

**SIXTEENTH (16th) JUDICIAL DISTRICT
COURT - DISTRICT JUDGE**

New Iberia, Louisiana

Financial Report

Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

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To the Honorable Judges of the
Sixteenth Judicial District Court-District Judge
Parishes of Iberia, St. Martin and St. Mary, Louisiana
New Iberia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Sixteenth Judicial District Court-District Judge (District Court Judge) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Court Judge'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 of 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 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 and each major fund of the District Court Judge, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 12 and the budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 42 through 47 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 District Court Judge's basic financial statements. The budgetary comparison schedules on pages 51 through 53 are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2019 on our consideration of the District Court Judge'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 the District Court Judge's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

New Iberia, Louisiana
June 20, 2019

**SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018**

This section of the Sixteenth Judicial District Court – District Judges (District Court) financial report is a discussion and analysis of the financial performance of the District Court during the fiscal year ended December 31, 2018. The District Court's financial performance is discussed and analyzed within the context of the basic financial statements and the accompanying notes to the financial statements and should be read in conjunction with the financial report as a whole.

FINANCIAL HIGHLIGHTS

Total revenues were \$1,484,428 for 2018, a decrease of \$5,151 over the previous year due to an increase in the State FINS grant and interest and an offsetting decrease in reimbursement from Parish governments.

Revenues for the current year exceeded expenditures by \$50,145.

The total cost of all judicial programs and services was \$2,185,248 an increase of \$760,764 or 53% from the previous year.

Governmental activities reported a net change in net position of (\$687,152).

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements of District Court consist of the following components: (1) Government-Wide Financial Statements, (2) Fund Financial Statements, (3) Notes to the financial statements, and (4) Other supplementary information to accompany the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of the District Court's financial position and results of operations in a manner similar to a private sector business. The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the District Court as a whole and present a long-term view of finances.

The *Statement of Net Position* presents information of the District Court's assets and liabilities using the accrual basis of accounting. The difference between the assets and liabilities is reported as net position. Net position provides a way to measure the financial liabilities or financial position of the District Court. Increases or decreases in net position, over time, may serve as a useful indicator of whether the financial position of the District Court as a whole is improving or declining.

The *Statement of Activities* presents information showing how the net position changed during the current fiscal year. The design of this statement shows the financial reliance of governmental activities or functions on revenues.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

The *Statement of Net Position* and *Statement of Activities* report only one type of activity - governmental activities. The governmental activities of the District Court include basic judicial services and are primarily funded by court costs and fees. Governmental activities provide for personnel, office supplies, office equipment, and other costs related to the proper administration of the District Court. General revenues are those available to the District Court to pay for the governmental activities described above.

Fund Financial Statements

The fund financial statements present information on the individual funds in more detail. The District Court funds are grouped into two categories, one General Fund and Special Revenue Funds. Each fund is used to account for and maintain control over resources that have been segregated for specific activities or objectives. The District Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for the District Court's basic services. The governmental fund statements provide a detailed short-term view of the general governmental operations of the District Court and the basic services it provides. The fund statements show how services are financed short-term and the amount of financial resources available in the near future to finance programs. The focus is narrower than the government-wide financial statements with similar information presented for governmental activities in the government-wide statements. Funds are reported using a modified accrual accounting method, which measures only cash and other financial resources that can readily be converted to cash.

The District Court maintains one General Fund and various Special Revenue Funds. Funds are established by state law or by the District Court to help control and manage money for particular or restricted purposes and to ensure that the District Court is in compliance with the legal regulations and responsibilities governing these funds. The General Fund is unrestricted and provides funding for the general day-to-day operations of the District Court. The Special Revenue Funds are subject to legal restrictions and fund specific programs or objectives of the District Court. The fund financial statements focus on the use of spendable resources and balances of the spendable resources at the end of the fiscal year. These statements are useful in evaluating the annual financing requirements of governmental programs and the commitment of spendable resources. Surplus fund balances may be retained for unforeseen future emergencies such as natural disasters, decreases in economic conditions, emergency capital outlay requirements, and other similar conditions

The Balance Sheet presents information of the District Court's assets and liabilities using the modified accrual basis of accounting. This statement differs from the governmental-wide Statement of Net Position in that the information is presented for the General Fund and for the Special Revenue Funds (combined).

The *Statement of Revenues, Expenditures and Changes in Fund Balance* presents information showing the direct relationship between revenues and expenditures for the current year, and the resulting surplus or deficit which increases or decreases the fund balances. The fund balance shows the financial resources readily available to fund the programs and services of the District Court.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

FINANCIAL ANALYSIS OF THE DISTRICT COURT JUDGE

Government-Wide Financial Statement Analysis

The net position of the District Court at the end of the current year is (\$1,031,002). The following table provides a summary of net position for the current and previous year.

Table 1				
Summary of Net Position				
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			Amount	Percent
Assets:				
Current Assets	\$2,387,995	\$2,241,927	\$146,068	7%
Noncurrent Assets	<u>159,921</u>	<u>27,032</u>	<u>132,889</u>	492%
Total Assets	<u><u>\$2,547,916</u></u>	<u><u>\$2,268,959</u></u>	<u><u>278,957</u></u>	12%
Deferred Outflows Related to Pensions	\$309,025	517,530	(208,505)	-40%
Liabilities:				
Current Liabilities	152,604	56,681	95,923	169%
Long-term Liabilities	<u>3,329,995</u>	<u>1,945,485</u>	<u>1,384,510</u>	71%
Total Liabilities	<u><u>3,482,599</u></u>	<u><u>2,002,166</u></u>	<u><u>1,480,433</u></u>	74%
Deferred Inflows Related to Pensions	\$405,344	68,354	336,990	493%
Net Assets:				
Investment in Capital Assets	23,463	27,032	(3,569)	-13%
Unrestricted	<u>(1,054,465)</u>	<u>688,937</u>	<u>(1,743,402)</u>	-253%
Total Net Position	<u><u>(1,031,002)</u></u>	<u><u>\$715,969</u></u>	<u><u>(1,746,971)</u></u>	-244%

The District Court's net position decreased by \$1,746,971, from \$715,969 to (\$1,031,002). The District Court reports unrestricted net position of (\$1,054,465) and net investment in capital assets of \$23,463.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

This represents a decrease in unrestricted net position in the amount of (\$1,743,402) and a decrease in net investment in capital assets in the amount of (\$3,569) from the previous year.

A portion of the District Court's net position, approximately 4%, reflects its net investment in capital assets such as office furniture and fixtures, computer and related equipment, other office equipment, court reporting equipment, and court security equipment. The District Court uses these assets to provide judicial services to citizens.

The balance of net position represents accumulated results of all past years' operations. The new GASB 75 reporting required a restatement of the beginning net position which contributed to the large negative balance of net position. If the District Court were to pay all bills or outstanding debt obligations, this amount represents the assets that would remain. Unrestricted net position can be used to finance the day-to-day operations of the District Court without constraints.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Table 2				
Summary of Changes in Net Position				
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u> <u>Amount</u>	<u>-</u> <u>Percent</u>
Revenues:				
Program:				
Fees and Fines	\$1,295,690	\$1,298,119	(\$2,429)	0%
Operating Grants and Contributions	170,870	187,005	(16,135)	-9%
General:				
Interest	15,799	1,386	14,413	1040%
Other	<u>15,737</u>	<u>17,030</u>	<u>(1,293)</u>	-8%
Total Revenues	<u>\$1,498,096</u>	<u>\$1,503,540</u>	<u>(\$5,444)</u>	0%
Expenditures:				
Program:				
District Court	\$810,658	\$576,914	\$233,744	41%
Hearing Officer	1,332,036	845,882	486,154	57%
St. Mary Drug Court Testing	<u>42,554</u>	<u>1,688</u>	<u>40,866</u>	2421%
Total Expenditures	<u>\$2,185,248</u>	<u>\$1,424,484</u>	<u>\$760,764</u>	53%
Change in Net Position	(\$687,152)	\$79,056	(\$766,208)	-969%
Beginning Net Position	<u>(343,850)</u>	<u>636,913</u>	<u>(980,763)</u>	-154%
Ending Net Position	<u>(\$1,031,002)</u>	<u>\$715,969</u>	<u>(\$1,746,971)</u>	-244%

Table 2 provides a summary of the changes in net position for the current and previous years. The District Court's ending net position decreased by (\$1,746,971) from \$715,969 in the previous year to (\$1,031,002) in the current year. Total revenues decreased in the amount of \$5,444 from the previous year. Fines and Fees decreased in the amount of \$2,429, Operating Grants and Contributions decreased in the amount of \$16,135 and interest revenues increased in the amount of \$14,413. Total Expenditures decreased in the amount of \$760,764 from the prior year. District Court expenditures increased in the amount of \$233,744 and Hearing Officer expenditures increased in the amount of \$486,154.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Fund Financial Statement Analysis

The fund financial statements focus on the use of spendable resources and balances of the spendable resources at the end of the fiscal year. These statements are useful in evaluating the annual financing requirements of governmental programs and the commitment of spendable resources. Surplus fund balances may be retained for unforeseen future emergencies, such as natural disasters, decreases in economic conditions, emergency capital outlay requirements, and other similar conditions.

The following table presents a summary of the general and special revenues and expenditures of the District Court for the current and prior years.

Table 3				
Summary of Revenues, Expenditures and Changes in Fund Balance				
	2018	2017	<u>Increase (Decrease)</u>	
			Amount	Percent
Revenues	\$1,484,428	\$1,489,579	(\$5,151)	0%
Expenditures	<u>1,434,283</u>	<u>1,177,355</u>	<u>256,928</u>	22%
Excess of Revenues Over (Under) Expenditures	50,145	312,224	(262,079)	-84%
Other Financial Sources				
Operating Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	
Net Change in Fund Balance	50,145	312,224	(262,079)	-84%
Fund Balance at Beginning of Year	<u>2,185,246</u>	<u>1,873,022</u>	<u>312,224</u>	17%
Fund Balance at End of Year	<u><u>2,235,391</u></u>	<u><u>\$2,185,246</u></u>	<u><u>50,145</u></u>	2%

The District Court's fund balance increased by \$50,145 from the prior year to \$2,235,391 in the current year. The reserve fund balance indicates that those funds are available for future spending.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

BUDGETARY HIGHLIGHTS

The District Court's General and Special Revenue Fund budgets were amended during the year to more accurately project anticipated revenues and expenditures. The total revenues budgeted were decreased by \$28,939 due to a decrease in anticipated fines and fees collected. The interest earnings budgeted amount was increased by \$12,726 due to an increase in interest rates. The total amount of expenditures budgeted was increased by \$226,215.

Due to an anticipated deficit in the Sixteenth Judicial District Criminal Court Fund, the District Court budget included \$76,678 to provide for a portion of that deficit. This amount was increased by \$20,035.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District Court had a total of \$27,032 invested in capital assets, net of accumulated depreciation, for the year ended December 31, 2017. Capital assets include furniture and fixtures, computer and related equipment, court reporting equipment, other office equipment, as well as security and drug testing equipment. A net total of \$10,020 was invested in capital assets during 2018, primarily in furniture, fixtures, computer and related equipment. This amount, less accumulated depreciation and net deletions in the total amount of \$13,589 resulted in a decrease in net capital assets in the amount of \$3,569 and a total ending assets in the amount of \$23,463 for 2018.

Table 4	
Summary of Capital Assets	
	2018
Beginning Net Capital Assets	\$27,032
Increase in Net Capital Assets	10,020
Decrease in Net Capital Assets	<u>(13,589)</u>
Ending Net Capital Assets	<u>\$23,463</u>

Long-Term Debt Activity

The District Court reports long-term debt activity during this reporting period in accordance with professional standards which requires government employers to perform valuations to determine costs relating to Other (than pension) Post-Employment Benefits (OPEB) and to report those costs in their annual financial statements. The District Court provides medical benefits to retirees and their dependents; therefore, a valuation was obtained and the OPEB long-term liability costs related to those benefits are included in this report.

**SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary**

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

The District Court implemented GASB Statement No 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This new pronouncement improves reporting for non-pension related benefits provided to retirees, such as health insurance. The effects of the implementation of this policy required a restatement of the beginning net position, resulting in a reduction of \$1,059,819 for Government-Wide Governmental Activities from the previously stated balance of \$715,969 as of December 31, 2017. Additional details on the effects of the restatement are provided in Note 16 of the financial statements.

SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

OVERALL FINANCIAL POSITION ANALYSIS

The overall financial position of the District Court Judge was stable during this reporting period. The ending net position decreased by (\$1,746,971) from the prior year from \$715,969 in 2017 to (\$1,031,002) in 2018.

Table 6			
Change in Net Position			
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Net Position:			
Change in Net Position	(\$687,152)	\$79,056	(\$766,208)
Beginning Net Position	<u>(343,850)</u>	<u>636,913</u>	<u>(980,763)</u>
Ending Net Position	<u><u>(\$1,031,002)</u></u>	<u><u>\$715,969</u></u>	<u><u>(\$1,746,971)</u></u>

Table 7			
Change in Capital Assets			
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Net Position:			
Net Investment in Capital Assets	\$23,463	\$27,032	(\$3,569)
Unrestricted	<u>(1,054,465)</u>	<u>688,937</u>	<u>(1,743,402)</u>
Total Net Position	<u><u>(\$1,031,002)</u></u>	<u><u>\$715,969</u></u>	<u><u>(\$1,746,971)</u></u>

The net investment in capital assets decreased by \$3,569 from \$27,032 to \$23,463 in the current year. Capital assets represent the physical fixtures and equipment that the District Court uses to provide judicial services to citizens. Unrestricted net position decreased by \$1,743,402 from the prior year, from \$688,937 to (\$1,054,465). Unrestricted net position represents the ability of the District Court to finance its day-to-day operations and meet its long-term obligations.

**SIXTEENTH JUDICIAL DISTRICT COURT
Parishes of Iberia, St. Martin and St. Mary**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District Court is dependent primarily upon the collection of fines and fees which fund 88% of the District Court's annual revenues. There were no factors present to indicate that revenue decreases should be expected during 2019 when that budget was adopted. Expenditures were budgeted with an overall increase in the amount of \$238,347 or a 16% increase. The 2019 budgeted expenditures include an anticipated increase in employee group insurance premiums but do not include a cost of living increase for employees for the fifth consecutive year. Appropriations were needed to offset Criminal Court Fund deficits in the prior years since 2004; the District Court budgeted funds for 2019 appropriations in the amount of \$450,649 based on information provided to the District Court relating to an anticipated deficit for 2019 which includes anticipated appropriations from the parish governments.

The 2019 projected budget reflects an overall deficit of \$359,752. The Judges of the District Court have elected at this time to maintain the same level of services traditionally offered, and recognized that continued measures are necessary to ensure the future financial stability of the court, and continue to take steps toward that goal.

CONTACTING THE COURT'S FINANCIAL MANAGEMENT

This report is designed to provide the citizens and taxpayers with a general overview of the finances of the Sixteenth Judicial District Court and to show the Court's accountability for the revenues it receives. Questions concerning any of the information provided in this report, or requests for additional information, may be addressed to: Court Administrator, 300 Iberia Street, Suite 350, New Iberia, Louisiana 70560.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Statement of Net Position
December 31, 2018

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 1,000,321
Investments	837,573
Due from other governments	548,566
Other receivable	737
Prepaid expenses	798
Total current assets	2,387,995
Noncurrent assets:	
Capital assets, net of accumulated depreciation	23,463
Net pension asset	136,458
Total noncurrent assets	159,921
TOTAL ASSETS	2,547,916
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	309,025
LIABILITIES	
Current liabilities:	
Accounts payable	61,940
Accrued liabilities	2,571
Due to other governments	88,093
Total current liabilities	152,604
Noncurrent liabilities:	
OPEB liability	3,329,995
TOTAL LIABILITIES	3,482,599
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	405,344
NET POSITION	
Net investment in capital assets	23,463
Unrestricted (deficit)	(1,054,465)
TOTAL NET POSITION (DEFICIT)	\$(1,031,002)

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Statement of Activities
Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		Governmental Activities
		Charges for Services and Fines	Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Governmental activities:				
Public safety -				
District Court	\$ 810,658	\$ 520,104	\$ 170,870	\$ (119,684)
Hearing Officer	1,332,036	772,276	-	(559,760)
St. Mary Drug Court Testing	<u>42,554</u>	<u>3,310</u>	<u>-</u>	<u>(39,244)</u>
Total governmental activities	<u>\$ 2,185,248</u>	<u>\$ 1,295,690</u>	<u>\$ 170,870</u>	<u>(718,688)</u>
General revenues:				
				15,799
				13,668
				<u>2,069</u>
				<u>31,536</u>
				(687,152)
				<u>(343,850)</u>
				<u>\$(1,031,002)</u>

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

FUND FINANCIAL STATEMENTS

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Balance Sheet
Governmental Funds
December 31, 2018

	General Fund	Hearing Officer Fund	St. Mary Drug Court Testing Fund	Total Governmental Funds
Assets:				
Cash and interest-bearing deposits	\$ 286,612	\$ 710,369	\$ 3,340	\$1,000,321
Investments	408,615	417,828	11,130	837,573
Due from other governments	421,761	126,805	-	548,566
Due from other funds	7,770	108,221	-	115,991
Other receivable	597	140	-	737
Prepaid expenses	798	-	-	798
Total assets	<u>\$1,126,153</u>	<u>\$1,363,363</u>	<u>\$ 14,470</u>	<u>\$2,503,986</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 54,592	\$ 7,348	\$ -	\$ 61,940
Accrued liabilities	767	1,804	-	2,571
Due to other governments	88,093	-	-	88,093
Due to other funds	108,221	7,770	-	115,991
Total liabilities	<u>251,673</u>	<u>16,922</u>	<u>-</u>	<u>268,595</u>
Fund balances:				
Committed for court costs	-	1,346,441	-	1,346,441
Committed for drug testing	-	-	14,470	14,470
Unassigned	874,480	-	-	874,480
Total fund balances	<u>874,480</u>	<u>1,346,441</u>	<u>14,470</u>	<u>2,235,391</u>
Total liabilities and fund balances	<u>\$1,126,153</u>	<u>\$1,363,363</u>	<u>\$ 14,470</u>	<u>\$2,503,986</u>

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2018

Total fund balance for governmental funds at December 31, 2018		\$ 2,235,391
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. Those assets consist of:		
Equipment and furniture, net of \$133,993 accumulated depreciation		23,463
The deferred outflows of expenditures for pensions are not a use of current resources and, therefore, are not reported in the funds.		309,025
Long-term liabilities are not due and payable, and the net pension asset is not available, in the current period, and therefore, not reported in the governmental funds.		
Net OPEB obligation	\$ (3,329,995)	
Net pension asset	<u>136,458</u>	(3,193,537)
The deferred inflows of contributions for pensions are not available resources and, therefore, are not reported in the funds.		<u>(405,344)</u>
Net position (deficit) at December 31, 2018		<u>\$ (1,031,002)</u>

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
Year Ended December 31, 2018

	General Fund	Hearing Officer Fund	St. Mary Drug Court Testing Fund	Total Governmental Funds
Revenues:				
Fees and fines	\$ 520,104	\$ 772,276	\$ 3,310	\$ 1,295,690
State grant - FINS	85,738	-	-	85,738
Parish government's reimbursements	85,132	-	-	85,132
Interest	8,050	7,450	299	15,799
Other	2,069	-	-	2,069
Total revenues	701,093	779,726	3,609	1,484,428
Expenditures:				
Current -				
Public safety:				
Salaries and related benefits	195,105	615,132	-	810,237
Operating services	46,336	11,473	-	57,809
Professional fees	22,038	60,449	-	82,487
Materials and supplies	71,374	17,595	-	88,969
Travel and other charges	41,883	8,150	-	50,033
Appropriations	292,449	-	42,279	334,728
Capital outlay	10,020	-	-	10,020
Total expenditures	679,205	712,799	42,279	1,434,283
Excess (deficiency) of revenues over expenditures	21,888	66,927	(38,670)	50,145
Other financing sources (uses):				
Transfers in (out)	(6,876)	6,876	-	-
Net change in fund balances	15,012	73,803	(38,670)	50,145
Fund balances, beginning	859,468	1,272,638	53,140	2,185,246
Fund balances, ending	\$ 874,480	\$ 1,346,441	\$ 14,470	\$ 2,235,391

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2018

Total net changes in fund balances for the year ended December 31, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 50,145
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 10,020	
Depreciation expense for the year ended December 31, 2018	(13,221)	
Loss on disposal of capital assets	<u>(368)</u>	(3,569)
Because some revenues are not considered measurable at year end, they are not considered "available" revenues in the governmental funds.		
Non-employer contributions		13,668
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.		
Pension expense	(33,461)	
Other post-employment benefits	<u>(713,935)</u>	(747,396)
Total changes in net position for the year ended December 31, 2018 per Statement of Activities		<u>\$ (687,152)</u>

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Basic Financial Statements

INTRODUCTION

The Sixteenth Judicial District Court-District Judge (District Court Judge) is comprised of three parishes within the State of Louisiana: Iberia, St. Mary and St. Martin. The courthouses of the Sixteenth Judicial District are located in the three parish seats of New Iberia (Iberia Parish), Franklin (St. Mary Parish) and St. Martinville (St. Martin Parish). The caseload of the Sixteenth Judicial District Court is handled by eight judges, six are elected at-large and two are elected from sub-districts within the entire district. These judges all have general trial jurisdiction throughout the district and preside over individual divisions designated by the letters A through H as follows:

Division A	Honorable Anthony Thibodeaux
Division B	Honorable Suzanne deMahy
Division C	Honorable Vincent J. Borne
Division D	Honorable Lewis H. Pitman, Jr.
Division E	Honorable Keith R. J. Comeaux
Division F	Honorable Gregory P. Aucoin
Division G	Honorable Curtis Sigur
Division H	Honorable Lori A. Landry

The District Court Judge was created by Louisiana Revised Statute (R.S.) 13:996.37, which provides for the creation of the Judicial Expense Fund (general fund) for the Sixteenth Judicial District. The District Court Judge previously had two general funds, the Judicial Expense Fund and the Criminal Court Fund, which were managed by the Iberia Parish Government. Effective April 1, 1994, an intergovernmental agreement was entered into allowing the said court funds to be administered by the office of the Sixteenth Judicial District Attorney in order to avoid the expense of staff and equipment necessary to administer the court funds. Effective in 1997, the Judicial Expense Fund began to be administered by the Sixteenth Judicial District Court and is accounted for separately in this report. The Criminal Court Fund is accounted for as a special revenue fund in the District Attorney's financial statements.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, in conformance with Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification), the Sixteenth Judicial District Court- District Judge herein referred to as the District Court Judge, includes all funds and activities, et cetera, that are controlled by the District Court Judge, comprised of independently elected parish officials. As independently elected parish officials, the District Court Judge is solely responsible for the operations of its office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the District Court Judge that are paid for or provided by the Iberia, St. Mary and St. Martin parish governments, such as maintenance and operation of the parish courthouses in which the District Court Judge's offices are located and funds for equipment and furniture of the District Court Judge, the District Court Judge is financially independent.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Codification section 2100 established the following criteria for determining if a governmental entity is primary government or a component unit of a primary government.

- a. It has a separately elected governing body.
- b. It is legally separate.
- c. It is fiscally independent of other governments.

Because it meets the above criteria the District Court Judge is not considered a component unit of any other governmental entity, nor is it considered a primary government for any other governmental entities. Accordingly, the District Court Judge is a separate governmental reporting entity. The activities of the parish government, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from those of the District Court Judge.

B. Basis of Presentation

The accompanying financial statements of the District Court Judge have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with the GASB codification.

Government-Wide Financial Statements (GWFS)

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 non-exchange revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District Court Judge's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Fund Financial Statements (FFS)

The District Court Judge uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

Governmental Funds –

General Fund - The General Fund is the general operating fund of the District Court Judge. It is used to account for all financial resources relative to judicial expense funds. R.S. 13:996.37 provides for the collection of a \$35 court fee on every civil suit and a \$25 court fee on every criminal case over which the District Court Judge has jurisdiction and the defendant is convicted. These monies can be used to pay personnel, maintain the law library, purchase equipment, and supplies or other items necessary to efficiently operate the court.

Special Revenue Funds –

IV-D Hearing Officer Fund – This fund was established by R.S. 46:236.5 to provide for the court to implement an expedited process for the establishment of enforcement of support. Such court may assess and collect a fee of not more than five percent of all existing and future support obligations to fund the administrative costs of the system for expedited process.

The St. Mary Parish Drug Court Testing Fund – This fund was established to collect fines and forfeitures, which are collected by the District Attorney Misdemeanor Probation Officers. Such monies will be deposited into this fund and will be administered through the Court Administrator’s office for the purpose of supplementing the cost of drug testing.

C. Measurement Focus/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 the measurement focus applied. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized when the exchange takes place.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

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 position, and financial position. All assets, deferred outflows of resources, liabilities (whether current or non-current), and deferred inflows of resources associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current financial assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources at the end of the period.

Basis of accounting - The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when 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. Expenditures are recorded when the related fund liability is incurred.

D. Interfund Receivables and Payables

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and service type transactions are classified as "due to and from other funds." Interfund receivables and payables are eliminated in the Statement of Net Position. Details of interfund receivables and payables at year-end are found in Note (4).

E. Cash and Investments

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the District Court Judge may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any state of the United States, or under the laws of the United States. Investments are limited by R.S. 33:2955 and the District Court Judge's investment policy. At December 31, 2018, the investments of the District Court Judge consisted of investments in the Louisiana Asset Management Pool (LAMP). Investments in LAMP are stated at fair value.

F. Capital Assets

All capital assets are capitalized at historical cost, or estimated costs for assets where actual cost is not available. The District Court Judge maintains a threshold of \$1,000 or more for capitalizing capital assets. Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 7 years.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

G. Compensated Absences

The District Court Judge does not have a uniform policy relating to vacation and sick leave for each judge's personal staff. Each judge grants vacation and sick leave at his or her discretion for their own employees. There is, however, a uniform leave policy for general court employees, which include court administrator, hearing officers and staff and the information technology manager. These employees earn ten days of sick leave per year and a set amount of annual vacation leave depending on years of service. However, vacation and sick leave are not allowed to be accumulated and carried over from one calendar year to the next, therefore, no provision for compensated absences has been made in the financial statements.

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. As of December 31, 2018, District Court Judge's deferred outflows of resources and deferred inflows of resources are attributable to the pension plan.

I. Equity Classifications

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

- a. Net investment in capital assets – This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.
- c. Restricted – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

The District Court Judge has no restricted net position at December 31, 2018.

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of governmental funds are classified as follows:

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the District Court Judge which is the highest level of decision-making authority for the District Court Judge.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District Court Judges’ policy, only the District Court Judge may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the District Court Judge considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District Court Judge considers amounts to have been spent first out of the committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Court Judge has provided otherwise in his commitment or assignment actions.

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from that fund, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfer. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

K. Accounting Estimates

The preparation of 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 expenditures during the reporting period. Actual results could differ from those estimates.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(2) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the District Court Judge may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District Court Judge may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the District Court Judge had cash and interest-bearing deposits (book balances) totaling \$1,000,321 as follows:

Interest-bearing demand deposits	\$ 177,869
Time deposits	<u>822,452</u>
Total	<u>\$1,000,321</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District Court Judge's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. 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 similar federal security 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 bank. These securities are held in the name of the District Court Judge or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2018, are secured as follows:

Bank balances	<u>\$1,042,681</u>
Federal deposit insurance	500,000
Pledged securities	<u>542,681</u>
Total	<u>\$1,042,681</u>

Pledged securities in the amount of \$542,681 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the District Court Judge's name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District Court Judge that the fiscal agent has failed to pay deposited funds upon demand. The District Court Judge does not have a policy for custodial credit risk.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

B. Investments

Investments held at December 31, 2018 consist of \$837,573 in the Louisiana Asset Management Pool (LAMP).

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

LAMP is a 2a7-like investment pool. The following facts are relevant for a 2a7-like investment pools.

- a. Credit risk: Lamp is rated AAAM by Standard & Poors.
- b. Custodial credit risk: In accordance with GASB Codification Section 150.128, the investment in LAMP is not exposed to custodial credit risk because LAMP participants' investments in the pool are evidences by shares of the pool and, therefore, not evidences by securities that exist in physical or book entry form. The District Court's investment is with the pool not the securities that make up the pool; therefore, no disclosure is required.
- c. Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- d. Inherent rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 60 days as of December 31, 2018.
- e. Foreign currency risk: Not applicable to 2a7-like securities.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The financial report for LAMP may be accessed on its website (www.lamppool.com).

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(3) Due from Other Governments

Amounts due from other governments consisted of the following at December 31, 2018

District Attorney: Criminal Court Fund	\$ 383,670
State of LA: Support Enforcement	126,805
Iberia Parish Government	15,055
St. Martin Parish Government	15,387
St. Mary Parish Government	<u>7,649</u>
Total due from other governments	<u>\$ 548,566</u>

(4) Interfund Receivables and Payables

	Interfund Receivables	Interfund Payables
General Fund	\$ 7,770	\$ 108,221
Hearing Officer Fund	<u>108,221</u>	<u>7,770</u>
	<u>\$ 115,991</u>	<u>\$ 115,991</u>

These receivables and payables reverse in the normal course of operations. All remaining balances resulted from time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payment between the funds are made.

(5) Capital Assets

Capital asset activity for the year ended December 31, 2018, is as follows:

	Balance 1/1/18	Additions	Deletions	Balance 12/31/18
Furniture and fixtures	\$ 247,391	\$ 10,020	\$ (99,955)	\$ 157,456
Less accumulated depreciation	<u>(220,359)</u>	<u>(13,221)</u>	<u>99,587</u>	<u>(133,993)</u>
Capital assets, net of accumulated depreciation	<u>\$ 27,032</u>	<u>\$ (3,201)</u>	<u>\$ (368)</u>	<u>\$ 23,463</u>

Depreciation expense for the year ended December 31, 2018, was charged to governmental activities of the District Court Judge as follows:

District Court	\$ 9,469
Hearing Officer Fund	3,477
Drug Court Fund	<u>275</u>
Total depreciation expense	<u>\$ 13,221</u>

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(6) Post-Retirement Health Care Benefits

Plan Description: The District Court Judge administers a single-employer defined benefit healthcare plan which provides certain continuing health care benefits to its retired employees (the OPEB Plan). The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the District Court Judge. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Statement No. 75. The Plan does not issue a publicly available report.

Benefits Provided – Medical benefits are provided through insured programs to employees upon actual retirement. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age or, age 55 and 25 years of service, age 60 and 10 years of service, or, age 65 and 7 years of service.

Employees covered by benefit terms – As of December 31, 2018, there were 24 active members and 5 retirees covered by the benefit terms:

Total OPEB Liability

The District Court Judge’s total OPEB liability of \$3,329,995 was measured as of December 31, 2018 and was determined using an Alternative Measurement Method in place of an actuarial valuation.

Actuarial Assumptions and other inputs – The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Age adjustment factor	1.59738
Average retirement age	67
Employer future premium contribution	Remain at the current \$ level over time
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage Payroll
Assets backing OPEB liability	None
Plan asset return	0.00%
Bond yield	1.50% (based on 20-year tax exempt municipal bond)
Discount rate	1.50%
Prior year discount rate	1.50%
Projected salary increase	0.50%
Amortization period	20
Percentage participation	88.00%

(continued)

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Actuarial Assumptions and other inputs (continued)–

NOL and ADC	Calculated using the Alternative Measurement Method in accordance with GASB methodology.
Mortality table	RP2000 Mortality Table for Males and Females projected 18 years; this assumption does not include a margin for future improvements in longevity.
Turnover assumption	Derived from data maintained by the U.S. Office of Personnel and Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.
Healthcare cost trend rate	The expected rate of increase in medical cost is based on a graded schedule beginning with 7.6% annually, down to an ultimate annual rate of 4.7% for ten years out or later.

Changes in Total OPEB Liability

Balance as of December 31, 2017	<u>\$ 2,616,060</u>
Changes for the year:	
Service cost	98,475
Interest	40,497
Effect of economic/demographic gains or losses	612,745
Employer contributions	<u>(37,782)</u>
Net changes	<u>713,935</u>
Balance as of December 31, 2018	<u>\$ 3,329,995</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the District Court Judge, as well as what the District Court Judge’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.5%) or 1-percentage-point higher (2.5%) than the current discount rate:

	1% Decrease 0.500%	Current Discount Rate 1.500%	1% Increase 2.500%
Total OPEB liability	<u>\$ 3,030,758</u>	<u>\$ 3,329,995</u>	<u>\$ 2,927,689</u>

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the District Court Judge, as well as what the District Court Judge’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 3,184,398	\$ 3,329,995	\$ 3,503,824

OPEB Expense

For the year ended December 31, 2018, the District Court Judge recognized OPEB expense of \$713,935.

Payable to the OPEB Plan

As of December 31, 2018, the District Court Judge did not have any amounts owed to the OPEB plan.

(7) **Employee Retirement System**

The District Court Judge participates in a cost-sharing defined benefit plan, the Parochial Employees’ Retirement Systems (PERS), which is administered by a separate public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by this public employee retirement system to the State Legislature. This plan is not closed to new entrants. Substantially all District Court Judge’s employees participate in the system.

Plan Description:

PERS provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1901 and 11:1941. The District Court Judge participates in Plan A.

PERS’ financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Interest income is recognized when earned.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

A brief summary of eligibility and benefits of the plan are provided in the following table:

Final average salary	Final average compensation
Years of service required and/or age eligible for benefits	30 years of any age 25 years age 55 ¹ 10 years age 60 ¹ 7 years age 65 ¹
Benefit percent per years of service	3.00%

¹ Employees hired after January 1, 2007: 30 years age 55, 10 years age 62, 7 years age 67

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. In addition, PERS receives a percentage of ad valorem taxes collected by parishes. These entities are not participating employers in the pension system and are considered to be non-employer contributing entities. For the year ended December 31, 2018, the contribution percentages for employees and employers were 9.5% and 11.5%, respectively. The amounts contributed from non-employer contributing entities and from the District Court Judge for the year ended December 31, 2018 were \$13,668 and \$136,738, respectively.

Net Pension Asset

The District Court Judge’s net pension asset at December 31, 2018 of \$136,458 is comprised of its proportionate share of the net pension asset relating to the cost-sharing plan. The net pension asset for the plan was measured as of the plan’s measurement date, December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The District Court Judge’s proportionate share of the net pension asset for the plan was based on the District Court Judge’s required contributions in proportion to total required contributions for all employers.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

As of the most recent measurement date, the District Court Judge's proportion for the plan was 0.183845% and the change in proportion from the prior measurement date was a decrease of 0.005153%.

Since the measurement date of the net pension asset was December 31, 2017 for PERS, the net pension asset is based upon fiduciary net position for the plan as of that date. Detailed information about the plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the District Court Judge's net pension asset is available in the separately issued plan financial report, which may be accessed on their website at <http://www.persla.org>.

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension asset for PERS.

Date of experience study on which significant assumptions are based	1/1/2010 - 12/31/2014
Expected remaining service lives	4
Inflation Rate	2.50%
Projected salary increases	5.25%
Projected benefit changes including COLAs	None
Source of mortality assumptions	RP-2000 Healthy Annuitant Sex Distinct Mortality Tables projected to 2031 using Scale AA RP-2000 Disabled Lives Mortality Table for disabled annuitants set back 5 years for males and 3 years for females RP-2000 Employees Sex Distinct Tables set back 4 years for males and 3 years for females

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Cost of Living Adjustments

PERS has the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the PERS to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension asset as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Discount Rate

The discount rate used to measure the District Court Judge’s total pension asset for the plan and the significant assumptions used in the determination of the discount rate was 6.75 %, which decreased .25% from prior valuation. Plan cash flow assumptions are that the plan member contributions will be made at the current contribution rate and sponsor contributions will be made at the actuarially determined rate.

The discount rate used to measure the District Court Judge’s total pension asset for the pension plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. The rate was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM), a treasury yield curve approach and an equity building block model. Risk return and correlation are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return 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 and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for the plan in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	35%	1.24%
Equities	52%	3.57%
Alternative Investments	11%	0.69%
Real Assets	2%	0.12%
Total	100%	5.62%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.62%

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension asset may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2018, the District Court Judge recognized \$170,199 in pension expense related to the defined benefit plan in which it participates.

At December 31, 2018, the District Court Judge 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	\$ -	\$ 88,333
Changes of assumptions	172,231	-
Net difference between projected and actual earnings on pension plan investments	-	315,258
Change in proportion and differences between employer contributions and proportionate share of contributions	56	1,753
Employer contributions subsequent to the measurement date	136,738	-
Total	\$ 309,025	\$ 405,344

Deferred outflows of resources of \$136,738 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset during the year ending December 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended December 31	Net Amount Recognized in Pension Expense
2019	\$ 19,999
2020	(21,420)
2021	(106,687)
2022	(124,949)
	\$(233,057)

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

Sensitivity of the District Court Judge’s Proportional Share of the Net Pension Asset to Changes in the Discount Rate:

The following presents the District Court Judge’s proportionate share of the net pension asset of the plan, calculated using the discount rate, as well as what the District Court Judge’s proportionate share of the net pension asset would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease <u>5.75%</u>	Current Discount Rate <u>6.75%</u>	1% Increase <u>7.75%</u>
Net Pension Liability (Asset)	<u>\$ 672,789</u>	<u>\$ (136,458)</u>	<u>\$ (857,040)</u>

Payables to Pension Plan

At December 31, 2018, the District Court Judge had no outstanding payables to PERS.

(8) Court Fees Revenue

The District Court Judge collected court fees during the fiscal year ended December 31, 2018 as follows:

Criminal Bail Bond Fund	\$ 109,181
Iberia Parish	144,403
St. Martin Parish	165,137
St. Mary Parish	104,679
State of Louisiana	772,276
Other	<u>14</u>
Total	<u>\$1,295,690</u>

(9) Families in Need of Services (FINS) Revenue and Expenditures

The District Court Judge administers the Families in Need of Services Assistance Program, Title VII of the Louisiana Children’s Code within the Sixteenth Judicial District. The purpose of the program is to reduce formal juvenile court involvement by generating appropriate community services to benefit children and improve family relations. The District Court Judge receives funds from the State of Louisiana and reimburses the Sixteenth Judicial District Attorney for expenditures incurred for the program. During the fiscal year ended December 31, 2018, the amount received and subsequently reimbursed amounted to \$85,738.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(10) Risk Management

The District Court Judge is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. The District Court Judge has purchased a commercial crime policy for coverage of loss of funds, but has decided to retain the risk of liability exposure for all other risks mentioned above, and presently, does not have any funds appropriated for these potential liability exposures.

(11) Concentrations of Credit Risk

Intergovernmental receivables represent amounts due from other St. Mary, St. Martin, and Iberia Parishes governmental agencies. Payment of these amounts is partly dependent upon the economic and financial conditions within these parishes.

(12) Expenditures of the District Court Judge not Included in the Accompanying Financial Statements:

The District Court Judge's offices are located in the courthouses of Iberia, St. Martin, and St. Mary Parishes. The respective parish governments pay for the upkeep and maintenance of the courthouses. The accompanying financial statements do not include certain expenditures of the District Court Judge paid out of the funds of the parish governing bodies or directly by the state.

(13) Interfund Transfers

	Transfers In	Transfers Out	Transfers In (Out), Net
General Fund	\$ 7,450	\$(14,326)	\$ (6,876)
Hearing Officer Fund	14,326	(7,450)	6,876
	\$ 21,776	\$(21,776)	\$ -

Transfers are used to move unrestricted revenues collected in the special revenue funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(14) Appropriation to Criminal Court Fund

The Criminal Court Fund is established by L.A.R.S. 15:571.11. This fund received revenues from criminal court costs, fines and forfeitures. The Criminal Court Fund provides employee salaries and related benefits, and court reporter transcript fees in accordance with an agreement adopted by the District Judges and the District Attorney on January 9, 2001. The District Attorney’s Office receives all funds for deposit and disbursements are made upon the signature of the Chief Judge and the District Attorney. The Criminal Court Fund reimburses the Judges and the District Attorney monthly for employee salary and related benefits expenses, and the Judges for court reporter transcript fees. Any deficit in the fund at year end is shared by the District Attorney’s Office and the District Court Judge on a pro-rated basis according to the percentage of total expenditures by each. At December 31, 2018 the District Court Judge’s share of the Criminal Court Fund’s deficit was \$88,093. This amount is shown as “Due to other governments” on the balance sheet.

(15) Compensation, Benefits, and Other Payments to Agency Head

Payments from all sources to Curtis Sigur, District Court Chief Judge from January 1, 2018 through September 30, 2018, and Lewis H. Pitman, District Court Chief Judge from October 1, 2018 through December 31, 2018 follows:

	Curtis Sigur	Lewis H. Pitman
Travel	\$ 1,947	\$ -

(16) Implementation of New Accounting Pronouncement

In June 2015, the Governmental Standards Accounting Board (GASB) approved Statement No. 75 “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*” GASB Statement No. 75 will improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions of GASB Statement No 75 were implemented by the District Court Judge during the year ending December 31, 2018. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. The Statement resulted in a restatement of previously reported net position as follows:

	Governmental Activities
Net position, beginning of year, as previously stated	\$ 715,969
Change in accounting principle:	
Net effect of implementing GASB Statement No. 75	(1,059,819)
Net position (deficit), beginning of year, as restated	\$ (343,850)

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Financial Statements (Continued)

(17) Upcoming Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements which were not required to be implemented by the District Court Judge during the current fiscal year.

- GASB Statement No. 83, "Certain Asset Retirement Obligations." The requirements of this Statement are effective for fiscal years beginning after June 15, 2018.
- GASB Statement No. 84, "Fiduciary Activities." The requirements of this Statement are effective for fiscal years beginning after December 15, 2018.

The effect of implementation of these new pronouncements on the District Court Judge's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
Revenues:				
Fees and fines	\$ 556,950	\$ 476,100	\$ 520,104	\$ 44,004
State grant - FINS	84,072	85,738	85,738	-
Parish government's reimbursements	67,662	71,635	85,132	13,497
Interest	207	7,580	8,050	470
Other	3,049	2,095	2,069	(26)
Total revenues	711,940	643,148	701,093	57,945
Expenditures:				
Current -				
Public safety:				
Salaries and related benefits	190,157	194,964	195,105	(141)
Operating services	50,308	60,515	46,336	14,179
Professional fees	108,370	26,341	22,038	4,303
Materials and supplies	67,780	74,850	71,374	3,476
Travel and other charges	71,450	70,763	41,883	28,880
Appropriation to District Attorney - FINS	-	85,738	85,738	-
Appropriation to Criminal Court Fund	76,678	96,713	88,093	8,620
Appropriation to St. Martin Parish Govt.	-	118,618	118,618	-
Capital outlay	26,500	25,500	10,020	15,480
Total expenditures	591,243	754,002	679,205	74,797
Excess (deficiency) of revenues over expenditures	120,697	(110,854)	21,888	132,742
Other financing sources (uses):				
Transfers in	466	5,750	7,450	1,700
Transfers out	(14,000)	(13,900)	(14,326)	(426)
Total other financing sources (uses)	(13,534)	(8,150)	(6,876)	1,274
Net change in fund balance	107,163	(119,004)	15,012	134,016
Fund balance, beginning	859,468	859,468	859,468	-
Fund balance, ending	\$ 966,631	\$ 740,464	\$ 874,480	\$ 134,016

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
Hearing Officer Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
Revenues:				
Fees and fines	\$ 718,400	\$ 752,900	\$ 772,276	\$ 19,376
Interest	466	5,750	7,450	1,700
Total revenues	718,866	758,650	779,726	21,076
Expenditures:				
Current -				
Public safety:				
Salaries and related benefits	591,220	615,284	615,132	152
Operating services	14,394	14,895	11,473	3,422
Professional fees	64,565	61,244	60,449	795
Materials and supplies	15,550	18,230	17,595	635
Travel and other charges	18,050	17,716	8,150	9,566
Capital outlay	8,500	7,500	-	7,500
Total expenditures	712,279	734,869	712,799	22,070
Excess of revenues over expenditures	6,587	23,781	66,927	43,146
Other financing sources (uses):				
Transfer in	14,000	13,900	14,326	426
Transfers out	(466)	(5,750)	(7,450)	(1,700)
Total other financing sources (uses)	13,534	8,150	6,876	(1,274)
Net change in fund balance	20,121	31,931	73,803	41,872
Fund balance, beginning	1,272,638	1,272,638	1,272,638	-
Fund balance, ending	\$ 1,292,759	\$ 1,304,569	\$ 1,346,441	\$ 41,872

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
St. Mary Parish Drug Court Testing Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
Revenues:				
Fees and fines	\$ 3,260	\$ 3,260	\$ 3,310	\$ 50
Interest	226	295	299	4
Total revenues	3,486	3,555	3,609	54
Expenditures:				
Current -				
Public safety:				
Travel	1,413	-	-	-
Appropriation to St. Mary Parish Govt.	-	42,279	42,279	-
Total expenditures	1,413	42,279	42,279	-
Net change in fund balance	2,073	(38,724)	(38,670)	54
Fund balance, beginning	53,140	53,140	53,140	-
Fund balance, ending	\$ 55,213	\$ 14,416	\$ 14,470	\$ 54

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended December 31, 2018

Total OPEB Liability

Service cost	\$ 98,475
Interest	40,497
Changes in benefit terms	-
Effect of economic/demographic gains or losses	612,745
Changes in assumptions	-
Benefit payments and net transfers	<u>(37,782)</u>
Net Changes	713,935
Total OPEB liability - beginning	<u>2,616,060</u>
Total OPEB liability - ending	<u>\$ 3,329,995</u>
Covered employee payroll	\$ 1,238,980
Total OPEB liability as a percentage of covered-employee payroll	268.77%

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Schedule of Employer's Share of Net Pension Asset
For the Year Ended December 31, 2018

<u>Plan Fiscal Year</u>	<u>Plan</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/2017	PERS	0.183845%	\$ (136,458)	\$1,131,600	-12.1%	101.98%
12/31/2016	PERS	0.188998%	302,068	1,120,862	26.9%	94.15%
12/31/2015	PERS	0.192212%	505,957	1,102,069	45.9%	92.23%
12/31/2014	PERS	0.193523%	52,911	1,092,125	4.80%	99.15%

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
 Parishes of Iberia, St. Martin and St. Mary

Schedule of Employer Contributions
 For the Year Ended December 31, 2018

For the Year Ended December 31,	Plan	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2018	PERS	\$136,738	\$136,738	\$ -	\$ 1,189,026	11.50%
2017	PERS	141,450	141,450	-	1,131,600	12.50%
2016	PERS	145,712	145,712	-	1,120,862	13.00%
2015	PERS	159,800	159,800	-	1,102,069	14.50%

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

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Notes to Required Supplementary Information

(1) Budgets

The District Court Judge prepares and adopts a budget in accordance with R.S. 39:1301 et seq. The proposed budget for the year ended December 31, 2018 was made available for public inspection for a two-week period prior to the public hearing (and also at the public hearing) held at the St. Martin Parish Courthouse on December 19, 2017. The proposed budget was formally adopted by the District Court Judge at this time. All appropriations lapse at year-end. The budget is prepared on a modified accrual basis; consistent with the basis of accounting, for comparability of budget and actual revenues and expenditures. Formal budgetary accounts are integrated into the accounting system during the year as a management control device. The District Court Judge is authorized to transfer amounts between line items within each fund. When actual revenues within the General Fund are failing to meet estimated annual budgeted revenues by five percent or more and/or actual expenditures within the General Fund are failing to meet estimated annual budgeted revenues by five percent or more, a budget amendment to reflect such change is adopted by the District Court Judge. Budgeted amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments.

(2) Pension Plan

Changes of assumptions about future economic or demographic factors or of other outputs 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 were provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

(3) Other Postemployment Benefit Plan

Benefit Changes – There were no changes in benefit terms for the year ended December 31, 2018.

Changes of Assumptions – There were no changes of assumptions for the year ended December 31, 2018.

OTHER SUPPLEMENTARY INFORMATION

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
General Fund

For the Year Ended December 31, 2018
With Comparative Actual Amounts for the Year Ended December 31, 2017

	2018			Variance - Positive (Negative)	2017 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Fees and fines	\$ 556,950	\$ 476,100	\$ 520,104	\$ 44,004	\$ 568,103
State grant - FINS	84,072	85,738	85,738	-	79,808
Parish government's reimbursements	67,662	71,635	85,132	13,497	95,358
Interest	207	7,580	8,050	470	502
Other	3,049	2,095	2,069	(26)	3,069
Total revenues	<u>711,940</u>	<u>643,148</u>	<u>701,093</u>	<u>57,945</u>	<u>746,840</u>
Expenditures:					
Current -					
Public safety:					
Salaries and related benefits	190,157	194,964	195,105	(141)	197,172
Operating services	50,308	60,515	46,336	14,179	43,296
Professional fees	108,370	26,341	22,038	4,303	21,053
Materials and supplies	67,780	74,850	71,374	3,476	88,211
Travel and other charges	71,450	70,763	41,883	28,880	44,468
Appropriation to District Attorney - FINS	-	85,738	85,738	-	79,808
Appropriation to Criminal Court Fund	76,678	96,713	88,093	8,620	4,162
Appropriation to St. Martin Parish Govt.	-	118,618	118,618	-	-
Capital outlay	26,500	25,500	10,020	15,480	7,864
Total expenditures	<u>591,243</u>	<u>754,002</u>	<u>679,205</u>	<u>74,797</u>	<u>486,034</u>
Excess (deficiency) of revenues over expenditures	<u>120,697</u>	<u>(110,854)</u>	<u>21,888</u>	<u>132,742</u>	<u>260,806</u>
Other financing sources (uses):					
Transfers in	466	5,750	7,450	1,700	464
Transfers out	(14,000)	(13,900)	(14,326)	(426)	(14,499)
Total other financing sources (uses)	<u>(13,534)</u>	<u>(8,150)</u>	<u>(6,876)</u>	<u>1,274</u>	<u>(14,035)</u>
Net change in fund balance	107,163	(119,004)	15,012	134,016	246,771
Fund balance, beginning	<u>859,468</u>	<u>859,468</u>	<u>859,468</u>	<u>-</u>	<u>612,697</u>
Fund balance, ending	<u>\$ 966,631</u>	<u>\$ 740,464</u>	<u>\$ 874,480</u>	<u>\$ 134,016</u>	<u>\$ 859,468</u>

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
Hearing Officer Fund

For the Year Ended December 31, 2018
With Comparative Actual Amounts for the Year Ended December 31, 2017

	2018			Variance - Positive (Negative)	2017 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Fees and fines	\$ 718,400	\$ 752,900	\$ 772,276	\$ 19,376	\$ 726,566
Parish government's reimbursements	-	-	-	-	11,839
Interest	466	5,750	7,450	1,700	652
Total revenues	<u>718,866</u>	<u>758,650</u>	<u>779,726</u>	<u>21,076</u>	<u>739,057</u>
Expenditures:					
Current -					
Public safety:					
Salaries and related benefits	591,220	615,284	615,132	152	588,087
Operating services	14,394	14,895	11,473	3,422	12,913
Professional fees	64,565	61,244	60,449	795	56,314
Materials and supplies	15,550	18,230	17,595	635	14,372
Travel and other charges	18,050	17,716	8,150	9,566	11,640
Capital outlay	8,500	7,500	-	7,500	6,582
Total expenditures	<u>712,279</u>	<u>734,869</u>	<u>712,799</u>	<u>22,070</u>	<u>689,908</u>
Excess of revenues over expenditures	<u>6,587</u>	<u>23,781</u>	<u>66,927</u>	<u>43,146</u>	<u>49,149</u>
Other financing sources (uses):					
Transfer in	14,000	13,900	14,326	426	14,499
Transfers out	(466)	(5,750)	(7,450)	(1,700)	(464)
Total other financing sources (uses)	<u>13,534</u>	<u>8,150</u>	<u>6,876</u>	<u>(1,274)</u>	<u>14,035</u>
Net change in fund balance	20,121	31,931	73,803	41,872	63,184
Fund balance, beginning	<u>1,272,638</u>	<u>1,272,638</u>	<u>1,272,638</u>	<u>-</u>	<u>1,209,454</u>
Fund balance, ending	<u>\$1,292,759</u>	<u>\$1,304,569</u>	<u>\$1,346,441</u>	<u>\$ 41,872</u>	<u>\$1,272,638</u>

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin and St. Mary

Budgetary Comparison Schedule
St. Mary Parish Drug Court Testing Fund

For the Year Ended December 31, 2018
With Comparative Actual Amounts for the Year Ended December 31, 2017

	2018			Variance - Positive (Negative)	2017 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Fees and fines	\$ 3,260	\$ 3,260	\$ 3,310	\$ 50	\$ 3,450
Interest	226	295	299	4	232
Total revenues	<u>3,486</u>	<u>3,555</u>	<u>3,609</u>	<u>54</u>	<u>3,682</u>
Expenditures:					
Current -					
Public safety:					
Travel	1,413	-	-	-	1,413
Appropriation to St. Mary Parish Govt.	-	42,279	42,279	-	-
Total expenditures	<u>1,413</u>	<u>42,279</u>	<u>42,279</u>	<u>-</u>	<u>1,413</u>
Net change in fund balance	2,073	(38,724)	(38,670)	54	2,269
Fund balance, beginning	<u>53,140</u>	<u>53,140</u>	<u>53,140</u>	<u>-</u>	<u>50,871</u>
Fund balance, ending	<u>\$ 55,213</u>	<u>\$ 14,416</u>	<u>\$ 14,470</u>	<u>\$ 54</u>	<u>\$ 53,140</u>

**INTERNAL CONTROL,
COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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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*

WWW.KCSRPCAS.COM

* A Professional Accounting Corporation

To the Honorable Judges of the
Sixteenth Judicial District Court-District Judge
Parishes of Iberia, St. Martin and St. Mary, Louisiana
New Iberia, Louisiana

We have audited, 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 Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Sixteenth Judicial District Court-District Judge (District Court Judge) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District Court Judge's basic financial statements and have issued our report thereon dated June 20, 2019.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District Court Judge'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 District Court Judge's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Court Judge'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 District Court Judge'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*.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document

Kolder, Slaven & Company, LLC
Certified Public Accountants

New Iberia, Louisiana
June 20, 2019

SIXTEENTH JUDICIAL DISTRICT COURT-DISTRICT JUDGE
Parishes of Iberia, St. Martin, and St. Mary

Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan

Part I. Current Year Findings and Management's Corrective Action Plan

A. Internal Control Findings -

There were no internal control findings.

B. Compliance Findings

There were no compliance findings.

Part II. Prior Year Findings

A. Internal Control Findings -

2017-001 Qualified Staff Person to Apply GAAP

Fiscal year finding initially occurred: 2007

CONDITION The District Court Judge did not have a staff person with the necessary qualifications and training to apply GAAP in recording their financial transactions or to prepare their financial statements and related notes.

RECOMMENDATION: The District Court Judge should evaluate the cost-benefit of establishing internal controls over the preparation of the financial statements and related notes in accordance with GAAP.

CURRENT STATUS: Resolved.

B. Compliance Findings –

There were no compliance findings.

**SIXTEENTH (16th) JUDICIAL DISTRICT
COURT - DISTRICT JUDGE**

New Iberia, Louisiana

Agreed-Upon Procedures Report

Year Ended December 31, 2018

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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To the Honorable Judges of the
Sixteenth Judicial District Court-District Judge
Parishes of Iberia, St. Martin, and St. Mary, Louisiana
New Iberia, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Sixteenth Judicial District Court-District Judge (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. Management of the Entity is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

(The following procedures were not performed since there were no exceptions in the prior year.)

1. Obtain and inspect the Entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the Entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Board or Finance Committee

(The following procedures were not performed since there were no exceptions in the prior year.)

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.
 - c) Obtain the prior year audit report and observe the unrestricted fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

Bank Reconciliations

- 3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the Entity's main operating account. We selected the Entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We tested the Entity's only deposit site.
5. We obtained a listing of collection locations and management's representation that the listing is complete. We tested the Entity's only collection location and deposit site, obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at the collection location, and observed that job duties are properly segregated at the collection location such that:
 - a) The employee responsible for cash collections does not share cash drawers/registers.
 - b) The employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) The employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions is not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We inquired of management that the employee who has access to cash is covered by a bond or insurance policy for theft.
7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly select and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* We obtained supporting documentation for each of the 10 deposits and:
 - a) We observed that receipts are sequentially pre-numbered.
 - b) We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) We traced the deposit slip total to the actual deposit per the bank statement.
 - d) We observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) We traced the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and we observed that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, we obtained the Entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and we obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:
 - a) We observed that the disbursement matched the related original invoice/billing statement.
 - b) We observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

(The following procedures were not performed since there were no exceptions in the prior year.)

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

(The following procedures were not performed since there were no exceptions in the prior year.)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

(The following procedures were not performed since there were no exceptions in the prior year.)

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

17. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, we obtained attendance records and leave documentation for the pay period, and:
 - a) We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) We observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) We observed that any leave accrued or taken during the pay period was reflected in the Entity's cumulative leave records.
18. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulative leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. We obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums had been paid, and associated forms had been filed, by required deadlines.

Ethics

(The following procedures were not performed since there were no exceptions in the prior year.)

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the Entity's ethics policy during the fiscal period.

Debt Service

(The following procedures were not performed since there were no exceptions in the prior year.)

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

(The following procedures were not performed since there were no exceptions in the prior year.)

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the Entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Entity is domiciled.

24. Observe that the Entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions:

No exceptions were found as a result of applying the procedures listed above except:

Disbursements

1. Of the 5 disbursements selected for testing, one transaction did not include evidence of segregation of duties.

Management's response: The Entity will ensure that all expense vouchers are signed by the employee and the supervisor.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 20, 2019