 45. In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45: Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions. The effective date for the Court to implement this requirement was July 1, 2007. The recognition of $89,041 of annual required contribution expense and related liability as determined by actuarial report for post retirement benefits created a deficit for the current year of $2,225,627. The Court also had total expenditures totaling $19,361 less than the prior year.

The Court had $1,940 in less court fees collected during the year ended June 30, 2015. The Court also realized Supreme Court receipts related to the Drug Court and Juvenile Drug Court that decreased $51,154 and increased $8,962, respectively, due to lower and higher grant awards, respectively for the current fiscal year. The warrant revenue decreased $12,326 during the current fiscal year. Also, the interest income decreased $13,447 due to interest paid and interest rates declining on investments during the year ended June 30, 2015.

Governmental Activities

The Court's liabilities exceeded its assets at the close of the fiscal year 2015 by $2,225,627. For the fiscal year ended June 30, 2015, the net position decreased by $127,755 (or 6.1%) and the Court's revenue decreased by $29,528 (or 1%).

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 position:

	Net Position as of	
	June 30, 2015	RESTATED June 30, 2014
Current and noncurrent assets	$ 2,672,292	$ 2,623,960
Current and noncurrent liabilities	4,897,919	4,721,832
Net Position:		
Investments in capital assets	$ 184,524	$ 216,561
Unrestricted	(3,909,524)	(3,939,345)
Restricted	1,499,373	1,624,912
Total net position	$ (2,225,627)	$ (2,097,872)

The net position of the Court decreased by $127,755 (or 6.1%) from June 30, 2014 to June 30, 2015.

The following schedule presents a summary of general and special revenue fund revenues and expenditures for the fiscal year ended June 30, 2015, and the amount and percentage of increases and decreases in relation to the prior year.

	FYE 2015 Amount	Percent of Total	FYE 2014 Amount	Percent of Total	Increase (Decrease) From FYE 2014	Percent Increase (Decrease)
Revenues:						
Operating grants	$ 313,962	9%	$ 302,897	9%	$ 11,065	4%
Intergovernmental	2,377,940	69%	2,388,613	69%	(10,673)	
Charges for services	745,046	22%	765,738	22%	(20,692)	(3%)
Interest	6,481		19,928		(13,447)	(67%)
Other	4,232		13		4,219	325%
Total revenues	$ 3,447,661	100%	$ 3,477,189	100%	$ (29,528)	(1%)

Intergovernmental revenues decreased due to a decrease in the Drug Court award from the Supreme Court during the year. Interest revenue decreased due to the interest paid on accounts during the current year.

	FYE 2015 Amount	Percent of Total	FYE 2014 Amount	Percent of Total	Increase (Decrease) From FYE 2014	Percent Increase (Decrease)
Expenditures:						
District Court	$ 3,606,884	99%	$ 3,586,285	98%	$ 20,599	1%
Capital Outlay	23,488	1%	63,448	2%	(39,960)	(1%)
Total expenditures	$ 3,630,372	100%	$ 3,649,733	100%	$ (19,361)	(1%)

The Child Support and Misdemeanor Probation expenditures increased moderately during 2015. The increase in District Court expenditures was also due to increases in salaries, related retirement expense, insurance, and supplies.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the General Fund and Special Revenue Funds budgets were revised one time. The General Fund budget amendment was an increase in warrant revenue and a decrease in court fees. The Special Revenue Fund budget amendments were due to a decrease in court fees received as well as increases in professional fees and seminars, meetings, and travel with decreases in salaries, retirement expense, insurance, and supplies.

The actual general fund revenues were less than the final budget by $15,729. Actual general fund expenditures were more than the final budget by $2,527.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2015 the Court had $184,524 invested in capital assets including computer equipment and office furniture and equipment (See table below).

Computer equipment, including software	$	76,897
Office equipment and furniture		107,627
Ending capital assets	$	184,524

This year's major additions included computers, HDMI computer cables, and new software licenses.

Debt

At year end, the Court had a total of $79,394 estimated for accrued compensated absences that represents the future liability for vacation earned but not used by District Court employees. That is a increase of five percent as shown in the following table. The Court also had a total of $1,316,926 estimated for post-retirement benefit plan payable that represents a future liability for medical and life insurance available upon retirement by District Court employees. This is the sixth year that this liability has been recognized. Net pension liability recognized by the Court was $2,472,639 that represents a future liability for retirement by District Court employees.

	FYE 2015 Amount		FYE 2014 Amount		Increase (Decrease) From FYE 2014	Percent Increase (Decrease)
Accrued compensated absences	$ 79,394	$	75,579	$	3,815	5%
Post-retirement Benefit Plan payable	$ 1,316,926	$	1,227,885	$	89,041	7%
Net pension liability	$ 2,472,639	$	3,208,805	$	(736,166)	23%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Court operations are funded by court fees, court cost, the Parishes of Morehouse and Ouachita, and the Louisiana Supreme Court. The Probation Department/Drug Court Fund anticipates flat income and expense growth. The Judicial Expense Fund has been showing flat or declining revenues for several years while budgets have been trimmed back in certain areas to allow for more travel and technology improvements. This has been remedied by an increase in the revenue generating court cost by $5 to the maximum allowed by law of $15 per adjudicated criminal case in Morehouse Parish in 2015. Child Support Fund revenues continue to be steady and expenses still remain higher than revenues as they have for several years. The fund balance is declining at a steady rate but will remain solvent. Collections of costs and fines are showing a seasonal and hopefully short term decline. Overall they have been flat for the last seven or eight years.

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 Street, Suite 400, Monroe, Louisiana, 71201. On February 28, 2015 the prior Judicial Administrator resigned. The contact information will remain the same.

Judge Benjamin Jones
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 POSITION
JUNE 30, 2015

		Governmental Activities
ASSETS		
Cash and Cash Equivalents	$	2,196,840
Accounts Receivable		319
Due From Other Governmental Units		161,746
Prepaid Expenses and Deposits		15,789
Capital Assets		184,524
Total Assets	$	2,559,218
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	$	112,624
Deferred Maintenance Costs		450
Total Deferred Outflows of Resources	$	113,074
Total Assets and Deferred Outflows of Resources	$	2,672,292
LIABILITIES		
Accrued and Other Liabilities	$	24,837
Due to Other Governmental Units		331,366
Compensated Absences Payable		79,394
Post-Retirement Benefit Plan Payable		1,316,926
Net Pension Liability		2,472,639
Total Liabilities	$	4,225,162
DEFERRED INFLOWS OF RESOURCES		
Pension Related	$	672,757
Total Deferred Inflows of Resources	$	672,757
NET POSITION		
Net Investment in Capital Assets	$	184,524
Unrestricted (deficit)		(3,909,524)
Restricted		1,499,373
Total Net Position	$	(2,225,627)
Total Liabilities, Deferred Inflows of Resources and Net Position	$	2,672,292

The accompanying notes are an integral part of these financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

		Program Revenues			
	Expenses	Operating Charges for Services	Capital Grants and Contributions	Net (Expense) Revenue and Grants and Contributions	Changes in Net Position
Function/Program Activities:					
Government Activities:					
Judicial Expense Fund	$ 1,377,842	$	$ 49,878	$	$ 1,327,964
Child Support	769,072				769,072
Court Services					
Misdemeanor Probation	807,978	701,275			106,703
Drug Court	491,230	43,251	135,084		312,895
Juvenile Drug Court	129,294	520	129,000		(226)
Total Government Activities	$ 3,575,416	$ 745,046	$ 313,962	$ 0	$ 2,516,408
General Revenues:					
Intergovernmental					$ 2,377,940
Interest					6,481
Other					4,232
Total General Revenues					$ 2,388,653
Changes in Net Position					$ (127,755)
NET POSITION - BEGINNING (AS RESTATED)					(2,097,872)
NET POSITION - ENDING					$ (2,225,627)

The accompanying notes are an integral part of these financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

FUND FINANCIAL STATEMENTS

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF FINANCIAL POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund	Total Governmental Funds †
ASSETS						
Cash and Cash Equivalents	$ 611,937	$ 702,344	$ 860,157	$	$ 22,402	$ 2,196,840
Accounts Receivable	319					319
Due From Other Governmental Units	34,367	67,964	1,167	40,564	17,684	161,746
Prepaid Expenses and Deposits	7,417	2,658	5,714			15,789
Due from Other Funds	412		1,025	162,402		†
Total Assets	$ 654,452	$ 772,966	$ 868,063	$ 202,966	$ 40,086	$ 2,374,694
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Rent Paid	$	$	$	$	$	$
Deferred Maintenance Cost		450				450
Total Deferred Outflows of Resources	$ 0	$ 450	$ 0	$ 0	$ 0	$ 0
Total Assets and Deferred Outflows	$ 654,452	$ 773,416	$ 868,063	$ 202,966	$ 40,086	$ 2,375,144
LIABILITIES AND FUND BALANCES						
Liabilities						
Accrued and Other Liabilities	$ 10,252	$ 394	$ 1,005	$ 8,474	$ 4,712	$ 24,837
Due to Other Governmental Units	130,968	32,776	121,512	31,915	14,195	331,366
Compensated Absences Payable	2,068	33,648	31,744	4,856	7,078	79,394
Due to Other Funds		1,025	132,552		30,262	†
Total Liabilities	$ 143,288	$ 67,843	$ 286,813	$ 45,245	$ 56,247	$ 435,597
Fund Balances						
Nonspendable	$ 7,417	$ 3,108	$ 5,714	$	$	$ 16,239
Restricted	47,413	702,465	575,536	157,721		1,483,135
Unassigned	456,334				(16,161)	440,173
Total Fund Balances	$ 511,164	$ 705,573	$ 581,250	$ 157,721	$ (16,161)	$ 1,939,547
Total Liabilities and Fund Balances	$ 654,452	$ 773,416	$ 868,063	$ 202,966	$ 40,086	$ 2,375,144

† After internal receivables and payables have been eliminated.

The accompanying notes are an integral part of these financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2015

Total Fund Balances - Total Governmental Funds		$ 1,939,547
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Deferred outflows - pension related		112,624
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Governmental Capital Assets	$ 544,021	
Less Accumulated Depreciation	(359,497)	184,524
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Unfunded post-retirement benefit plan obligations are not financial expenditures and therefore are not reported in the funds		(1,316,926)
Net Pension Liability		(2,472,639)
Deferred inflows - pension related		(672,757)
Net Position of Governmental Activities		$(2,225,627)

The accompanying notes are an integral part of these financial statements.

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, 2015

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court	Total Governmental Funds
REVENUES						
Court Fees	$ 306,347	$ 745,213	$ 701,275	$ 43,251	$ 520	$ 1,796,606
Supreme Court Receipts				314,916		314,916
Grant Revenue	49,878			135,084	129,000	313,962
Warrant Revenue	1,011,465					1,011,465
Interest Income	1,847	2,216	2,400		18	6,481
Other Income	4,112	120				4,232
Total Revenues	$ 1,373,649	$ 747,549	$ 703,675	$ 493,251	$ 129,538	$ 3,447,662
EXPENDITURES						
Asset Expenditures	$ 13,360	$ 2,719	$ 4,772	$ 1,190	$ 1,447	$ 23,488
Small Asset Expenditures	5,811	200	220	565	406	7,202
Court Reporter/Process Costs	281					281
Insurance Expense	176,655	59,219	96,605	14,170	9,518	356,167
Internet Access	6,624	1,391	2,212	573	121	10,921
Miscellaneous	4,125	1,122	1,164			6,411
Office Supplies and Postage	33,628		5,319		282	39,229
Payroll Taxes	14,619	8,594	7,232	1,893	532	32,870
Professional Fees	56,902	20,923	26,767	192,431	54,657	351,680
Reference Material and Dues	2,777	1,388	47,398	200	25	51,788
Rent	10,089	12,315	13,357			35,761
Repair Maintenance & Warranty	12,475	2,263	16,846	2,010		33,594
Retirement Expense	192,106	145,935	71,418	20,050	6,181	435,690
Salaries	826,803	493,060	483,285	134,778	40,908	1,978,834
Seminars Meetings & Travel	79,195	7,067	6,410	7,716	1,233	101,621
Supplies		6,998	10,406	115,283	13,946	146,633
Telephone and Utility Expense	10,823	629	6,750			18,202
Total Expenditures	$ 1,446,273	$ 763,823	$ 800,161	$ 490,859	$ 129,256	$ 3,630,372
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (72,624)	$ (16,274)	$ (96,486)	$ 2,392	$ 282	$ (182,710)
Other Financing Sources (Uses)						
Operating Transfers In	$	$	$	$	$	$
Operating Transfers Out						
Total Other Financing Sources (Uses)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES SOURCES OVER EXPENDITURES AND OTHER USES	$ (72,624)	$ (16,274)	$ (96,486)	$ 2,392	$ 282	$ (182,710)
FUND BALANCE - BEGINNING	583,788	721,847	677,736	155,329	(16,443)	2,122,257
FUND BALANCE - ENDING	$ 511,164	$ 705,573	$ 581,250	$ 157,721	$ (16,161)	$ 1,939,547

The accompanying notes are an integral part of these financial statements.

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, 2015

Net Change in Fund Balance - Total Governmental Funds		$ (182,710)
Amounts reported for governmental activities in the Statement of Net Positions are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report deprecation expense to allocate those expenditures over the life of the assets:		
Capital Asset Purchases Capitalized	$ 23,487	
Depreciation Expense	(55,524)	(32,037)
Other post-employment benefits are reported in the Governmental Funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues.		(89,041)
Pension expense		176,033
Change in Net Position of Governmental Activities		$(127,755)

The accompanying notes are an integral part of these financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

	Agency Funds
ASSETS	
Cash and Cash Equivalents	$ 0
Total Assets	$ 0
LIABILITIES	
Restitution to Court Ordered Recipients Payable	$ 0
Total Liabilities	$ 0

The accompanying notes are an integral part of these financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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. The Judicial Expense Fund has adopted the financial reporting requirements of GASB Statement Nos. 33 and 34.

During the current fiscal year, the Judicial Expense Fund has adopted the financial reporting requirements of GASB statement No.63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position".

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.

SPECIAL REVENUE FUNDS: The purpose of each major special revenue fund and revenue source is listed below:

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 Services. 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 Fourth Judicial District Court, Special Revenue Fund (Adult Drug Court) was granted an award of $450,000 for the current fiscal year by the Supreme Court of Louisiana, Drug Court Program.

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

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.

The Fourth Judicial District Court, Special Revenue Fund (Juvenile Drug Court) was granted an award of $120,000 for the current fiscal year by the Supreme Court of Louisiana, Drug Court Program.

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

BASIS OF PRESENTATION: The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

FUND BALANCE TYPE DEFINITIONS: In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Fourth Judicial District Court classifies governmental fund balances as follows:

Non-spendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end. Fund balance may be committed by the judges of the Fourth Judicial District Court.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the judges of the Fourth Judicial District Court.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

FUND BALANCE TYPE ACTIONS: The Fourth Judicial District Court uses *restricted/committed* amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Fourth Judicial District Court would first use *committed, then assigned, and lastly unassigned amounts* of unrestricted fund balance when expenditures are made.

The Fourth Judicial District Court *does not* have a formal minimum fund balance policy.

A schedule of fund balances is provided on the next page.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund	Total Governmental Funds
Fund Balances						
Nonspendable						
Prepaid Expenses	$ 7,417	$ 3,108	$ 5,714	$	$	$ 16,239
Restricted						
Payroll	9,073					9,073
Family in Need of Services	38,340					38,340
Child Support Enforcement		702,465				702,465
Court Services			575,536	157,721		733,257
Unassigned	456,334				(16,161)	440,173
Total Fund Balances	$ 511,164	$ 705,573	$ 581,250	$ 157,721	$ (16,161)	$ 1,939,547

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, Child Support, and Court Services 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.

GASB Codification Section 2100 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.

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

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.

BASIC FINANCIAL STATEMENTS: *Government-wide financial statements* - The statement of net position 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, Drug Court, and Juvenile 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.

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.

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

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. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions should be recognized in accordance with the requirements of GASB Codification Section N50.

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, Drug Court Fund, and Juvenile 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 asset expenditures, insurance expense, payroll related expenses, repairs and travel expenses were primarily due to the uncertainties of budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses.

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.

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

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

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

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. 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.

PENSION PLANS:

Louisiana State Employees' Retirement System (LASERS)

The Fourth Judicial District Court is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Parochial Employees' Retirement System of Louisiana

The Parochial Employees' Retirement System of Louisiana (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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

Louisiana Clerks' of Court Retirement and Relief Fund

The Louisiana Clerks' of Court Retirement and Relief Fund (Fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with Louisiana Revised Statute 11:1501 to provide regular, disability, and survivor benefits for clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees.

CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARDS AND RESTATEMENT OF NET POSITION: The Fourth Judicial District Court adopted Government Accounting Standards Board (GASB) Statement Number 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27,* and Statement Number 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.* The net effect to the entity-wide Statement of Net Position for the prior year that resulted from the adoption of GASBs 68 and 71 is as follows:

	Governmental Activities
Total Net Position, June 30, 2014 as previously reported	$ 1,110,933
Net Pension Liability at June 30, 2014	(3,208,805)
Total Net Position, June 30, 2014, Restated	$ (2,097,872)

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

Invested in capital assets, net of related debt - This component of net position 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, 2015.

Restricted - This component of net position 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 $7,417, $9,073, and $38,340 in restricted net position as of June 30, 2015 related to the prepaid expenses, payroll fund, and Family in Needs funds, respectively, in the general fund and $1,444,544 restricted net position as of June 30, 2015 related to special revenue fund balances.

Unrestricted net position - This component of net position consists of net position 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.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

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

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 affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 EXPENDITURES - ACTUAL AND BUDGET

The Judicial Expense Fund had total actual expenditures less than total budgeted expenses for the year by $2,527 or .2%.

The Child Support Fund had total actual expenditures more than total budgeted expenses for the year by $2,573 or .3%.

The Misdemeanor Probation Fund had total expenditures more than total budgeted expenses for the year by $5,446 or .7%.

The Drug Court Fund had total expenditures more than total budgeted expenses for the year by $1,859 or .4%.

The Juvenile Drug Court Fund had total expenditures more than total budgeted expenses for the year by $9,256 or 7.2%.

The Chief Judge and Judges were aware of any unfavorable 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, 2015 the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling $2,196,840 as follows:

Non-Interest-bearing demand deposits	$	48,712
Interest-bearing demand deposits		380,535
Time deposits		1,767,593
Total	$	2,196,840

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

The following is a summary of specific account information by custodial institution.

Credit Risk	Book Balance	Account Balance	Maturity Date	Interest Rate
Community Trust Bank				
General Fund				
Judicial Expense - Checking	$ 51,429	$ 54,616		0.002%
Subtotal	$ 51,429	$ 54,616		
Cross Keys Bank				
Special Revenue Fund				
Child Support - Cert. of Dep. 01/08/15	$ 100,872	$ 100,872	01/08/16	0.45%
Misdemeanor Probation - Cert. Of Dep. 03/19/15	100,000	100,000	03/18/16	0.45%
Subtotal	$ 200,872	$ 200,872		
First National Bank				
General Fund				
Judicial Expense - Cert. Of Dep. 4/22/15	$ 101,203	$ 101,203	10/22/15	0.15%
Special Revenue Fund				
Misdemeanor Probation - Cert. of Dep. 04/22/15	101,203	101,203	10/22/15	0.15%
Subtotal	$ 202,406	$ 202,406		
Ouachita Independent Bank				
General Fund				
Judicial Expense - Ckg. Auction	$ 1,182	$ 1,182		0.00%
Family in Needs Services - Ckg.	47,530	47,530		0.00%
Special Revenue Funds				
Child Support - Ckg.	54,908	60,923		0.10%
Misdemeanor Probation - Ckg.	151,409	170,976		0.25%
Juvenile Drug Court - Ckg.	22,402	22,472		0.10%
Misdemeanor Probation - Cert. of Dep. 11/09/14	202,106	202,106	11/09/15	0.50%
Misdemeanor Probation - Cert. of Dep. 03/18/15	100,952	100,952	03/18/16	0.50%
Subtotal	$ 580,489	$ 606,141		
Progressive Bank				
General Fund				
General Fund (P/R) Checking	$ 100,387	$ 100,541		0.25%
Subtotal	$ 100,387	$ 100,541		
Richland State Bank				
General Fund				
Judicial Expense - Cert. of Dep. 06/24/15	$ 102,232	$ 102,232	09/24/15	0.14%
Judicial Expense - Cert. of Dep. 09/03/14	207,974	207,974	09/03/15	0.41%
Special Revenue Funds				
Child Support - Cert. of Dep. 02/20/15	230,263	230,263	08/20/15	0.65%
Child Support - Cert. Of Dep. 09/03/14	316,300	316,300	09/03/15	0.41%
Misdemeanor Probation - Cert. of Dep. 06/24/15	204,488	204,488	09/24/15	0.14%
Subtotal	$ 1,061,257	$ 1,061,257		
Total Cash and Cash Equivalents	$ 2,196,840			

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, 2015 the Fourth Judicial District Court had $2,225,833 in deposits (collected bank balances). These deposits are secured from risk by $1,058,436 of federal deposit insurance and $1,167,397 of pledged securities held by the bank's agent in the name of the bank as of June 30, 2015.

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 unmatured 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.

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
JUNE 30, 2015

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

General Fund	
Judicial Expense Fund	
Court fees - Ouachita Parish, Sheriff Department	
State of Louisiana (includes expense reimbursement)	$ 14,582
Court fees - Ouachita Parish, Clerk of Court	
State of Louisiana (includes expense reimbursement)	3,358
Court fees - Morehouse Parish, Sheriff Department	
State of Louisiana	2,239
Court fees - Morehouse Parish, Clerk of Court	
State of Louisiana	1,035
Travel and expense reimbursement - Supreme Court, Justice Department,	
State of Louisiana	9,553
Expense reimbursement - Ouachita Parish Police Jury,	
State of Louisiana	3,600
Total	$ 34,367
Special Revenue Funds	
Child Support Fund	
Court fees - Department of Health and Human Resources,	
State of Louisiana	$ 67,896
Equipment rental reimbursement - Monroe City Court	
Monroe, Louisiana	68
Misdemeanor Probation Fund	
Expense reimbursement - Ouachita Parish Police Jury,	
State of Louisiana	1,167
Drug Court Fund	
Operation fees - Supreme Court, Justice Department	
State of Louisiana	40,564
Juvenile Drug Court Fund	
Operation fees - Supreme Court, Justice Department	
State of Louisiana	17,684
Total	$ 127,379

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015
Government Activities:				
Computers and Printers	$ 298,111	$ 23,487	$	$ 321,598
Equipment	222,423			222,423
Totals at Historical Cost	$ 520,534	$ 23,487	$ 0	$ 544,021
Less Accumulated Depreciation for:				
Computers	$ 202,324	$ 42,377	$	$ 244,701
Equipment	101,649	13,147		114,796
	$ 303,973	$ 55,524	$ 0	$ 359,497
Governmental Activities Capital Assets Net	$ 216,561	$ (32,037)	$ 0	$ 184,524

Depreciation expense was charged to governmental functions as follows:

Judicial Expense Fund	$ 31,921
Child Support Fund	7,968
Misdemeanor Probation Fund	12,589
Drug Court Fund	1,561
Juvenile Drug Court Fund	1,485
	$ 55,524

NOTE 6 PENSION PLANS

The Fourth Judicial District Court implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB 68. The standards require the Fourth Judicial District Court to record its' proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

At June 30, 2015, the Fourth Judicial District Court reported a total liability of $2,472,639 for its proportionate share of the net pension liability in the following retirement plans:

Louisiana State Employees' Retirement System (LASERS)	$ 2,369,652
Parochial Employees' Retirement System of Louisiana	51,718
Louisiana Clerks' of Court Retirement and Relief Fund	51,269
Total	$ 2,472,639

NOTE 6 PENSION PLANS (Cont'd)

A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS)

Plan Description: Employees of the Fourth Judicial District Court, Judicial Expense Fund are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided: The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank and file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement benefits under any one of six different options providing for reduced retirement benefits payable throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular

NOTE 6 PENSION PLANS (Cont'd)

members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior

NOTE 6 PENSION PLANS (Cont'd)

to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2015 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Regular Employees and Appellate Law Clerks			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37.0%
Post Act 75 (hired after 6/30/2006)	Open	8.0%	37.0%
Optional Retirement Plan (ORP)			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37.0%
Post Act 75 (hired after 6/30/2006)	Closed	8.0%	37.0%
Legislators	Closed	11.5%	41.2%
Special Legislative Employees	Closed	9.5%	41.2%
Judges hired before 1/1/2011	Closed	11.5%	41.5%
Judges hired after 12/31/2010	Open	13.0%	36.2%
Corrections Primary	Closed	9.0%	39.9%
Corrections Secondary	Closed	9.0%	40.8%
Wildlife Agents	Closed	9.5%	46.9%
Peace Officers	Closed	9.0%	41.5%
Alcohol Tobacco Control	Closed	9.0%	44.8%
Bridge Police	Closed	8.5%	35.3%
Hazardous Duty	Open	9.5%	35.6%

The agency's contractually required composite contribution rate for the year ended June 30, 2015 was 37.5% and 38.1% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were $249,993 for the year ended June 30, 2015.

NOTE 6 PENSION PLANS (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the Employer reported a liability of $2,369,652 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the Agency's proportion was .03841%, which was a decrease of .04479% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the Agency recognized pension expense of $186,620 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $(143,046) for 2015.

At June 30, 2015, the Agency reported deferred inflows of resources related to pensions from the following sources:

		Deferred Inflows of Resources
Differences between expected and actual experience	$	(42,792)
Net difference between projected and actual earnings on pension plan investments		(303,819)
Changes in proportion and differences between Employer contributions and proportionate shares of contributions		(410,853)
Employer contributions subsequent to measurement date		124,731
Total	$	(632,733)

$124,731 reported as deferred inflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2016	$	(240,412)
2017	$	(240,411)
2018	$	(75,955)
2019	$	(75,955)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2014, and 2013 are as follows:

Valuation Date	June 30, 2014 and 2013
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	7.75% per annum
Inflation Rate	3.0% per annum
Mortality	Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

Termination, Disability, & Retirement: Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.

Salary Increases: Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:

Member Type	Lower Range	Upper Range
Regular	4.0%	13.0%
Judges	3.0%	5.5%
Corrections	3.6%	14.5%
Hazardous Duty	3.6%	14.5%
Wildlife	3.6%	14.5%

Cost of Living Adjustments: The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

NOTE 6 PENSION PLANS (Cont'd)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of re-balancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are summarized in the following table:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return*
Cash	0%	0.50%
Domestic equity	27%	4.69%
International equity	30%	5.83%
Domestic Fixed Income	11%	2.34%
International Fixed Income	2%	4.00%
Alternative Investments	23%	8.09%
Global Asset Allocation	7%	3.42%
Total	100%	5.78%

*For reference only: Target Allocation presented in LASERS 2014 CAFR, page 46, and Long-Term Expected Real Rate of Return, page 28.

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the Net Pension Liability using the discount rate of 7.75%, as well as what the Employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75%) or one percentage-point higher (8.75%) than the current rate:

	Changes in Discount Rate 2014		
	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Employer's proportionate share of the net pension liability	$ 3,048,284	$ 2,369,652	$ 1,791,715

NOTE 6 PENSION PLANS (Cont'd)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2014 Comprehensive Annual Financial Report at www.lasersonline.org.

B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

Plan Description: Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

Eligibility Requirements: All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Retirement Benefits: Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits: Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

NOTE 6 PENSION PLANS (Cont'd)

Survivor Benefits: A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits: For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

Cost of Living Increases: The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

NOTE 6 PENSION PLANS (Cont'd)

Employer Contributions: According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2014, the actuarially determined contribution rate was 13.07% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2014 was 16.00% for Plan A.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Schedule of Employer Allocations: The schedule of employer allocations reports the required projected employer contributions, in addition to the employer allocation percentage. The required projected employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort to the plan for the next fiscal year. The projected contribution effort was actuarially determined by the System's actuary.

The employers' projected contribution effort was calculated by multiplying the projected future compensation of active members in the System on December 31, 2014, by the next fiscal year's employers' actuarially required contribution rate. Projected future compensation was calculated by multiplying compensation by a payroll factor of 1.023139 for Plan A. Compensation was determined as follows:

1. Actual earned compensation for active members enrolled in the System the entire fiscal year, plus;

2. Annualized compensation for active members on December 31, 2014, enrolled in the System for for a portion of the fiscal year. Annualized compensation was calculated using actual compensation and the employee's date of hire.

The payroll factor was actuarially determined using salary assumptions for expected net changes in active members plus expected new hires and their payroll over the next fiscal year. The next fiscal year's employer's actuarially required contribution rate is 10.40% for Plan A.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the Employer reported a liability of $51,718 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the Agency's proportion was .18916%, which was a decrease of .04495% from its proportion measured as of December 31, 2013.

NOTE 6 PENSION PLANS (Cont'd)

For the year ended June 30, 2015, the Agency recognized pension expense of $126,397 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $19,092 for 2015.

At June 30, 2015, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 107,383	$ (22,991)
Changes in proportion and differences between Employer contributions and proportionate shares of contributions		(272)
Total	$ 107,383	$ (23,263)

$107,383 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2016	$ 19,091
2017	$ 19,091
2018	$ 19,091
2019	$ 26,847

Actuarial Methods and Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of December 31, 2014, are as follows:

	Plan A
Total Pension Liability	$ 3,202,990,836
Plan Fiduciary Net Position	3,175,649,999
Total Net Pension Liability	$ 27,340,837

NOTE 6 PENSION PLANS (Cont'd)

Actuarial Methods and Assumptions: (Cont'd)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014, are as follows:

Valuation Date	December 31, 2014
Actuarial Cost Method	Plan A – Entry Age Normal
Investment Rate of Return	7.25% (Net of investment expense)
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 5.75% (2.75% Merit/3.00% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.

The discount rate used to measure the total pension liability was 7.25% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 6 PENSION PLANS (Cont'd)

Actuarial Methods and Assumptions: (Cont'd)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.11% for the year ended December 31, 2014.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	34%	1.30%
Equity	51%	3.55%
Alternatives	12%	0.77%
Real assets	3%	0.19%
Totals	100%	5.81%
Inflation		2.30%
Expected Arithmetic Nominal Return		8.11%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2004 through December 31, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

Sensitivity of Changes in Discount Rate: The following presents the net pension liability of the participating employers calculated using the discount rate of 7.25%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.25% or one percentage point higher 8.25% than the current rate.

	PLAN A Changes in Discount Rate 2014		
	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Employer's proportionate share of the net pension liability	$ 747,662	$ 51,718	$ (537,949)

NOTE 6 PENSION PLANS (Cont'd)

Change in Net Pension Liability: The changes in the net pension liability for the year ended December 31, 2014 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience: Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources for Plan A in the amount of $23,263 for the year ended December 31, 2014. Pension benefit and remaining deferred inflow for Plan A for the year ended December 31, 2014 was $272 and $22,991, respectively.

Differences Between Projected and Actual Investment Earnings: Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of $134,229 for Plan A for the year ended December 31, 2014. Pension expense and remaining deferred outflow for Plan A for the year ended December 31, 2014 was $26,846 and $107,383, respectively.

Change in Proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Contributions – Proportionate Share: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Retirement System Audit Report: Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2014. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Estimates: The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

C. LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND

Plan Description: The Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1501 for eligible employees of the clerk of the supreme court, each of the district courts, each of the courts of appeal, each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of entrance into the Fund, the

NOTE 6 PENSION PLANS (Cont'd)

Louisiana Clerks' of Court Association, the Louisiana Clerks of Court Insurance Fund, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits: A member or former member shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3 1/3 percent of the member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. Monthly average final compensation is based on the highest compensated thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For those members hired on or after July 1, 2006, compensation is based on the highest compensated sixty consecutive months with a limit of 10% increase in each of the last six years of measurement. Act 273 of the 2010 regular session applied the sixty consecutive months to all members. This Act has a transition period for those members who retire on or after January 1, 2011 and before December 31, 2012. Additionally, Act 273 of the 2010 regular session increased a member's retirement to age 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

Disability Benefits: Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

1. A member who is totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of one-half of his monthly average final compensation or, at the option of the disability retiree, two and one-half percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed twenty-five dollars for each year of his credited service or two-thirds of his monthly average final compensation, whichever is less.

2. A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to three percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

The following is effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008. The provisions related to the calculation of benefits will apply to any disability retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.

NOTE 6 PENSION PLANS (Cont'd)

A member is eligible to receive disability retirement benefits from the Fund if he or she is certified to be totally and permanently disabled pursuant to R.S. 11:218 and one of the following applies:

1. The member's disability was caused solely as a result of injuries sustained in the performance of their official duties.
2. The member has at least ten years of service credit.

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

1. Forty percent of their monthly average final compensation.
2. Seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(c).

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

<u>Survivor Benefits</u>: If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced 1/4 of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid ½ of the member's accrued retirement benefit in equal shares. Upon the death of any former member with 12 or more years of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

<u>Deferred Retirement Option Plan</u>: In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. During the year ended June 30, 2007 participants had to have been an active contributing member for one full year before becoming eligible for DROP. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation the plan.

The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account.

Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the Fund. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active

NOTE 6 PENSION PLANS (Cont'd)

contributing membership in the Fund. Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf, or a true annuity based on his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Cost of Living Adjustments: The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of forty dollars per month. The Louisiana statutes allow the Board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later. In lieu of granting a cost of living increase as described above, Louisiana statutes allow the board to grant a cost of living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed $1.

In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

Employer Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2014, the actual employer contribution rate was 18.50%. For the year ended June 30, 2014, the actuarially determined employer contribution rate was 18.43%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the Employer reported a liability of $51,269 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the Agency's proportion was .04002%, which was a decrease of .00378% from its proportion measured as of December 31, 2013.

For the year ended June 30, 2015, the Agency recognized pension expense of $7,289 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $63,304 for 2015.

NOTE 6 PENSION PLANS (Cont'd)

At June 30, 2015, the Agency reported deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	$ (1,198)
Changes in assumptions	5,241	
Net difference between projected and actual earnings on pension plan investments		(13,754)
Changes in proportion and differences between Employer contributions and proportionate shares of contributions		(1,809)
Total	$ 5,241	$ (16,761)

$7,804 reported as deferred inflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2016	$	(2,880)
2017	$	(2,880)
2018	$	(2,880)
2019	$	(2,880)

Actuarial Methods and Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the Fund's participating employers as of June 30, 2014 are as follows:

	2014
Total Pension Liability	$653,897,624
Plan Fiduciary Net Position	518,993,448
Total Net Pension Liability	$134,886,176

NOTE 6 PENSION PLANS (Cont'd)

Actuarial Methods and Assumptions: (Cont'd)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2014 are as follows:

Valuation Date	June 30, 2014
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.25%, net of investment expense, including inflation
Projected Salary Increases	5.75% (2.75% Inflation, 3.00% Merit)
Mortality Rates	RP-2000 Combined Healthy Mortality Table (set back 3 years for males and 1 year for females)/RP-2000 Disabled Lives Mortality Table
Expected Remaining Service Lives	5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2004 through June 30, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set back of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate: The following presents the net pension liability of the participating employers calculated using the discount rate of 7.25%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.25% or one percentage point higher 8.25% than the current rate.

	Changes in Discount Rate 2014		
	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Employer's proportionate share of the net pension liability	$ 78,566	$ 51,265	$ 28,048

NOTE 6 PENSION PLANS (Cont'd)

Change in Net Pension Liability: The changes in the net pension liability for the year ended June 30, 2014 were recognized in the current reporting period as pension expense except as follows:

Differences Between Expected and Actual Experience: Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources in the amount of $3,007 for the year ended June 30, 2015. Pension benefit and remaining deferred inflow for the year ended June 30, 2015 was $1,809 and $1,198, respectively.

Differences between Projected and Actual Investment Earnings: Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources in the amount of $16,761 for the year ended June 30, 2015. Pension benefit and remaining deferred inflow for the year ended June 30, 2015 was $3,007 and $13,754, respectively.

Changes of Assumptions or Other Inputs: Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred outflow of resources in the amount of $6,551 for the year ended June 30, 2015. Pension expense and remaining deferred outflow of resources for the year ended June 30, 2015 was $1,310 and $5,241, respectively.

Change in Proportion: Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

Retirement Fund Audit Report: The Louisiana Clerks' of Court Retirement and Relief Fund of Louisiana has issued a standalone audit report on their financial statements for the year ended June 30, 2014. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.la.gov.

NOTE 7 POST-RETIREMENT BENEFIT PLAN

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45: *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, which establishes new accounting standards for Post-Retirement Benefits Other Than Pensions (OPEB).

The effective date for the Fourth Judicial District Court has been determined to be the fiscal year beginning July 1, 2007.

Plan Description: The Court is a participant in the State of Louisiana Office of Group Benefits post-employment healthcare plan (an agent multiple-employer plan), State Employees Group Benefits Program (SEGBP) which provides medical and life insurance benefits to eligible retired state employees and their spouses. The plan is authorized by Louisiana state law, specifically Chapter 12 of Title 42 of the Louisiana

NOTE 7 POST-RETIREMENT BENEFIT PLAN (Cont'd)

Revised Statutes of 1950, Sections 801 through 883. The State of Louisiana Office of Group Benefits issues a publicly available financial report that includes financial statements and required supplemental information for the plan. That report may be obtained by writing to State of Louisiana Office of Group Benefits, State Employees Group Benefits Program, 7389 Florida Boulevard, Suite 400, Baton Rouge, Louisiana, 70806, or by calling (225) 925-6672.

Funding Policy: The contribution requirements of plan members and the Court are established and may be amended by the state legislature. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year ending June 30, 2015, the Court contributed $43,545 to the plan, including $43,545 for current premiums (approximately 80 percent of total premiums). Plan members receiving benefits contributed $10,624, or approximately 20 percent of the total premiums.

Annual OPEB Cost and Net OPEB Obligation: The Court's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Court's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Court's net OPEB obligation to SEGBP:

Determination of Annual Required Contribution		
Normal cost at fiscal year end	$	60,400
Amortization of UAAL		70,400
Annual required contribution (ARC)	$	130,800
Determination of Net OPEB Obligation		
Annual required contribution	$	130,800
Interest on prior year net OPEB obligation		39,969
Adjustment to ARC		(38,183)
Annual OPEB cost	$	132,586
Contributions made		(43,545)
Estimated increase in net OPEB obligation	$	89,041
Net OPEB obligation - Beginning of year		1,227,885
Estimated net OPEB obligation - End of year	$	1,316,926

NOTE 7 POST-RETIREMENT BENEFIT PLAN (Cont'd)

The Court's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for June 30, 2015 and the preceding two years were as follows:

Fiscal Year Ended	Annual OPEB Cost (Benefit)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/13	$ 60,454	0%	$ 1,172,794
06/30/14	$ 55,091	0%	$ 1,227,885
06/30/15	$ 43,545	0%	$ 1,316,926

Funded Status and Funding Progress. As of July 1, 2012, the most recent actuarial valuation date, the plan was 0 percent funded. The post-retirement medical insurance benefits are currently funded on a pay-as-you-go basis. The Court currently funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide post-retirement benefits. The actuarial accrued liability for benefits was $1,711,700, resulting in an unfunded actuarial accrued liability (UAAL) of $1,711,700. The covered payroll (annual payroll of active employees covered by the plan) was $180,200, and the ratio of the UAAL to the covered payroll was 950 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014 actuarial valuation, the projected unit credit (PUC) method was used, which is the same method most often used in the private sector for determination of retiree medical liabilities. There were eleven (11) active state employees and seven (7) retired state employees covered by the plan at July 1, 2014.

NOTE 7 POST-RETIREMENT BENEFIT PLAN (Cont'd)

The following data assumptions were made for the valuation:

Data Used: This valuation was performed using employee census data, enrollment data, claims, premiums, participant contributions, and plan provision information provided by personnel of the OGB, its health vendors, or by agencies and Retirement System personnel as directed by OGB personnel. Buck did not audit these data, although they were reviewed for reasonability. The results of the valuation are dependent on the accuracy of the data.

Valuation Date: Census data was collected as of July 1, 2014, with claims and premium information reviewed for the period July 1, 2013 through January 2015. Results were calculated at July 1, 2014 and used for determination of the Annual Required Contribution (ARC) for fiscal 2015.

Valuation Procedures

Claims data: The per member claim projections were based on medical and prescription drug claim utilization incurred from July 1, 2012 through January 2015. Claims were segregated by plan and by non-Medicare and Medicare retirees. IBNR factors developed from historical, plan-specific claim data were applied to estimate ultimate claims incurred. Claims were trended to July 1, 2014 through June 30, 2015 using the following annual trend assumptions:

	Pre Medicare	Medicare Eligible
Healthcare Costs	8.0%	7.0%

United Behavioral Health cost was based on the actual capitation rates to be charged and administrative costs were based on actual vendor fees for the period in question. The total projected claim costs were determined by combining the above components.

Actuarial Basis

The actuarial assumptions included a **4.0 percent** investment rate of return (net of administrative expenses), which is the estimated short-term investment return on the investments that are expected to be used to finance the payment of benefits, and an **annual healthcare cost trend rate** of 8.0% pre-medicare and 7.0% medicare-eligible initially, reduced by decrements to an ultimate rate of 4.5% after thirteen years and fifteen years, respectively. Both rates included a 3.0% inflation assumption.

Salary scale is assumed to increase 3% per annum.

Payroll growth is assumed to increase 3% per annum. It is assumed that retiree medical contributions will increase at the same rates as incurred claims.

Mortality RP 2014 Mortality Table for males and females, combined healthy, no collar, with mortality improvements projected to 2015 recently released by the SOA.

Disability rates were not included in this valuation as no indicators were provided.

NOTE 7 POST-RETIREMENT BENEFIT PLAN (Cont'd)

Retirement rates

	Years of Service		
Age	<15	15-19	<25
55	5%	20%	10%
60	10%	2%	8%
65	50%	10%	6%
66	10%	10%	11%
67-70	10%	10%	10%
71-74	5%	40%	40%
75	100%	100%	100%

Percent married at retirement Males and females - 40% of retirees covering a spouse for medical and males are assumed to be 3 years older than females.

Participation in medical plan 100% of future retirees are assumed to elect medical coverage and 100% of married participants are assumed to elect coverage for their spouse.

Life Insurance plan participation 100% of future retirees are assumed to elect life insurance coverage.

Summary of Plan Provisions

Eligibility: A participant eligible for retiree benefits if they meet the retirement eligibility as defined in the subsequent retirement systems. Retirees electing medical coverage must have been covered by the active medical plan immediately prior to retirement.

Medical Benefits: Retirees have a choice between the OGB PPO plan, Vantage Regional Home HMO plan, and the Blue Cross PPO plan. Retirees post-Medicare can choose to maintain secondary insurance through any of these four plans. The Medicare Advantage plan participants were assumed to elect coverage under the Peoples Health HMO.

Surviving Spouse Continuation: The surviving spouses are eligible to continue coverage.

Life Insurance Benefit: Basic life insurance is available in the following amounts: Until age 65 - $5,000, ages 65-70 - $4,000 and after age 70 $3,000. Additional supplemental life insurance based on pay at retirement is available and spouse life insurance amounts of $1,000, $2,000, and $4,000 are also available.

Monthly Premiums: Employees hired before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Employees hired on or after January 1, 2002 pay a percentage of the total contribution rate based on the following schedule:

Service	Contribution Percentages
Under 10 years	19%
10-14 years	38%
15-19 years	56%
20+ years	75%

NOTE 7 POST-RETIREMENT BENEFIT PLAN (Cont'd)

The unfunded actuarial accrued liability (UAAL) is being amortized as a level dollar of projected payroll on an open basis. The remaining amortization period at June 30, 2015 was thirty years. It was also assumed that for the purposes of the valuation that the Court will in the future maintain a consistent level of cost sharing for benefits with the retirees. This may be achieved by adjusting the benefit provisions, contributions, or both.

Patient Protection and Affordable Care Act: The results presented in this report incorporate some provisions of the Patient Protection and Affordable Care Act ("Act"). Among the major provisions of the Act are the individual mandate, affordability subsidies for exchange based coverage and an excise tax on high cost coverage.

Starting in 2014, individuals who fail to maintain coverage face financial penalties. Due to these penalties, it is possible that more retirees will elect to stay on the State plan. However, the exchanges may offer a more attractive offer for some retirees. We have not made any change to the pre-65 participation assumption.

The affordability subsidies are provided to individuals below 400% of the federal poverty level to purchase health coverage from state run exchanges. The decision to opt out of the State's post-employment health plan due to the affordability subsidies may affect future participation in the State's plan, but no adjustments to the assumption have been made for this valuation since we do not believe State employees would qualify for subsidies under the current program.

The Act also imposes an excise tax on providers of high cost health coverage. Starting in 2018, a 40% excise tax is applied to the value of retiree health coverage exceeding $11,850 limit. The limit is indexed by CPI each year thereafter. We have included an estimate of the value of the excise tax in our liability and expense calculations.

Valuation of Excise Tax: An active/retiree blended pre-65 claim cost is projected at health care cost trend and compared to the excise tax cost threshold beginning in 2018 and continuing thereafter. State will be liable for 40% of the difference between plan costs and the cost threshold, when the plan costs are greater than the cost threshold. Excise tax is not applied to post-65 retiree coverage.

Excise Tax Threshold: The 2018 annual threshold costs for excise tax are as follows:

Active Single	$ 10,200
Active Family	$ 27,500
Pre-65 Retiree Single	$ 11,850
Pre-65 Retiree Family	$ 30,950

The active and pre-65 retiree thresholds have been weighted by current census headcounts. The threshold is assumed to increase at health CPI trend each year.

NOTE 8 DUE TO OTHER GOVERNMENTAL UNITS

Accounts due to other governmental units consist of the following:

General Fund		
Judicial Expense Fund		
Ouachita Parish District Attorney - State of Louisiana	$	13,346
Ouachita Parish Police Jury - State of Louisiana		117,622
Total General Fund	$	130,968
Special Revenue Funds		
Child Support Fund		
Ouachita Parish Police Jury - State of Louisiana	$	28,946
Morehouse Parish Clerk of Court - State of Louisiana		3,830
Court Services Fund (Misdemeanor, Drug Court, and Juvenile Drug Court)		
Ouachita Parish Police Jury - State of Louisiana		163,122
University of Louisiana at Monroe - State of Louisiana		4,500
Total Special Revenue Funds	$	200,398

NOTE 9 COMPENSATED ABSENCES

At June 30, 2015, employees of the Fourth Judicial District Court have accumulated and vested $79,394 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, $2,068 is recorded as an obligation of the General Fund and $77,326 is recorded as an obligation of the Special Revenue Funds.

NOTE 10 CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

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

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency Funds:				
Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Dept., Monroe, Louisiana	$ 0	$ 5,422	$ 5,422	$ 0
Morehouse Parish Sheriff's Dept., Bastrop, Louisiana	0	100	100	0
Indigent Defender Board, Monroe, Louisiana	0	45,343	45,343	0
Criminal Court Fund, Monroe, Louisiana	0	5,950	5,950	0
Restitution Recipients, Fourth District, State of Louisiana	0	65,876	65,876	0
	$ 0	$ 122,691	$ 122,691	$ 0

NOTE 11 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 12 GRANT PROGRAMS

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.

Effective April 1, 2007 the Court entered into a contract with the Ouachita Parish District Attorney to administer the program.

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, 2014 until June 30, 2015 and funded monthly from July 1, 2014 until June 30, 2015 for $49,878.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS programs was $47,052 for the fiscal year ended June 30, 2015.

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 $135,084 during the fiscal year ended June 30, 2015 from the "Temporary Assistance for Needy Families" (TANF) program for the Adult Drug Court program.

The total expenditures of the Fourth Judicial District Court related to this "Adult Drug Court" program were $135,084 for the fiscal year ending June 30, 2015.

The Fourth Judicial District Court, Juvenile Drug Court Fund, has been awarded from the Louisiana Supreme Court, State of Louisiana Drug Court Program office funds that include federal grants totaling $129,000 during the fiscal year ended June 30, 2015 from the "Temporary Assistance for Needy Families" (TANF) program.

The total expenditures of the Fourth Judicial District Court related to this program were $129,256 for the fiscal year ending June 30, 2015.

NOTE 13 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.

NOTE 14 SUBSEQUENT EVENTS

There were no significant events subsequent to June 30, 2015. Management has evaluated subsequent events through December 28, 2015, the date which the financial statements were available for release.

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, 2015

	Budgeted Amount			
	Original	Final	Actual Amounts	Variance With Final Budget Positive (Negative)
Resources (Inflows):				
Court Fees - Ouachita Parish	$ 259,500	$ 255,500	$ 265,090	$ 9,590
Court Fees - Morehouse Parish	52,000	31,000	41,257	10,257
Grant Revenue	49,878	49,878	49,878	
Warrant Revenue	1,015,000	1,049,000	1,011,465	(37,535)
Interest Income	4,000	4,000	1,847	(2,153)
Other Income			4,112	4,112
Amounts Available for Appropriation	$ 1,380,378	$ 1,389,378	$ 1,373,649	$ (15,729)
Charges to Appropriation (Outflows):				
Asset Expenditures	$ 30,000	$ 15,000	$ 13,360	$ (1,640)
Small Asset Expenditures	7,000	5,500	5,811	311
Court Reporter Costs	2,000	300	281	(19)
Insurance Expense	180,000	186,000	176,655	(9,345)
Internet Access	6,300	6,300	6,624	324
Miscellaneous	1,500	2,700	4,125	1,425
Office Supplies and Postage	21,000	20,500	33,628	13,128
Payroll Taxes	14,000	14,000	14,619	619
Professional Fees	45,000	58,500	56,902	(1,598)
Reference Materials and Dues	6,500	2,000	2,777	777
Rent	12,200	11,100	10,089	(1,011)
Repair, Maintenance and Warranty	5,000	8,500	12,475	3,975
Retirement Expense	211,000	201,200	192,106	(9,094)
Salaries	839,000	833,700	826,803	(6,897)
Seminars, Meetings, and Travel	48,700	77,800	79,195	1,395
Telephone Expense	5,700	5,700	10,823	5,123
Total Charges to Appropriations	$ 1,434,900	$ 1,448,800	$ 1,446,273	$ (2,527)
Excess of Resources Over (Under) Charges for Appropriations	$ (54,522)	$ (59,422)	$ (72,624)	$ (13,202)
Fund Balance - Beginning	583,788	583,788	583,788	
Fund Balance - Ending	$ 529,266	$ 524,366	$ 511,164	$ (13,202)

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(CHILD SUPPORT FUND)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance With Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Resources (Inflows):				
Court Fees	$ 700,000	$ 740,000	$ 745,213	$ 5,213
Interest Income	4,000	4,000	2,216	(1,784)
Other Income			120	120
Transfers from other funds				
Amounts Available for Appropriation	$ 704,000	$ 744,000	$ 747,549	$ 3,549
Charges to Appropriation (Outflows):				
Asset Expenditures	$ 15,000	$ 3,000	$ 2,719	$ (281)
Small Asset Expenditures	2,000	200	200	
Insurance Expense	67,000	60,000	59,219	(781)
Internet Access	2,500	1,500	1,391	(109)
Miscellaneous	1,000	1,550	1,122	(428)
Payroll Taxes	9,300	7,500	8,594	1,094
Professional Fees	17,000	19,500	20,923	1,423
Reference Materials and Dues	60,000	700	1,388	688
Rent	10,000	10,000	12,315	2,315
Repair, Maintenance and Warranty	1,200	800	2,263	1,463
Retirement Expense	172,500	172,500	145,935	(26,565)
Salaries	517,500	467,500	493,060	25,560
Seminars, Meetings & Travel	8,000	6,500	7,067	567
Supplies	8,000	8,000	6,998	(1,002)
Telephone and Utility Expense	3,500	2,000	629	(1,371)
Total Charges to Appropriations	$ 894,500	$ 761,250	$ 763,823	$ 2,573
Excess of Resources Over (Under) Charges for Appropriations	$ (190,500)	$ (17,250)	$ (16,274)	$ 976
Fund Balance - Beginning	721,847	721,847	721,847	
Fund Balance - Ending	$ 531,347	$ 704,597	$ 705,573	$ 976

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE -SPECIAL REVENUE FUND
(MISDEMEANOR PROBATION FUND)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance With Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
Resources (Inflows):				
Court Fees	$ 820,400	$ 709,400	$ 701,275	$ (8,125)
Interest Income	6,000	5,000	2,400	(2,600)
Miscellaneous Income				
Transfers from other funds				
Amounts Available for Appropriation	$ 826,400	$ 714,400	$ 703,675	$ (10,725)
Charges to Appropriation (Outflows):				
Asset Expenditures	$ 20,000	$ 7,000	$ 4,772	$ (2,228)
Small Asset Expenditures	2,500	500	220	(280)
Insurance Expense	119,000	94,000	96,605	2,605
Internet Access	1,200	2,400	2,212	(188)
Miscellaneous	1,000	1,000	1,164	164
Postage	4,500	4,600	5,319	719
Payroll Taxes	7,600	7,000	7,235	232
Professional Fees	20,000	27,365	26,767	(598)
Reference Materials and Dues	1,250	60,000	47,398	(12,602)
Rent	10,200	12,700	13,357	657
Repair, Maintenance and Warranty	19,000	17,000	16,846	(154)
Retirement Expense	85,631	82,765	71,418	(11,347)
Salaries	473,069	457,235	483,285	26,050
Seminars, Meetings & Travel	6,700	6,700	6,410	(290)
Supplies	15,000	8,650	10,406	1,756
Telephone and Utility Expense	5,800	5,800	6,750	950
Total Charges to Appropriations	$ 792,450	$ 794,715	$ 800,161	$ 5,446
Excess of Resources Over (Under) Charges for Appropriations	$ 33,950	$ (80,315)	$ (96,486)	$ (16,171)
Fund Balance - Beginning	677,736	677,736	677,736	
Fund Balance - Ending	$ 711,686	$ 597,421	$ 581,250	$ (16,171)

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(DRUG COURT FUND)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount							
		Original		Final		Actual Amounts		Variance With Final Budget Positive (Negative)
Resources (Inflows):								
Drug Screen Fees	$	47,500	$	39,000	$	14,330	$	(24,670)
Supreme Court		325,000		300,000		314,916		14,916
Supreme Court - TANF		150,000		150,000		135,084		(14,916)
Amounts Available for Appropriation	$	522,500	$	489,000	$	464,330	$	(24,670)
Charges to Appropriation (Outflows):								
Asset Expenditures	$	5,000	$	1,200	$	1,190	$	(10)
Small Asset Expenditures		1,500		500		565		65
Insurance Expense		21,277		14,600		14,170		(430)
Internet Access		2,100		600		573		(27)
Miscellaneous		50		100				(100)
Payroll Taxes		2,076		2,000		1,893		(107)
Professional Fees		196,100		192,400		192,431		31
Reference Materials and Dues						200		200
Repair, Maintenance and Warranty		375		2,000		2,010		10
Retirement Expense		20,086		20,300		20,050		(250)
Salaries		150,000		135,000		134,778		(222)
Seminars, Meetings & Travel		9,500		8,200		7,716		(484)
Supplies		90,242		112,100		115,283		3,183
Telephone and Utility Expense		1,000						
Total Charges to Appropriations	$	499,306	$	489,000	$	490,859	$	1,859
Excess of Resources Over (Under) Charges for Appropriations	$	23,194	$		$	(26,529)	$	(26,529)
Fund Balance - Beginning		155,329		155,329		155,329		
Fund Balance - Ending	$	178,523	$	155,329	$	128,800	$	(26,529)

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
(JUVENILE DRUG COURT FUND)
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance With Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Resources (Inflows):				
Drug Screen Fees	$ 1,350	$ 1,350	$ 520	$ (830)
Supreme Court-TANF	120,000	120,000	129,000	9,000
Interest Income			18	18
Amounts Available for Appropriation	$ 121,350	$ 121,350	$ 129,538	$ 8,188
Charges to Appropriation (Outflows):				
Asset Expenditures	$	$	$ 1,447	$ 1,447
Small Asset Expenditures			406	406
Insurance Expense	11,248	11,248	9,518	(1,730)
Internet Access			121	121
Miscellaneous				
Office Supplies and Postage			282	282
Payroll Taxes			532	532
Professional Fees	54,650	54,650	54,657	7
Reference Materials and Dues			25	25
Retirement Expense	6,250	6,250	6,181	(69)
Salaries	39,592	39,592	40,908	1,316
Seminars, Meetings & Travel	260	260	1,233	973
Supplies	8,000	8,000	13,946	5,946
Total Charges to Appropriations	$ 120,000	$ 120,000	$ 129,256	$ 9,256
Excess of Resources Over (Under) Charges for Appropriations	$ 1,350	$ 1,350	$ 282	$ (1,068)
Fund Balance - Beginning	(16,443)	(16,443)	(16,443)	
Fund Balance - Ending	$ (15,093)	$ (15,093)	$ (16,161)	$ (1,068)

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2015

A. LOUISIANA STATE EMPLOYEE'S RETIREMENT SYSTEM (LASERS)

		2015
Employer's Proportion of the Net Pension Liability (Asset)		.0384%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$	2,369,652
Employer's Covered-Employee Payroll	$	705,740
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll		335.77%
Plan fiduciary Net Position as a Percentage of the Total Pension Liability		65%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

B. PAROCHIAL EMPLOYEE'S RETIREMENT SYSTEM OF LOUISIANA

		2015
Employer's Proportion of the Net Pension Liability (Asset)		.1892%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$	51,718
Employer's Covered-Employee Payroll	$	1,242,323
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll		4.16%
Plan fiduciary Net Position as a Percentage of the Total Pension Liability		.853%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

C. LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND

		2015
Employer's Proportion of the Net Pension Liability (Asset)		.04002%
Employer's Proportionate Share of the Net Pension Liability (Asset)	$	51,269
Employer's Covered-Employee Payroll	$	29,510
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll		173.7%
Plan fiduciary Net Position as a Percentage of the Total Pension Liability		20.62%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2015

A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS)

		2015
Contractually required contribution	$	186,634
Contributions in relation to contractually required contributions	$	249,993
Contribution deficiency (excess)	$	(63,359)
Employer's Covered Employee Payroll	$	705,740
Contributions as a percent of Covered Employee Payroll		35.4%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

B. PAROCHIAL EMPLOYEE'S RETIREMENT SYSTEM OF LOUISIANA

		2015
Contractually required contribution	$	170,323
Contributions in relation to contractually required contributions	$	170,323
Contribution deficiency (excess)	$	0
Employer's Covered Employee Payroll	$	1,242,323
Contributions as a percent of Covered Employee Payroll		13.7%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

C. LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND

		2015
Contractually required contribution	$	7,289
Contributions in relation to contractually required contributions	$	7,289
Contribution deficiency (excess)	$	0
Employer's Covered Employee Payroll	$	29,510
Contributions as a percent of Covered Employee Payroll		24.7%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

CHANGES OF BENEFIT TERMS INCLUDE:

- A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session and,

- Improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

CHANGES OF ASSUMPTIONS:

There were no changes of benefit assumptions for the year ended June 30, 2015.

SUPPLEMENTARY INFORMATION

BOSCH &
STATHAM
Certified Public Accountants

INDEPENDENT AUDITOR'S 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*

To the Honorable Judges of the
Fourth Judicial District Court
Monroe, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fourth Judicial District, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements, and have issued our report thereon dated December 30, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control. Accordingly, we do not express an opinion on the effectiveness of Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Court's financial statements are free from 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 or other matters that are required to be reported under *Government Auditing Standards*.

Post Office Box 303, Jonesboro, LA 71251-0303 · Melissa (318) 475-1987 · Michael (318) 355-9943

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Jonesboro, Louisiana
December 30, 2015

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF FINDINGS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2015

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund.

2. No significant deficiencies are reported in the Independent Auditor's 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*.

3. No instances of noncompliance material to the financial statements of the Fourth Judicial District Court, Judicial Expense Fund were disclosed during the audit.

4. No management letter was issued in connection with the audit.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No reportable findings resulted from the audit of the financial statements.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SUMMARY SCHEDULE OF PRIOR FINDINGS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2015

Finding 2014-1 Payroll Processing

Initially Occurred:	2014
Corrective Action Taken:	Yes

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, 2015

Federal Grants/Pass Through Grantor/Program Title	Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
Program passed through the				
Louisiana State Supreme Court:				
Department of Children and Family Services - Adult Drug Court				
Temporary Assistance for Needy Families	93.558	$ 135,084	$ 135,084	$ 135,084
Department of Children and Family Services - Juvenile Drug Court				
Temporary Assistance for Needy Families	93.558	129,000	129,000	129,256
		$ 264,084	$ 264,084	$ 264,340

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, 2015

Division A	Judge Scott Leehy
Division B	Judge Sharon I. Marchman
Division C	Judge Wilson Rambo
Division D	Chief Judge H. Stephens Winters
Division E	Judge Frederic C. Amman
Division F	Judge C. Wendell Manning
Division G	Judge Carl Van Sharp
Division H	Judge Larry Jefferson
Division I	Judge Alvin R. Sharp
Division J	Judge Robert C. Johnson
Division K	Judge Daniel J. Ellender

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BALANCE SHEET - SCHEDULE OF COMBINING ACCOUNTS
GENERAL FUND
JUNE 30, 2015

	Judicial Expense Fund	FINS Fund	Payroll Account	Combined Accounts
Assets				
Cash and Cash Equivalents	$ 464,020	$ 47,529	$ 100,388	$ 611,937
Accounts Receivable			319	319
Due From Other Governmental Units	30,210	4,157		34,367
Prepaid Expenses and Deposits	2,976		4,441	7,417
Due from Other Funds	412			412 †
Total Assets	$ 497,618	$ 51,686	$ 105,148	$ 654,452
Deferred Outflows of Resources				
Deferred Rent Paid	$	$	$	$
Deferred Maintenance Cost				
Total Deferred Outflows of Resources	$ 0	$ 0	$ 0	$ 0
Total Assets and Deferred Outflows	$ 497,618	$ 51,686	$ 105,148	$ 654,452
Liabilities and Fund Balances				
Liabilities				
Accrued and Other Liabilities	$ 6,442	$	$ 3,810	$ 10,252
Due to Other Governmental Units	29,798	13,346	87,824	130,968
Compensated Absences Payable	2,068			2,068
Due to Other Funds				†
Total Liabilities	$ 38,308	$ 13,346	$ 91,634	$ 143,288
Fund Balances				
Nonspendable	$ 2,976	$	$ 4,441	$ 7,417
Restricted		38,340	9,073	47,413
Unassigned	456,334			456,334
Total Fund Balances	$ 459,310	$ 38,340	$ 13,514	$ 511,164
Total Liabilities and Fund Balances	$ 497,618	$ 51,686	$ 105,148	$ 654,452

† After internal receivables and payables have been eliminated.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SCHEDULE OF COMBINING ACCOUNTS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Judicial Expense Fund	FINS Fund	Payroll Account	Combined Accounts
Revenues				
Court Fees - Ouachita Parish	$ 259,765	$	$	$ 259,765
Court Fees - Morehouse Parish	41,257			41,257
Court Fees - Probation Review Court	5,325			5,325
Grant Revenue		49,878		49,878
Warrant Revenue - Ouachita Parish			902,786	902,786
Warrant Revenue - Morehouse Parish			108,679	108,679
Interest Income	1,469		378	1,847
Other Income	266		3,846	4,112
Transfers In From Other Funds				
Amounts Available for Appropriation	$ 308,082	$ 49,878	$ 1,015,689	$ 1,373,649
Expenditures				
Asset Expenditures	$ 13,360	$	$	$ 13,360
Small Asset Expenditures	5,811			5,811
Court Reporter Costs	281			281
Insurance Expense	41,250	3,091	132,314	176,655
Internet Access	5,661	963		6,624
Miscellaneous	2,903		1,222	4,125
Office Supplies & Postage	18,498	14,913	217	33,628
Payroll taxes	2,372	1,165	11,082	14,619
Professional Fees	53,861	3,041		56,902
Reference Materials & Dues	2,777			2,777
Rent	9,563	526		10,089
Repair, Maintenance, & Warranty	12,325	150		12,475
Retirement Expense	18,767	591	172,748	192,106
Salaries	89,686	20,180	716,937	826,803
Seminars, Meetings, & Travel	77,661	1,534		79,195
Telephone Expense	9,925	898		10,823
Transfer Out to Other Funds				
Total Charges to Appropriations	$ 364,701	$ 47,052	$ 1,034,520	$ 1,446,273
Excess of Resources Over (Under) Charges for Appropriations	$ (56,619)	$ 2,826	$ (18,831)	$ (72,624)
FUND BALANCE - BEGINNING	515,929	35,514	32,345	583,788
FUND BALANCE - ENDING	$ 459,310	$ 38,340	$ 13,514	$ 511,164

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEADS
JUNE 30, 2015

Purpose	Judge H. Stephens Winters	Judge C. Wendell Manning	Judge Scott Leehy	Judge Sharon I. Marchman
Salary	$ 148,108	$ 148,108	$ 148,108	$ 148,108
Benefits - Insurance	9,226	9,496	9,496	9,496
Benefits - Retirement	61,465	61,465	61,465	61,465
Professional Liability Insurance	1,730	1,730	1,730	1,730
Per Diem	708	1,452	1,475	2,801
Dues and Subscriptions	200	260	200	260
Travel				
Mileage	3,669	4,652	2,695	4,242
Lodging		3,532	3,561	3,593
Parking, Tolls, and Other Travel	184	187	981	266
Cell Phone	1,441		1,377	1,391
Continuing Education Fees	675	1,375	1,475	1,000
Funded by:				
Louisiana Supreme Court	$ 222,217	$ 226,253	$ 226,019	$ 226,686
Judicial Expense Fund	$ 5,189	$ 6,004	$ 6,544	$ 7,666

Purpose	Judge Frederic C. Amman	Judge Carl Van Sharp	Judge Larry Jefferson	Judge Alvin R. Sharp
Salary	$ 148,108	$ 148,108	$ 74,054	$ 148,108
Benefits - Insurance	8,835	8,871	2,525	5,790
Benefits - Retirement	61,465	61,465	26,807	61,465
Professional Liability Insurance	1,730	1,730		1,730
Per Diem	590	1,888	354	
Dues and Subscriptions	200	200		734
Travel				
Mileage	2,100	5,303	1,939	4,865
Lodging	737	1,629	270	
Parking, Tolls, and Other Travel		1,207	777	55
Cell Phone		581	762	1,194
Continuing Education Fees	750	2,100	375	400
Funded by Louisiana Supreme Court				
Louisiana Supreme Court	$ 224,515	$ 226,115	$ 106,947	$ 222,298
Judicial Expense Fund	$ 0	$ 6,967	$ 916	$ 2,043

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEADS
JUNE 30, 2015

Purpose	Judge Robert C. Johnson	Judge Wilson Rambo	Judge Daniel J. Ellender	Judge Benjamin Jones
Salary	$ 148,108	$ 148,108	$ 148,108	$ 74,054
Benefits - Insurance	5,051	5,814	9,496	4,418
Benefits - Retirement	61,465	61,465	61,465	30,732
Professional Liability Insurance	1,730	1,730	1,730	865
Per Diem	826	1,180	1,428	345
Dues and Subscriptions	200	200	260	200
Travel				
Mileage	1,336	4,979	7,305	4,131
Lodging	2,200	2,525	760	735
Parking, Tolls, and Other Travel	64	498	431	83
Cell Phone		1,078	1,532	1,368
Continuing Education Fees	1,450	1,375		750
Funded by:				
Louisiana Supreme Court	$ 221,558	$ 222,336	$ 226,214	$ 113,977
Judicial Expense Fund	$ 872	$ 6,616	$ 6,301	$ 3,705