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THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

Component Unit Financial Statements  
For the Year Ended December 31, 1996

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THIRTY-SIXTH ANNUAL BUDGET CONFERENCE  
STATE OF LOUISIANA  
Calcasieu Parish

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Judge Ronald S. Levechyen  
Thirty-Seventh Judicial District Court  
State of Louisiana  
Caldwell Parish

We have audited the accompanying component unit financial statements of the Thirty-Seventh Judicial District Court as of and for the year ended December 31, 1994, as listed in the table of contents. These component unit financial statements are the responsibility of the Judge of the Thirty-Seventh Judicial District Court. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance 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 component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Thirty-Seventh Judicial District Court as of December 31, 1994, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 12, 1997, on our consideration of the Court's internal control structure and a report dated June 10, 1997, on its compliance with laws and regulations.

*Little & Company*

Monroe, Louisiana  
June 12, 1997

COMPONENT UNIT FINANCIAL STATEMENTS

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1958

	Governmental Fund Type		Account Group General Fund Assets	Miscellaneous Receipts Only
	Special Fund Judicial	Revenue Fund Child Support		
<b>ASSETS AND OTHER DEBITS</b>				
Cash and Cash Equivalents	\$ 28,340	\$ 1,845	\$ -	\$ 21,760
Receivables	2,280	-	-	2,280
Prepaid Expenses	1,430	-	-	1,430
Equipment	-	-	12,485	12,485
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 32,050</b>	<b>\$ 1,845</b>	<b>\$ 12,485</b>	<b>\$ 37,955</b>
<b>LIABILITIES, FUND EQUITY, AND OTHER CREDITS</b>				
<b>Liabilities</b>				
Payroll Taxes Payable	\$ 271	-	-	\$ 271
Accounts Payable	34	-	-	34
<b>Total Liabilities</b>	<b>305</b>	<b>-</b>	<b>-</b>	<b>305</b>
<b>Fund Equity and Other Credits</b>				
Investments in General Fund Assets	-	-	12,485	12,485
Fund Balance				
Unreserved - Indesignated	22,781	1,845	-	24,626
<b>Total Fund Equity and Other Credits</b>	<b>22,781</b>	<b>1,845</b>	<b>12,485</b>	<b>37,111</b>
<b>TOTAL LIABILITIES, FUND EQUITY, AND OTHER CREDITS</b>	<b>\$ 32,050</b>	<b>\$ 1,845</b>	<b>\$ 12,485</b>	<b>\$ 37,955</b>

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TYPE -  
GENERAL AND SPECIFIC RECEIPTS FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 1996

	Special		Memorandum Totals
	General Fund Judicial Expense Fund	Revenue Fund Child Support	
<b>Revenues</b>			
<i>State</i>			
Intergovernmental Revenue	\$ -	\$ 13,824	\$ 13,824
<i>Local</i>			
Caldwell Parish Sheriff	18,476	-	18,476
Caldwell Parish Clerk of Court	5,787	-	5,787
Interest in Investments	686	-	686
<b>Total Revenues</b>	<b>25,519</b>	<b>13,824</b>	<b>39,343</b>
<b>Expenditures</b>			
<i>Judicial</i>			
Travel	123	-	123
Travel	2,171	-	2,171
Professional Development	2,758	-	2,758
Office	1,483	125	1,608
Insurance	174	-	174
Accounting and Auditing	1,485	-	1,485
Legal Expense	1,958	-	1,958
Salaries and Professional Fees	4,208	13,008	17,216
Prince Benefits	265	-	265
Contract Labor	1,788	-	1,788
Dues and Subscriptions	2,082	-	2,082
Contributions and Group Insurance	8,028	-	8,028
<b>Total Expenditures</b>	<b>26,688</b>	<b>13,133</b>	<b>39,821</b>
<b>Change (Decrease) of Resources Over Expenditures</b>			
	( 1,169)	791	128
<b>Fund Balance at Beginning of Year</b>			
	33,474	150	33,624
<b>Adjustments</b>			
Prior Year Receivables not Reflected	1,715	-	1,715
Prior Year Accounts Payable not Reflected	( 850)	-	( 850)
<b>Adjusted Fund Balance at Beginning of Year</b>	<b>34,339</b>	<b>150</b>	<b>34,489</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 33,170</b>	<b>\$ 941</b>	<b>\$ 34,111</b>

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

**THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA**

Caldwell Parish

**NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1996**

**Note 1 - Historical Background**

The Judicial Expense Fund of the Thirty-Seventh Judicial District Court was established by Act 916 of the 1965 Session of the Louisiana Legislature and began operating in March of 1966. The Judicial Expense Fund is controlled by the Judges of the Thirty-Seventh Judicial District Court and was established and may be used for any purpose connected with, incidentally to, or related to the proper administration or function of the court or the office of the Judge thereof, and in addition to any and all other funds, salaries, expenses or other monies that were or hereafter will be provided, authorized, or established by law for any of the aforesaid purposes. The Judicial Expense Fund's revenues are derived from court costs assessed in civil and criminal cases of the Thirty-Seventh Judicial District Court and are collected by the Sheriff and Clerk of Court. The Special Revenue Fund entitled Child Support was established by the Louisiana Legislature in 1991. The Thirty-Seventh Judicial District Court started receiving the Funds in June of 1995.

**Note 2 - Summary of Significant Accounting Policies**

**A. Basis of Accounting**

The accompanying financial statements of the Thirty-Seventh Judicial District Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**B. Reporting Entity**

For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB) the Judicial Expense Fund and Child Support is a part of the Thirty-Seventh Judicial District Court, a component of the State of Louisiana judicial system. The financial reporting entity consists of (a) the primary government (State of Louisiana), the organization for which the primary government is financially accountable, and (b) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

NOTE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1982

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**B. Reporting Entity (Continued)**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the State of Louisiana for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the State of Louisiana to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the State of Louisiana.
2. Organizations for which the State of Louisiana does not appoint a voting majority but are financially dependent on the State of Louisiana.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the State of Louisiana provides for the operation and maintenance and the Caldwell Parish Police Jury provides the courtroom and office space of the Judge in his parish courthouse, the Thirty-seventh Judicial District Court was determined to be a component unit of the State of Louisiana, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Thirty-seventh Judicial District Court and do not present information on the State of Louisiana, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1986

Page 2 - Summary of Significant Accounting Policies (Continued)

C. Fund Accounting

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

A fund is a separate accounting entity with a self-balancing set of accounts. In the other hand, an account group is a financial reporting device designed to provide accountability for certain assets that are not recorded in the funds because they do not directly affect net expendable available financial resources. The funds presented in the financial statements are described as follows:

1. General Fund

The Judicial Expense Fund, as provided by Louisiana Rev. No. 514 of 1985, is the principal fund of the Thirty-Seventh Judicial District Court office and is used to account for the operations of the Judicial District's office. The District's primary source of revenues from court costs assessed in civil and criminal cases and collected by the Sheriff and Clerk of Court of the District.

Other sources of revenue include interest earned on an interest-bearing certificate of deposit. General expenses of the District Court are paid from this fund.

2. Special Revenue Fund

The Special Revenue Fund, as set up by the Thirty-Seventh Judicial District Court in the Child Support Fund. The Fund's source of revenue is from the State of Louisiana for the purpose of enforcing parents to support their children. The fund was opened in June, 1984.

D. Fixed Assets

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the general fixed assets account group, rather than in the General Fund.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1998

Note 2 - Summary of Significant Accounting Policies (Continued)

**D. Fixed Assets (Continued)**

Several fixed assets provided by the Judicial Expense Fund are recorded within the general fixed assets account group. Fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. No depreciation has been provided on general fixed assets. The account group is not a "fund". It is concerned only with the measurement of financial position and does not involve measurement of results of operations.

**E. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement basis applied.

The accompanying component unit financial statements have been prepared on the modified accrual basis of accounting. The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. Measurable means the amount of the transaction that can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Judicial Expense and Special Expense Funds use the following practices in recording revenues and expenditures:

**1. REVENUES**

The civil and criminal court moneys are recorded in the month earned. The criminal and civil are generally collected in the current month and settled by the Sheriff and Clerk of Court by the first of the next month.

Intergovernmental revenues are recorded when the Thirty-Seventh Judicial District Court is entitled to the funds.

Interest income on time deposits is recorded when the time deposits have matured and income is available.

THIRTEENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

MEMO TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999

Note 2 - Summary of Significant Accounting Policies (Continued)

**E. Basis of Accounting (Continued)**

1. Revenues (Continued)

All other revenues are recorded when received.

2. Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**F. Budgetary Practices**

The court is not required to prepare an annual budget for its General Fund because the judiciary is not included within the definition of a "political subdivision" covered by the Louisiana Government Budget Act.

**G. Cash and Cash Equivalents**

Cash includes amount in non-interest bearing demand deposits and in interest-bearing certificates of deposit. The Judge considers the certificate of deposit as highly liquid debt instrument with an initial maturity of three months or less to be cash equivalents. Under state law, the Judge may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**H. Vacation and Sick Leave**

Employees of the Judicial Expense Fund at this time are paid by the Caldwell Parish Police Jury and are covered under the police jury's vacation and sick leave policies.

**I. Total Column on Statements**

The total columns on the statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA**

Caldwell Parish

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 1996**

**Note 3 - Cash and Cash Equivalents**

At December 31, 1996, the Thirty-Seventh Judicial District Court has cash and cash equivalents (bank balances) totaling \$31,786 as follows:

	<u>Total</u>	<u>Judicial Expense Fund</u>	<u>Child Support Fund</u>
Demand Deposits	\$ 13,419	\$ 11,535	\$ 1,884
Certificate of Deposit	<u>17,367</u>	<u>17,367</u>	<u>          </u>
<b>Total</b>	<b><u>\$ 31,786</u></b>	<b><u>\$ 28,902</u></b>	<b><u>\$ 1,884</u></b>

These deposits are stated at cost, which approximates market. Under state law, these deposits for the resulting bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposits insurance must at all times 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 December 31, 1996, the Judge has \$31,786 in deposits (pledged bank balances). These deposits are fully secured by the federal deposit insurance.

**Note 4 - RECEIVABLES**

The Judicial Expense Fund receivables of \$1,200 at December 31, 1996, are as follows:

Criminal and Civil Costs	<b><u>\$ 1,200</u></b>
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**Note 5 - Litigation and Claims**

There is no litigation pending against the Judicial Expense Fund at December 31, 1996.

**Note 6 - Expenses of the Judicial District Court's Office Paid by the Police Jury**

The Judicial District Court office is located in the parish courthouse. Expenses of maintenance and operation of the parish courthouse are paid by the Caldwell Parish Police Jury.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT  
STATE OF LOUISIANA

Caldwell Parish

STATE TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1986

Note 3 - Health and Life Insurance Benefits

The Judicial Expense Fund provides health care and life insurance benefits for its employees. Substantially all of the Judicial Expense Fund employees are covered by the State Employees Benefit Program. During the year ended December 31, 1986, the Expense Fund paid \$9,804 for these benefits.

## COMPLIANCE REPORTING

# LITTLE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF COMPONENT UNIT FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH STATEMENT AUDITING STANDARDS

TELEPHONE (334) 331-1700  
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Honorable Judge Donald J. Lawhaves  
Thirty-Seventh Judicial District Court  
State of Louisiana  
Caldwell Parish

We have audited the component unit financial statements of the Thirty-Seventh Judicial District Court as of and for the year ended December 31, 1986, and have issued our report thereon dated June 10, 1987.

We conducted our audit in accordance with generally accepted auditing standards for financial and compliance audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The Thirty-Seventh Judicial District Court Judge is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by him are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with the Judge's authorization and recorded properly to permit the preparation of the component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the component unit financial statements of the Thirty-Seventh Judicial District Court for the year ended December 31, 1986, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Based on our consideration of the internal control structure, we concluded that the operations of the Thirty-Seventh Judicial District Court are of a size that it is not feasible to have an adequate separation of duties. Accordingly, we considered this condition and appropriate substantive audit procedures and tests were applied in our audit of the December 31, 1984 financial statements.

\* \* \* \* \*

This report is intended for the information of the Thirty-Seventh Judicial District Court and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which was prepared by the Thirty-Seventh Judicial Court as a matter of public record.

*Smith & Company*

MONROE, LOUISIANA  
June 18, 1985

**LITTLE & COMPANY**  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF COMPONENT UNIT FINANCIAL  
STATEMENTS SUBMITTED IN ACCORDANCE WITH  
GOVERNMENT ACCOUNTING STANDARDS**

Honorable Judge Donald J. Lewellyn  
Thirty-Seventh Judicial District Court  
State of Louisiana  
Calibout Parish

We have audited the component unit financial statements of the Thirty-Seventh Judicial District Court, as of and for the year ended December 31, 1988, and have issued our report thereon dated June 15, 1989.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Thirty-Seventh Judicial District Court, is the responsibility of the Judge. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the Judge's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of compliance that are required to be reported under Government Auditing Standards.

This report is intended for the Thirty-Seventh Judicial District Court and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Little & Company*

Monroe, Louisiana  
June 15, 1989