

**SEVENTEENTH JUDICIAL
DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2017

SEVENTEENTH JUDICIAL DISTRICT COURT
Lafourche Parish
Thibodaux, Louisiana

As of and for the Year Ended December 31, 2017

JUDGES

<i>Division A</i>	<i>Honorable John E. Leblanc</i>
<i>Division B</i>	<i>Honorable Steven M. Miller</i>
<i>Division C</i>	<i>Honorable Walter I. Lanier III</i>
<i>Division D</i>	<i>Honorable Christopher Boudreaux</i>
<i>Division E</i>	<i>Honorable F. Hugh Larose</i>

**SEVENTEENTH JUDICIAL DISTRICT COURT
ANNUAL FINANCIAL REPORT**

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SEVENTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

This discussion and analysis of the Seventeenth Judicial District Court's (the Court) financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-Wide Financial Statements) provide information about the governmental activities as a whole and present a longer-term view of the finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplementary Information and Other Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information as a whole and about activities in a way that helps answer the question of "how well is the Court" operating? These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of net position—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating. The governmental activity is general government which is comprised of various programs that include operations of the District Court, Drug Treatment Court and Families in Need of Services – Juvenile Court.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws. The Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

The Court maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Drug Treatment Court Fund and Families in Need of Services – Juvenile Court Program Fund (FINS). The Court adopts an annual appropriated budget for all three funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations liabilities exceeded assets by \$2,628,764 (net position).
- Total net position is comprised of the following:
 - (1) Net Investment in capital assets of \$153,632 including the cost of office equipment and furniture, net of accumulated depreciation.
 - (2) Restricted net position for the Drug Treatment Court and FINS grant programs of \$229,452.
 - (3) Unrestricted net position of \$(3,011,848). The negative unrestricted net position is due to Net Pension Liability (\$3,376,026) and the related Deferred Outflows and Inflows of resources related to the Pension Liability of \$292,112 and \$(60,226) respectively.
- Total spending for all judicial activities was \$3,459,762 for the year, which was \$397,421 more than the program revenues (\$3,062,956) for these activities.

SEVENTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

- The governmental funds reported total ending fund balance of \$361,744, of which \$69,482 was assigned for Families in Need of Services – Juvenile Court, \$159,970 was committed for Drug Court, and the remaining \$132,292 is unassigned. This compares to the prior year ending fund balance – of \$440,615, showing a decrease of \$78,871 during the current year which was due to operations.

FINANCIAL ANALYSIS AS A WHOLE (GWFS)

The Statement of Net Position and the Statement of Activities reports governmental activities. All judicial services are reported as this type. Operating grants and contributions and criminal and civil fees charged finance most of these activities.

The following table is a condensed Statement of Net Position of the governmental-type activities:

	2017	2016	Dollar Change
Current and Other Assets	\$ 445,244	\$ 572,415	\$ (127,171)
Capital Assets	153,632	200,735	(47,103)
Total Assets	598,876	773,150	(174,274)
Deferred Outflows of Resources	292,112	577,363	(285,251)
Current Liabilities	83,500	111,258	(27,758)
Long term liabilities	3,376,026	3,440,082	(64,056)
Total Liabilities	3,459,526	3,551,340	(27,758)
Deferred Inflows of Resources	60,226	31,131	29,095
Net Investment in Capital Assets	153,632	200,735	(47,103)
Restricted	229,452	172,544	56,908
Unrestricted	(3,011,848)	(2,605,237)	(406,611)
Total Net Position	<u>\$ (2,628,764)</u>	<u>\$ (2,231,958)</u>	<u>\$ (396,806)</u>

The Current Net Position decreased by \$396,806 as a result of this year's operations, which indicates that the overall financial position declined during the year.

Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—decreased this year by \$406,611. The net position invested in capital assets decreased by \$47,103 and the restricted net position increased by \$56,908.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

	2017	2016	Dollar Change
Charges for Services	\$ 265,219	\$ 253,394	\$ 11,825
Operating Grants and Contributions	2,797,122	2,904,387	(107,265)
Program Expenses:			
Current	<u>3,459,762</u>	<u>3,449,141</u>	<u>10,621</u>
Total program expenses	<u>3,459,762</u>	<u>3,449,141</u>	<u>10,621</u>
Net program income	(397,421)	(291,360)	106,061
General revenues	<u>615</u>	<u>375</u>	<u>240</u>
Change in Net Position	(396,806)	(290,985)	(105,821)
Net Position:			
Beginning of the year	<u>(2,231,958)</u>	<u>(1,940,973)</u>	<u>(290,985)</u>
End of the year	<u><u>\$(2,628,764)</u></u>	<u><u>\$(2,231,958)</u></u>	<u><u>\$ (396,806)</u></u>

Total revenues for the year in governmental activities were \$3,062,956 (\$3,062,341 in program revenues and \$615 in general revenues). The total cost of all judicial programs and services was \$3,459,762, a slight increase of over \$10,000 due to the increase in expenses recognized for the pension liability and deferred inflows and outflows related to that liability.

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFS)

The Court uses funds to help it control and manage money for particular purposes. Looking at individual funds helps you consider whether the Court is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

The governmental funds reported an ending combined fund balance of \$361,744. This reflects a decrease of \$78,871 from last year. This decrease is primarily the result of the events and programs described within the analysis of the governmental activities.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

Following is some of the changes in major funds:

Most of the General Fund's revenue (\$2,027,649 or 90%) is on-behalf payments for salaries and benefits from the State of Louisiana and the Parish of Lafourche. Another significant source of revenues (\$153,510 or 7%) was from fees generated from criminal and civil cases. The general fund revenues also include \$62,494 grant for PACT Place from the Department of Justice. The major expenditures in the general fund were for salaries and benefits (\$2,154,425), supplies and materials (\$22,233), other services and charges (\$182,363), equipment repair and maintenance (\$28,496) and capital outlay (\$2,530). The beginning fund balance of \$268,071 decreased by \$135,779 to end the year with fund balance of \$132,292.

Another major fund was the Drug Treatment Court Fund. The majority of the revenue (\$398,928) was from the State of Louisiana in the form of a grant and in-kind matches (\$104,191) that coincide with the grant. The Drug Court also collects fees from clients as deemed by the courts (\$101,709). The major expenditures of \$418,591 for salaries, \$121,315 in supplies and materials, and \$146,040 for other services and charges for the drug court program. The beginning fund balance of \$121,275 at the beginning of the year increased by \$38,695 to end the year with a fund balance of \$159,970.

Another major fund was the Families in Need of Service – Juvenile (FINS) Program. Half of the revenues (\$39,672) was from the State of Louisiana in the form of a grant and the other half (\$44,375) is in the form of intergovernmental revenues from various local entities such as the Lafourche Parish School Board, the City Court of Thibodaux and the Criminal Court Fund of Lafourche Parish Government. The major expenditures of \$45,291 for salaries and \$17,857 for rent & utilities and other services were all in connection with the FINS program. The beginning fund balance of \$51,269 increased by \$18,213 to end the year with a fund balance of \$69,482.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

CAPITAL ASSETS

The summary of capital assets as of December 31, 2017 and 2016 is as follows:

	2017	2016
Buildings and renovations	\$ 171,861	\$ 171,861
Intangibles	94,357	94,357
Equipment	572,331	593,516
Total Cost	838,549	859,734
Accumulated Depreciation	684,918	658,999
Net Capital Assets	<u>\$ 153,631</u>	<u>\$ 200,735</u>
Depreciation Expense	<u>\$ 49,633</u>	<u>\$ 76,719</u>

This year there was \$2,530 of additions and \$(23,715) of disposals, and along with depreciation expense of \$49,633 reflecting the net decrease in capital assets of \$47,104. More detailed information about the capital assets is presented in Note 4 to the financial statements.

LONG TERM LIABILITIES

Long term liabilities consist of accumulated unpaid vacation and net pension liability. The following is a summary of the changes in long-term liabilities for the year ended December 31, 2017:

	Compensated Absences	Net Pension Liability
Beginning of the year	\$83,509	\$3,356,573
Net increase (decrease)	10,240	(74,296)
End of Year	\$93,749	\$3,282,277

More detailed information about the capital assets is presented in Note 5 and 6 to the financial statements.

BUDGETS

The budgets were amended during the year. The primary reason for amending the budgets was to comply with state law. The major variances between the original General Fund budget and the final amended budget were as follows:

SEVENTEENTH JUDICIAL DISTRICT COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

Revenues

- Intergovernmental revenues decreased by \$86,848 to better reflect the grant from the Criminal Court Fund the District Court received.
- The DOJ PACT Place grant was increased by \$33,152 to \$62,494.
- Service fees decreased by \$26,146 and
- interest income increased by \$212.

Expenditures

- Personnel services decreased by \$10,016,
- supplies and materials decreased by \$221,
- repair and maintenance increased by \$5,345, and
- Other services and charges increased by \$42,365 primarily for professional fees, contract labor – Security Service, Insurance and seminars and training.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2018 budget were:

1. any changes in rates, fees, and grant funding for the next fiscal year
2. any new laws and regulations enacted that would apply to the upcoming year
3. any new revenue sources or expenditures not previously encountered.

Highlights of next year's adopted budget for the general fund (excluding on-behalf payments) include:

Beginning Fund Balance	\$ 159,118
Projected Revenue	415,120
Projected Expenditures	<u>(308,400)</u>
Ending Fund Balance	<u><u>\$ 265,838</u></u>

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Honorable Judge John E. LeBlanc, Chief Judge,
201 Green St. 1st Floor
Thibodaux, LA 70301
Phone: 985-447-3780

FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Judges of the Seventeenth Judicial District Court
Lafourche Parish
Thibodaux, Louisiana

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Seventeenth Judicial District Court as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 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 basic 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 risk 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 includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the basic 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 Seventeenth Judicial District Court as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Required Supplementary Information, as listed in the foregoing table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Government 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 basic financial statements as a whole. The other information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information, directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 25, 2017, on our consideration of internal control over financial reporting and 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 result 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 internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
June 27, 2018



SEVENTEENTH JUDICIAL DISTRICT COURT

LAFOURCHE PARISH, LOUISIANA

Statement of Net Position - Governmental Activities

December 31, 2017

ASSETS

Cash and cash equivalents	\$	327,921
Investments		7,601
Due from other governments		109,722
Capital Assets, net of depreciation		153,632
TOTAL ASSETS		<u>598,876</u>

DEFERRED OUTFLOWS OF RESOURCES

292,112

LIABILITIES

Current Liabilities

Accounts payable and accrued expenses		78,881
Due to other governments		4,619
Current liabilities		<u>83,500</u>

Non-Current Liabilities

Compensated absences		93,749
Net Pension liability		3,282,277
Non-Current Liabilities		<u>3,376,026</u>
TOTAL LIABILITIES		<u>3,459,526</u>

DEFERRED INFLOWS OF RESOURCES

60,226

NET POSITION

Net invested in capital assets		153,632
Restricted for:		
Drug Treatment Court		229,452
Unrestricted		(3,011,848)
TOTAL NET POSITION		<u>\$ (2,628,764)</u>

See Notes to Financial Statements.

SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA
Statement of Activities - Governmental Activities
For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Expenses	Charges for services	Operating Grants & Contributions	Capital Grants & Contributions	Net (Expense) Revenue
Judicial activities:	\$ 3,459,762	\$ 265,219	\$ 2,797,122	\$ -	\$ (397,421)
Total governmental activities	3,459,762	265,219	2,797,122	-	(397,421)
GENERAL REVENUES					
Interest earned					615
TOTAL GENERAL REVENUES					615
CHANGE IN NET POSITION					(396,806)
NET POSITION:					
Beginning of year					(2,231,958)
End of year					\$ (2,628,764)

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

Balance Sheet - Governmental Funds
December 31, 2017

	General Fund	Drug Treatment Court	FINS Program Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 112,895	\$ 146,723	\$ 68,303	\$ 327,921
Investments	7,601	-	-	7,601
Due from other governmental units	11,796	91,863	6,063	109,722
Total Assets	<u>\$ 132,292</u>	<u>\$ 238,586</u>	<u>\$ 74,366</u>	<u>\$445,244</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable & accrued liabilities	\$ -	\$ 78,616	\$ 265	\$ 78,881
Due to other governmental units	-	-	4,619	4,619
Total liabilities	<u>-</u>	<u>78,616</u>	<u>4,884</u>	<u>83,500</u>
Fund Balances:				
Committed for Drug Court	-	159,970	-	159,970
Assigned for:				
FINS	-	-	69,482	69,482
Unassigned	132,292	-	-	132,292
Total Fund Balances	<u>132,292</u>	<u>159,970</u>	<u>69,482</u>	<u>361,744</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 132,292</u>	<u>\$ 238,586</u>	<u>\$ 74,366</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds	-
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds - net book value:	153,632
Long term liabilities are not due and payable in the current period and therefore not reported in governmental funds:	
Compensated absences	(93,749)
Net Pension liability	(3,282,277)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	
Deferred outflows - contributions	172,412
Deferred outflows - others	119,700
Deferred inflows - proportionate share	<u>(60,226)</u>
	<u>231,886</u>
Net assets of governmental activities	<u>\$ (2,628,764)</u>

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFORCHE PARISH, LOUISIANA**

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2017

REVENUES	General Fund	Drug Treatment Court	FINS Program Fund	Total Governmental Funds
Intergovernmental:				
State of Louisiana	\$ -	\$ 398,928	\$ 39,672	\$ 438,600
TANF	-	119,813	-	119,813
DOJ Pact Place Grant	62,494	-	-	62,494
On-behalf payments received	2,027,649	-	-	2,027,649
Other local governments	-	104,191	44,375	148,566
Service fees:				
Sheriff's Office	135,420	-	-	135,420
Clerk of Court	28,090	-	-	28,090
Charges for services	-	101,709	-	101,709
Interest	615	-	-	615
TOTAL REVENUES	<u>2,254,268</u>	<u>724,641</u>	<u>84,047</u>	<u>3,062,956</u>
EXPENDITURES				
Current - General government - Judicial				
Personnel Services:				
Salaries and related benefits	126,776	418,591	45,291	590,658
On-behalf payments	2,027,649	-	-	2,027,649
Supplies and materials:				
Supplies	16,587	194	2,444	19,225
Lab testing and supplies	-	121,121	-	121,121
Books, dues, and subscriptions	5,501	-	-	5,501
Comptuer supplies	145	-	-	145
Other services and charges:				
Postage	741	-	100	841
Travel	1,088	-	402	1,490
Professional fees	14,304	60,314	-	74,618
Insurance	6,409	-	-	6,409
Insurance paid for FINS	1,406	-	-	1,406
Seminars and training	6,574	6,393	421	13,388
Rent	14,356	30,755	14,554	59,665
Utilities	-	14,245	1,088	15,333
Telephone	12,850	-	995	13,845
Contract labor	61,439	19,675	-	81,114
Pact Place Grant to LPSO	62,494	-	-	62,494
Miscellaneous	112	14,658	297	15,067
Court cost	590	-	-	590
Maintenance and repair:				
Equipment	28,496	-	242	28,738
Total current expenditures	<u>2,387,517</u>	<u>685,946</u>	<u>65,834</u>	<u>3,139,297</u>
Capital outlay	2,530	-	-	2,530
TOTAL EXPENDITURES	<u>2,390,047</u>	<u>685,946</u>	<u>65,834</u>	<u>3,141,827</u>
Net Changes in Fund Balances	(135,779)	38,695	18,213	(78,871)
FUND BALANCES				
Beginning	268,071	121,275	51,269	440,615
Ending	<u>\$ 132,292</u>	<u>\$ 159,970</u>	<u>\$ 69,482</u>	<u>\$ 361,744</u>

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds (fund financial statements)	\$	(78,871)
<p>Amounts reported for <i>governmental activities</i> in the statement of activities (government-wide financial statements) are different because:</p> <p>Governmental funds report capital outlays as expenditures in the individual fund. Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.</p>		
Capital asset purchases	\$	2,530
Depreciation expense		<u>(49,633)</u>
		(47,103)
<p>Prepaid expenses (assets) consumed in governmental activities are not financial resources when reported as expenditures in the funds</p>		
Increase (Decrease) in Prepaid Assets		(6,814)
<p>Some expenditures reported in the statement of activities do not require the use of current financial resources and, therefore, are not recorded as expenditures in governmental funds</p>		
(Increase) Decrease in compensated absences		(10,240)
<p>Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions are reported as pension expense</p>		
Deduct Employer Pension Contributions		(318,541)
Cost of benefits earned net of employee contributions		<u>64,763</u>
		(253,778)
Change in net assets of governmental activities	\$	<u><u>(396,806)</u></u>

See Notes to the Financial Statements.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Introduction

The Seventeenth Judicial District Court (the Court) is as a level of the judicial branch of government and is charged with trying all cases that involve the government and with the administration of justice within its jurisdiction, which encompasses all of Lafourche Parish. The Seventeenth Judicial District is comprised of five (5) independently elected judges with 6 year-terms.

Note 1 Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements 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 financial statements consist of the government-wide statements (GWFS) on all activities and the governmental fund financial statements (FFS) that report on individual major funds.

B. Reporting Entity

These financial statements present the primary government as defined by GASBS No. 14; component units are legally separate entities that are included in the reporting entity because of the significance of their operating or financial relationships. GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Seventeenth Judicial District is a part of the district court system of the State of Louisiana. The GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity.

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Imposition of will
- Fiscally dependent

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

B. Reporting Entity (continued)

Since, the Judges are independently elected officials, and the district is legally separate and fiscally independent, they are considered a separate governmental reporting entity.

There are unrecorded financial transactions between the Court and the Lafourche Parish Council. The Council provides office space, courtrooms and utilities. These transactions are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability. These financial statements include all funds and activities that are within the oversight responsibility.

C. Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are grouped into two broad categories as follows:

Governmental Fund Types

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the major governmental funds:

The General Fund – The general fund is the general operating fund. It is used to account for all financial resources except those that are required to be accounted for in another fund. The General Fund is always a major fund.

Drug Treatment Court Fund – This fund accounts for the operations of the Lafourche Parish Drug Treatment Court. Financing is provided by the Louisiana Supreme Court, including TANF grant funding, client fees and other grants.

FINS Program Fund – accounts for the operations of the Families in Need of Services – Juvenile Court. Financing is provided by various governmental agencies.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

D. Measurement Focus / Basis of Accounting

Government-Wide Financial Statements (GWFS)

The government-wide financial statements display information as a whole. These statements include all the financial activities. The GWFS include statement of net position and the statement of activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Governmental activities generally are financed through fees, charges for services, intergovernmental revenues and other non-exchange revenues.

Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements (FFS)

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

The amounts reflected in the FFS, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

D. Measurement Focus / Basis of Accounting (continued)

Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Court fines and fees, and interest are recorded when earned and measurable.

Expenditures – The major expenditures are recorded when earned and payable or when incurred. Allocation of cost such as depreciation is not recognized in the governmental funds.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are capitalized at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of the asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

The Court applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees Retirement System (LASERS) - the Plan, and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

SEVENTEENTH JUDICIAL DISTRICT COURT
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 2 Deposits and Investments

Deposits:

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits.

Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value.

At December 31, 2017, the balances of deposits are as follows:

	Reported Balances	Bank Balances
Cash	\$335,522	\$340,332

The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit.

Custodial credit risk is the risk that in an event of a bank failure, deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank. The Court has a written policy for custodial credit risk. Of the total bank balance, \$160,506 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Court's name.

The market values of the pledged securities plus the federal deposit insurance (FDIC) must equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At year-end cash and certificates of deposit in excess of the FDIC insurance were adequately collateralized by securities held by unaffiliated banks for the accounts of the Court (\$333,137).

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 2 Deposits and Investments (Continued)

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 40, R.S. 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 entity that the fiscal agent has failed to pay deposited funds upon demand.

Investments:

State statutes authorize the Court to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP). As a means of limiting its exposure to fair value losses arising from interest rates, the investment policy limits investments to securities with less than six months from the date of the purchase unless the investment is matched to specific cash flow.

Investment credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The investment policy requires the application of the prudent-person rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of such funds in an effort to minimize risk while earning maximum returns.* The investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAM.

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Court will not be able to recover the value of its investments to collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 2 Deposits and Investments (Continued)

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.

Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

Investments in LAMP amounted to \$7,601 and are classified investments.

A summary of deposits and investments is as follows:

Reported amount of deposits	\$327,821
Reported amount of investments	7,601
Petty Cash	100
Total	\$335,522
Cash	\$327,921
Investments-LAMP	7,601
Total	\$335,522

Note 3 Due from Other Governmental Units

Amounts due from other governmental units consisted of the following:

	General	Drug Court	FINS	Totals
LA Supreme Court		\$91,863		\$91,863
Lafourche Parish:				
Clerk of Court	\$ 1,990			1,990
Sheriff	9,806			9,806
School Board			\$5,063	5,063
City of Thibodaux			1,000	1,000
TOTALS	\$11,796	\$55,096	\$6,063	\$109,722

SEVENTEENTH JUDICIAL DISTRICT COURT
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 4 Capital Assets

Capital assets and depreciation activity is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated:				
Building renovations	\$171,861	\$ -		\$171,861
Intangibles	94,357	-		94,357
Equipment	593,516	2,530	(23,715)	572,331
Total Cost	\$859,734	\$2,530	\$(23,715)	\$ 838,549
Less accumulated depreciation for:				
Building renovations	\$59,699	\$4,762		\$64,460
Intangibles	78,630	15,726		94,357
Equipment	520,670	29,145	(23,715)	526,100
Total accumulated depreciation	\$658,999	\$ 49,633	\$(23,715)	684,918
Total capital assets, net	\$200,735			\$153,632

Depreciation expense for the year recorded for governmental activities was \$49,633.

Note 5 Long-Term Obligations

Long term obligations consist of accumulated unpaid vacation and net pension liability. The following is a summary of the changes in long-term obligations:

	Compensated Absences	Net Pension Liability
Beginning of the year	\$83,509	\$3,356,573
Net increase (decrease)	10,240	(74,296)
End of Year	\$93,749	\$3,282,277

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans

The judges are members of the Louisiana State Employees' Retirement System (LASERS), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees. LASERS membership includes rank & file state employees and special plans for: judges, certain legislative officials and statewide elected officials, correctional officers in the Department of Safety and Corrections, bridge police for the Crescent City Connection, enforcement agents with the Department of Wildlife and Fisheries, Alcohol and Tobacco Control officers, and peace officers. The judges are paid by the Louisiana State Supreme Court and their contributions to LASERS are made by the Supreme Court. The proportionate share of the Net Pension Liability for the Judge's is included in the Judicial Branch of Louisiana on LASERS Employer Pension Report and is not reported on the Court's financial statements.

Employees who work for the Court are paid by the Lafourche Parish Council and are also members of the Louisiana State Employees Retirement System (LASERS). The contributions to LASERS is made by the Parish for the payroll generated by the parish for the Court employees (court employee, drug court, and FINS employees). The Court employees are all paid by the Parish; however, the majority of the salaries and benefits paid by the parish for the court employees is reimbursed by the 17th Judicial Court except what the Judges have budgeted in their Parish General Funds. The Judges determine the sources and amounts of income for their employees. The salaries and related contributions paid by the Parish are included in the Court's financial statement as on-behalf payments; therefore, the related net pension liability, deferred inflows and outflows related to the net pension liability for the LASERS contributions paid by the Parish are reported on the Court's financial statements. Payments made on behalf of the Court employees for pension benefits to the LASERS by the Parish for the year ending December 31, 2017 is \$318,541.

GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and RSI. In the past as long as the government paid its Annual Required Contribution, there would be no recorded liability.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Louisiana State Employees' State System

Plan Description – The Court, through on-behalf payments by the Parish, contribute to the Louisiana State Employees' State System (the System), a cost-sharing multiple-employer defined benefit pension plan established by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) to provide retirement allowances and other benefits to eligible state officers, employees and their beneficiaries, which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and permanent benefit increases and cost of living adjustments to plan members and beneficiaries.

The System is governed by Louisiana Revised Statutes 11:401, specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided - LASERS membership has specific membership requirements established by legislation, with LASERS established for state officers, employees, and their beneficiaries which include judges. The age and years of creditable service required in order for a member to retire with full benefits are established by state statute, and vary depending on the member's hire date, employer, and job classification. The majority of our rank and file member may either retire with full benefits:

- 30 years of creditable service at any age, or
- 5-10 years of creditable service depending on their plan who has attained age 60, or
- 20 years of creditable service at any age with an actuarially reduced benefit.

The basic annual retirement benefit for members is equal to 2.5 to 3.5 of average compensation multiplied by the number of creditable years of service. Average compensation is defined as the member's average annual earned compensation for the highest consecutive months of employment for members employed prior to July 1, 2006.

For members hired after July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement.

SEVENTEENTH JUDICIAL DISTRICT COURT
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of year of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire:

- 5 years of creditable service at age 60, or
- 20 years of creditable service at any age with an actuarially reduced benefit.

Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 23 years of creditable service at any age or with reduced benefits after 20 years or creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does to withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification but generally is ten years of service.

Deferred Retirement Option Program (DROP) – The State Legislature authorized LASERS to established a deferred retirement option plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third party provider.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Initial Benefit Option Plan – Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of ½% less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits - All members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

Survivor Benefits – Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of 20 years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child.

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

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

Contributions – The employer contribution rate is established annually under LA RS 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially determined employer contribution rate.

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Actual Rates for the years ending June 30, 2017, for employees hired before 7/1/06 were 35.8% for employer contributions and 7.5% for employee contributions and employees hired after 7/1/06 were 35.8% for all employer contributions and 8.0% for all employee contributions.

The current rate was 35.8% and 37.9% of annual covered payroll from January 1, 2017 to June 30, 2017 and July 1, 2017 to December 31, 2017, respectively. The contribution requirements of plan members employees and employers are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Court contributions to LASERS for the year ending December 31, 2017 was \$318,541, respectively, equal to the required contributions for each year.

Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:

As of June 30, 2017 (the measurement date), the Court reported a total of \$3,282,277 for its proportionate shares of the net pension liability, reported as governmental activities.

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016 and 2017, the proportions of the plan was as follows:

<u>Plan</u>	<u>Proportionate share</u>	
	<u>6/30/16</u>	<u>6/30/17</u>
LASERS	0.04275%	0.046630%

For the year ended June 30, 2017, the Court recognized \$300,343 as its proportionate share of pension expense for the LASERS plan, and in addition, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SEVENTEENTH JUDICIAL DISTRICT COURT
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

<u>Plan</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in Assumptions	\$12,967	\$ -
Net difference between projected and actual earnings on pension plan investments	106,733	(60,226)
District contributions subsequent to the measurement date	<u>172,412</u>	<u>-</u>
TOTALS	<u>\$ 292,112</u>	<u>\$ (60,226)</u>

The deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ (13,149)
2019	96,021
2020	42,713
2021	\$(66,080)

Actuarial assumptions:

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

SEVENTEENTH JUDICIAL DISTRICT COURT
Notes to Financial Statements
For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

<u>Plan</u>	<u>LASERS</u>
Inflation	2.75%
Discount rate used To measure pension liability	7.70%
Salary increases	Vary from 2.8% to 5.3% for Judges
Investment rate of return	7.70%
Actuarial cost method	Entry age normal
Expected remaining service lives	3 years
Cost of Living Adjustment	none

Mortality rates for LASERS were based on the RP-2000 Combined Healthy Mortality Table for Non-disabled members, and RP-2000 Disabled Retiree Mortality Tables, with no projection for mortality improvement for disabled members.

The long-term expected rate of return on the pension plan investments was determined using a building block method in which best estimates ranges of expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 8.69% for the years ending June 30, 2017.

The best estimates of real rates of return for each major asset class included in the pension plans' target asset allocation, as of June 30, 2017, are summarized in the following table:

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
LASERS:		
Cash	0%	-0.24%
Domestic Equity	25%	4.31%
International Equity	32%	5.35%
Domestic Fixed Income	8%	1.73%
International Fixed Income	6%	2.49%
Alternative Investments	22%	7.41%
Global Tactical Asset Allocation	7%	2.84%
Total Fund		5.26%

Rates of return are presented as geometric means for LASERS.

The discount rate used to measure the total pension liability was 7.70%. The investment rates of return were determined based on expected cash flows which assume that contributions from plan members will be made at current contribution rates and that contributions from the participating employers will be made at the actuarially determined rates approved by the Louisiana Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the investment rate of return on plan investments was applied as the discount rate to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liabilities to changes in the discount rate:

The following presents the proportionate shares of the net pension liabilities of the plans, calculated using the discount rates as shown above, as well as what the proportionate shares of the net pension liabilities 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:

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 6 Pension Plans, (Continued)

Plan	1% Decrease 6.70%	Current Discount Rate 7.70%	1% Increase 8.70%
LASERS	\$4,120,526	\$3,282,277	\$2,569,566

Pension plan fiduciary net position:

Detailed information about the Plans' fiduciary net position is available in the separate issued financial statements of the Plans.

Payables to the pension plans:

At year end there was no amounts due to the pension plans for employer and employee required contributions.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, 225-922-0600.

Note 7 Risk Management

The Court is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the Court has purchased commercial or other insurance for the losses to which it is exposed. No settlements were made during the year that exceeded insurance coverage.

Note 8 On-Behalf Payment and In-Kind Payments

GASB Statement 24 Accounting and Financial Reporting for Certain Grants and Other Financial Assistance requires that on-behalf payments for salaries and fringe benefits be recognized as revenue and expenditures in the employer government's financial statements. On-behalf payments for salaries and fringe benefits are direct payments made by one entity (the paying entity or paying government) to a third-party recipient for the employee of another, legally separate entity (the employer entity or employer government).

SEVENTEENTH JUDICIAL DISTRICT COURT

Notes to Financial Statements

For the Year Ended December 31, 2017

Note 8 *On-Behalf Payment and In-Kind Payments (continued)*

The amount recognized as intergovernmental revenue and personal services expenditures as on-behalf payments amount to \$2,027,649. Included in the on-behalf payments are contributions to pension plans. Employees belong to the Louisiana State Employees' Retirement System Pension Plan and the Lafourche Parish Council contributes to this pension plan on behalf of the Court. The Judges belong to the Louisiana State Employees' Retirement System Pension Plan and the State of Louisiana contributes to this pension plan on behalf of the Court.

On-behalf payments received and paid by the State of Louisiana and the Lafourche Parish Council in the General Fund were not budgeted in revenues or expenditures for the General Fund budget.

Note 9 *Operating Leases*

The Court has entered into two leases, one for six copy machines for office operations and another for a lease for the rent of building space for the FINS program. The monthly minimum lease payments are \$1,419 for the copy machines.

**REQUIRED SUPPLEMENTARY
INFORMATION**

SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA
 Budget Comparison Schedule - General Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Lafourche Parish Government Criminal Court	\$ 120,000	\$ -	\$ -	-
DOJ Pact Place Grant	29,342	62,494	62,494	-
Service fees:				
Sheriff's Office	145,000	126,430	135,420	8,990
Clerk of Court	30,000	26,106	28,090	1,984
Interest	120	332	615	283
TOTAL REVENUES	<u>324,462</u>	<u>215,362</u>	<u>226,619</u>	<u>11,257</u>
EXPENDITURES				
Current - General government - Judicial				
Personnel Services				
Salaries and related benefits	125,000	114,984	126,776	(11,792)
Supplies and materials				
Supplies	11,000	10,964	16,587	(5,623)
Books, dues, and subscriptions	4,950	5,305	5,501	(196)
Computer supplies	2,000	1,460	145	1,315
Other services and charges				
Postage	250	176	741	(565)
Travel	3,000	1,307	1,088	219
Professional fees	9,900	12,837	14,304	(1,467)
Insurance	8,500	6,909	6,409	500
Insurance paid for FINS	1,500	1,687	1,406	281
Seminars and training	5,000	6,797	6,574	223
Laundry and uniforms	100	100	-	100
Rent	17,250	17,051	14,356	2,695
Telephone	13,000	13,140	12,850	290
Contract labor -Security Service	58,000	62,961	61,439	1,522
Pact Place Grant to LPSO	29,342	62,494	62,494	-
Miscellaneous	3,000	3,560	112	3,448
Court cost	3,300	5,709	590	5,119
Maintenance and repair				
Equipment	39,000	44,345	28,496	15,849
Total current expenditures	<u>334,092</u>	<u>371,786</u>	<u>359,868</u>	<u>11,918</u>
Capital outlay	9,000	2,529	2,530	(1)
TOTAL EXPENDITURES	<u>343,092</u>	<u>374,315</u>	<u>362,398</u>	<u>11,917</u>
Net Changes in fund Balances	(18,630)	(158,953)	(135,779)	23,174
FUND BALANCES				
Beginning	268,071	318,071	268,071	(50,000)
Ending	<u>\$ 249,441</u>	<u>\$ 159,118</u>	<u>\$ 132,292</u>	<u>\$ (26,826)</u>

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - Drug Treatment Court
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
State of Louisiana - Supreme Court	\$ 420,000	\$ 390,966	\$ 398,928	\$ 7,962
State of LA - Supreme Court - TANF	122,000	124,560	119,813	(4,747)
Lafourche Parish Sheriff's Office	5,000	-	-	-
Charges for services:				
Client fees	125,000	108,214	101,709	(6,505)
TOTAL REVENUES	<u>672,000</u>	<u>623,740</u>	<u>620,450</u>	<u>(3,290)</u>
EXPENDITURES				
Current - General government - Judicial				
Personnel Services	225,000	136,079	418,591	(282,512)
Treatment	315,000	357,590	19,675	337,915
Lab testing & Supplies	102,000	135,978	121,121	14,857
Lab personnel	-	9,642	-	9,642
Office expenses	14,500	13,922	194	13,728
Travel and training	7,500	7,669	6,393	1,276
Other services	6,750	4,058	14,658	(10,600)
Rent - Equipment & Office	200	192	1,123	(931)
TOTAL EXPENDITURES	<u>670,950</u>	<u>665,130</u>	<u>581,755</u>	<u>83,375</u>
Net Changes in fund Balances	1,050	(41,390)	38,695	(86,665)
FUND BALANCES				
Beginning	122,525	122,525	121,275	(1,250)
Ending	<u>\$ 123,575</u>	<u>\$ 81,135</u>	<u>\$ 159,970</u>	<u>\$ 78,835</u>

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

Budget Comparison Schedule - FINS Program Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Louisiana Supreme Court	\$ 35,904	\$ 35,152	\$ 39,672	\$ 4,520
Lafourche Parish School Board	22,500	22,500	21,375	(1,125)
City of Thibodaux	12,000	12,000	12,000	-
Lafourche Parish Criminal Court Fund	12,000	12,000	11,000	(1,000)
TOTAL REVENUES	<u>82,404</u>	<u>81,652</u>	<u>84,047</u>	<u>2,395</u>
EXPENDITURES				
Current - General government -Judicial:				
Personnel Services				
Salaries and related benefits	44,000	43,811	45,291	(1,480)
Supplies and materials				
Supplies	800	1,748	2,444	(696)
Other services and charges				
Postage	270	120	100	20
Travel	900	625	402	223
Utilities	1,600	1,154	1,088	66
Seminars and training	1,100	415	421	(6)
Rent	13,440	15,000	13,440	1,560
Equipment rental	1,200	1,116	1,114	2
Telephone	1,000	1,194	995	199
Miscellaneous	700	-	297	(297)
Maintenance and repair	500	291	242	49
TOTAL EXPENDITURES	<u>65,510</u>	<u>65,474</u>	<u>65,834</u>	<u>(360)</u>
Net Changes in fund Balances	<u>16,894</u>	<u>16,178</u>	<u>18,213</u>	<u>2,035</u>
FUND BALANCES				
Beginning	51,269	51,269	51,269	-
Ending	<u>\$ 68,163</u>	<u>\$ 67,447</u>	<u>\$ 69,482</u>	<u>\$ 2,035</u>

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
Louisiana State Employees Retirement System (LASERS)
Last Ten Fiscal Years ****

For Fiscal Year Ended Measurement Date	December 31, 2015 June 30, 2015	December 31, 2016 June 30, 2016	December 31, 2017 June 30, 2017
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY			
Proportion of the net pension liability	0.04084%	0.042750%	0.046630%
Proportionate share of the net pension liability	\$ 2,777,736	\$ 3,356,573	\$ 3,282,277
Covered employee payroll	\$ 784,964	\$ 802,276	\$ 846,566
Proportionate share of the net pension liability as a percentage of its covered employee payroll	353.87%	418.38%	387.72%
Plan fiduciary net position as a percentage of the total	62.66%	57.70%	62.54%
SCHEDULE OF CONTRIBUTIONS			
Contractually required contribution	\$ 290,527	\$ 300,359	\$ 318,541
Contributions made	(290,527)	(300,359)	(318,541)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 784,964	\$ 802,276	\$ 846,566
Contribution as a percentage of covered employee payroll	37.01%	36.49%	36.49%

** Note: Initial Year of GASB 68 Implementation was 2015. This schedule is intended to show information for 10 years. Additional Years will be displayed as they become available.

Notes to Required Supplementary Information

Changes of Benefit Terms No change No change No change

Changes of Assumptions

Inflation rate	2.75%	3.00%	3.00%
Discount rate used to measure pension liability	7.70%	7.75%	7.75%
Salary increases	Vary from 2.8% to 5.3% for Judges	Vary from 3.0% to 5.5% for Judges	Vary from 3.0% to 5.5% for Judges
Investment rate of return	7.70%	7.75%	7.75%
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Expected remaining service lives	3 years	3 years	3 years
Cost of living adjustment	None	None	None

OTHER INFORMATION

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH, LOUISIANA**

Schedule Of Compensation, Benefits And Other Payments To Agency Head Or Chief Executive Officer
For the Year Ended December 31, 2017

AGENCY HEADS: ALL DISTRICT JUDGES

	Division A	Division B	Division C	Division D	Division E
	Judge John E LeBlanc	Judge Steven M. Miller	Judge Walter I Lanier, II	Judge Christopher Boudreaux	Judge F. Hugh (Buddy) Larose
Purpose					
Salary paid by the State of LA (on-behalf)	\$150,381	\$150,381	\$150,381	\$150,381	\$150,381
Benefits - insurance - paid by the State of LA (on-behalf)	\$9,180	\$9,180	\$9,180	\$9,180	\$8,796
Benefits - retirement paid by the State of LA (on-behalf)	\$55,151	\$55,151	\$55,151	\$55,151	\$55,151
Benefits - other (Medicare) - paid by the State of LA (on-behalf)	\$2,181	\$2,181	\$2,181	\$2,181	\$2,181
Benefits - other	\$0	\$0	\$0	\$0	\$0
Car allowance	\$0	\$0	\$0	\$0	\$0
Vehicle provided by government	\$0	\$0	\$0	\$0	\$0
Cell phone	\$1,313	\$1,771	\$1,565	\$1,238	\$1,499
Dues	\$0	\$0	\$0	\$0	\$0
Vehicle rental	\$0	\$0	\$0	\$0	\$0
Per diem	\$0	\$0	\$0	\$0	\$0
Reimbursements	\$0	\$1,770	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0
Registration fees	\$1,160	\$1,600	\$925	\$575	\$1,750
Conference travel	\$0	\$0	\$0	\$0	\$0
Travel Reimbursment - from Supreme Court	\$0	\$0	\$0	\$0	\$0
Continuing professional education fees	\$0	\$0	\$0	\$0	\$0
Housing	\$0	\$0	\$0	\$0	\$0
Unvouchered expenses	\$0	\$0	\$0	\$0	\$0
Special meals - monthly lunch meeting - all judges	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0
TOTAL	\$219,366	\$222,034	\$219,383	\$218,706	\$219,758

***REPORTS REQUIRED BY
GOVERNMENT AUDITING
STANDARDS***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Judges of the Seventeenth Judicial District
Lafourche Parish
Thibodaux, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the governmental activities and each major fund of the Seventeenth Judicial District Court for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated June 27, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 charge 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (2008-1).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Seventeenth Judicial District Court's Response to Findings

The Court's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The response was not subjected to the auditing procedures applied in the audits of the financial statements and accordingly, we express no opinion on it.

Purpose of this Report

This report is intended 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 Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
June 27, 2018



SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH
Thibodaux, Louisiana
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

We have audited the basic financial statements of the governmental activities and each major fund of the Seventeenth Judicial District Court as of and for the year ended December 31, 2017, and the related notes to the financial statements and have issued our report thereon dated June 27, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Our audit of the financial statements resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

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

Internal Control

Material Weaknesses	No
Significant Deficiencies	YES

Compliance

Compliance Material to Financial Statements	No
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b. *Federal Awards* **Not applicable**

Internal Control

Material Weaknesses	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Reportable Conditions	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Type of Opinion On Compliance	Unqualified <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Qualified	<input type="checkbox"/>	
For Major Programs	Disclaimer <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		Adverse	<input type="checkbox"/>	

Are their findings required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Circular)?

c. *Identification of Major Programs:* **Not applicable**

CFDA Number (s)	Name of Federal Program (or Cluster)
-----------------	--------------------------------------

Dollar threshold used to distinguish between Type A and Type B Programs: \$____
Is the auditee a 'low-risk' auditee, as defined by Uniform Circular

SEVENTEENTH JUDICIAL DISTRICT COURT
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017
Page 2 of 2

Section II Financial Statement Findings

Internal Control

2008-1 CONSOLIDATED FINANCIAL REPORTING

Criteria: Effective internal controls requires that an entity have staffing with the technical expertise, knowledge and available time to prepare or oversee the preparation of consolidated financial statements and all disclosures in accordance with generally accepted accounting principles as part of its control process.

Condition: Management has elected to utilize multiple accountants to perform bookkeeping services for its various funds. Therefore, it has no single entity currently assembling or overseeing its consolidated financial statements and necessary disclosures in accordance with generally accepted accounting principles.

Effect: Seventeenth Judicial District Court has a recognized deficiency in internal control.

Cause: Seventeenth Judicial District Court has not determined a need for a single entity to be utilized for assembly of the consolidated financial statements and necessary disclosures.

Recommendation: We recommend that management consider the need for utilization of an entity to prepare or oversee the preparation of the consolidated financial statements and necessary disclosures.

Questioned Costs: NONE

Context: Systematic

Section III Federal Award Findings - NONE

**SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH
THIBODAUX, LOUISIANA**

Summary Schedule of Prior Year Findings
For the Year Ended December 31, 2017

REFERENCE #	CORRECTIVE ACTION
SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
2008-1 Management of the Seventeenth Judicial District Court has elected to utilize multiple accountants to perform bookkeeping services for its various funds. Therefore, it has no single entity currently assembling or overseeing its consolidated financial statements and necessary disclosures in accordance with generally accepted accounting standards	Unresolved
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
NONE ISSUED	

NOTES TO SCHEDULE:

This summary schedule includes all prior audit findings and management letter findings.

In the reference number, the first 4 digits are the year that the audit finding related to.

SEVENTEENTH JUDICIAL DISTRICT COURT
LAFOURCHE PARISH
CURRENT YEAR FINDINGS, RECOMMENDATIONS
AND CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2017

SECTION I – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:

Internal Control

Reference #: **2008-1**

Consolidated Financial Reporting

Description of Finding:

Management of the Seventeenth Judicial District Court has elected to utilize multiple accountants to perform bookkeeping services for its various funds. Therefore, it has no single entity currently assembling or overseeing its consolidated financial statements and necessary disclosures in accordance with generally accepted accounting principles.

Recommendation:

We recommend that management consider the need for utilization of an entity to prepare or oversee the preparation of the consolidated financial statements and necessary disclosures.

Corrective Action Planned:

Management does not consider the benefit of this recommended improvement to outweigh the cost of implementation.

Name of Contact Person: Judge John E. LeBlanc

Anticipated Completion Date: NA

Compliance

No compliance findings material to the financial statements were noted during the year ended December 31, 2017.

SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS
NO FINDINGS TO REPORT

SECTION III – MANAGEMENT LETTER COMMENTS:
NO FINDINGS TO REPORT



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

AGREED-UPON PROCEDURES REPORT

Seventeenth Judicial District Court
Lafourche Parish
Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2017 – December 31, 2017

To the Honorable John E. LeBlanc, Chief Judge
Seventeenth Judicial District Court and
Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Seventeenth Judicial District Court, Lafourche Parish (the Court) 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, 2017 through December 31, 2017. The Court's management 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 results are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - 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**, including receiving, recording, and preparing deposits.
- 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, and (5) monitoring card usage.
- 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) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: The policies of the Court address all the applicable functions listed above except for:

- 1a) The Court does not have a policy on budgeting.
- 1b) The Court's policy does not specifically address how purchases are initiated; controls to ensure compliance with the public bid law; or documentation required to be maintained for all bids and price quotes.
- 1f) The Court does not have a policy on contracting.

Management's Response: The Courts funds are budgeted and are in compliance with the Local Government Budget Act. The Judges will review and address the functions not listed in the purchasing policy. The Court follows public bid laws for contracting.

Board (or Finance Committee, if applicable)

- 2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g., approval of contracts and disbursements) for at least one meeting during the fiscal period.

Results: This procedure is not applicable.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Results: We obtained a listing of bank accounts from management and management's representation that the listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three-year rotating basis (if more than five accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
 - c) If applicable, management has documentation reflecting that it has researched items that have been outstanding for more than 6 months reconciling as of the end of the fiscal period.

Results: We selected 3 bank checking accounts for testing. All bank accounts are reconciled timely. The General Fund bank reconciliation did include evidence the Judge reviewed each bank reconciliation. The Drug Court bank reconciliation did not have any evidence of management's review. There were no bank reconciliations provided for the FINS account. There were no outstanding checks or deposits for more than 6 months on any of the reconciliations.

Management's Response: The Drug Court and FINS bank statements are reconciled by an outside accounting firm and are stored there.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Results: We obtained from management a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three-year rotating basis (if more than five locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g., insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.
- b) Obtain existing written documentation (e.g., sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Results: There were 3 cash collection locations tested. Each person responsible for collecting cash is bonded. The same person who collects the money for the General Fund also deposits the funds. The person responsible for collecting cash for the General Fund is not responsible for reconciling cash collections to the general ledger. The Court has a formal process to reconcile cash collections to the general ledger. Of the 23 deposits selected for testing, 16 were not deposited within one day of collection. All of the deposits tested had supporting documentation.

Managements Response: Due to the size of the staff and the nature of the deposits the control over the collections is adequate. All of the 16 deposits not made within one day of collection were small deposits for client fees between \$25-\$260 and were made between 2 and 7 days of collection. The Court is following its policy for collections and deposits.

7. Obtain existing written documentation (e.g., policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

Results: The Court has a process specifically defined to determine completeness of all collections for each revenue source.
deposits.

Disbursements - General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Results: We obtained from management a disbursement listing and management's representation that the listing is complete.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g., purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
 - b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
 - c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; (2) a receiving report showing receipt of goods purchased, or electronic equivalent; and (3) an approved invoice.

Results: We obtained supporting documentation for 25 disbursements. The criteria in steps 9(a) and 9(b) were not applicable. For 10 out of the 25 tested per 9(c) there was no evidence for approval for disbursement.

Management's Response: All of the disbursements (10) that were not approved for payment were disbursed from the FINS account. We will provide written evidence for approval before payment for future disbursements.

10. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Results: This is not addressed in the policies provided.

11. Using entity documentation (e.g., electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Results: The persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Results: No exceptions were identified as a result of these procedures.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Results: No exceptions were identified as a result of these procedures.

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

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Results: The Court does not have any such cards. We obtained management's representation that there are none.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Results: This procedure is not applicable.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e., each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization).
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/ disbursement policies and the Louisiana Public Bid Law (i.e., transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
 - c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., cash advances or non-business purchases, regardless of whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

Results: This procedure is not applicable.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Results: We obtained the listing of all travel and related expense reimbursements from the detail general ledger and we obtained management's representation that the list was complete.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Results: The Court is governed by La Supreme rules on travel and expense reimbursements.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g., hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: Each reimbursement was supported by a receipt, however 1 had no evidence of written approval for payment.

Management's Response: The 1 exception with no approval was from the FINS program.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Results: We obtained a listing of all contracts in effect during the fiscal period. We obtained management's representation that the listing is complete.

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)
 - If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g., Lawrason Act or Home Rule Charter).

Results: No exceptions were noted.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Results: We obtained a listing of employees with their related salaries, and we obtained management's representation that the listing is complete. For all employees selected, payments were made in strict accordance with the terms and conditions of the pay rate structure. No changes were made during the fiscal period for the five employees selected.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Results: No exceptions were identified as a result of these procedures.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

Results: There were no employees terminated during the fiscal year. Management has made representation that there were none.

25. Obtain supporting documentation (e.g., cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results: Lafourche Parish Government prepares all payroll and retirement reports for the Court employees.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

Results: There were no exceptions noted.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Results: We inquired of management whether any alleged ethics violations were reported during the fiscal period. Management has received no such allegations.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

Results: The Court did not issued any debt during the fiscal period, therefore this procedure is not applicable.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Results: The Court has no outstanding debt, therefore this procedure is not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Results: The Court has no outstanding debt, therefore this procedure is not applicable.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the District attorney of the parish in which the entity is domiciled.

Results: We inquired of management whether the Court had any misappropriations of public funds or assets. Management reported there have not been any misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results: The Court does not have a website. We observed that the Court has posted on its premises the notice required by R.S. 24:523.1.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results: No exceptions were identified as a result of these procedures.

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.

Stagni & Company

Thibodaux, LA
June 27, 2018