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Luther Speight & Company CPA's

**CRIMINAL DISTRICT COURT
FOR THE PARISH OF ORLEANS
NEW ORLEANS, LOUISIANA**

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/14/10

1100 Poydras Street, Suite 2900/ New Orleans, LA/Phone (504)244-9400

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**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2009**

Our discussion and analysis of Criminal District Court for the Parish of Orleans financial performance provides an overview of the financial activities for the year. 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 Government Financial Statements – The Statement of Net Assets and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statements of Revenues, Expenditures and Changes in Fund Balances tell how these 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 Government Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental 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 Financial Section.

GOVERNMENT - FINANCIAL STATEMENTS

One of the most important questions asked about the finances is, "Is the Criminal District Court as a whole better or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the entity as a whole and about its activities in a way that helps answer this question. 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.

Continued,

FUND FINANCIAL STATEMENTS

The Fund Financial Statements provide detailed information about the most significant funds not the operations as a whole. Some funds are required to be established by State laws. Other funds are established to help control and manage money for a particular purpose while others are to show that it is meeting legal responsibilities for using certain appropriations, grants, and other money.

The Criminal District Court utilizes 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 the modified accrual basis of 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 relationships (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.

FINANCIAL HIGHLIGHTS

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

- As a result of this year's operations, total net assets were \$4,842,496. Net assets decreased by \$248,516 from the previous year of \$5,091,012.
- Total net assets were comprised of the following:
 - (1) Invested in capital assets of \$1,591,507, the net book value of property and equipment, net of related debt.
 - (2) Unrestricted net assets of \$1,401,513 represent the portion available to maintain continuing obligations to citizens and creditors for the general fund.
 - (3) Restricted net assets of \$1,849,476 represent the portion available to maintain continuing obligations to citizens and creditors for the special revenue fund.
- Total fund balance for governmental activities decreased by \$210,803 from the prior year total of \$3,461,792.
- Total spending for all activities was \$8,298,029, which was \$1,272,402 greater than the previous year.

FINANCIAL ANALYSIS OF THE CRIMINAL DISTRICT COURT AS A WHOLE

The Statement of Net Assets and the Statement of Activities reports only one type of government activity. Our analysis below focuses on the net assets of the governmental- type activities:

Condensed Statement of Net Assets

	2009	2008	Dollar Change	Total Percent Change
Current and Other Assets				
Current Assets	\$ 3,619,730	\$ 3,833,085	\$ (213,355)	-6%
Capital Assets	1,591,507	1,629,220	(37,713)	-2%
			-	
Total Assets	<u>5,211,237</u>	<u>5,462,305</u>	<u>(251,068)</u>	<u>-5%</u>
			-	
Current Liabilities	368,741	371,293	(2,552)	-1%
			-	
Total Liabilities	368,741	371,293	(2,552)	-1%
			-	
Investment in Capital				
Assets				
Restricted	1,591,507	1,629,220	(37,713)	-2%
Unrestricted	1,849,476	1,233,588	615,888	50%
Total Net Assets	<u>1,401,513</u>	<u>2,228,204</u>	<u>(826,691)</u>	<u>-37%</u>
Total Net Assets	<u>\$ 4,842,496</u>	<u>\$ 5,091,012</u>	<u>\$ (248,516)</u>	<u>-4%</u>

As a result of this year's operations, net assets decreased by \$248,516. The total balance in net assets; \$4,842,496 represents the accumulated results of the current and all past years' operations.

Continued,

Our analysis below focuses on the changes in net assets of the governmental – type activities:

Condensed Statement of Activities

	2009	2008	Dollar Change	Total Percent Change
Total program expenses	\$(8,298,029)	(\$7,025,627)	\$1,272,402	18%
Total program revenues	8,121,978	7,642,156	479,822	6%
Net program income	(176,051)	616,529	-792,580	-129%
General revenues	(72,465)	41,653	-114,118	-273%
Change In Net Assets	(248,516)	658,182	-906,698	-137%
Net Assets:				
Beginning of the year	5,091,012	5,841,355	750,343	12%
End of the year	\$ 4,842,496	\$6,499,537	\$1,657,041	25%

The total revenues for the year in governmental activities were \$8,121,978 (\$2,755,017 in charges for services and \$5,366,961) in operating and grant contributions and \$898 in interest.

FINANCIAL ANALYSIS OF THE CRIMINAL DISTRICT COURT FUNDS

The Criminal District Court utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The governmental funds reported a combined fund balance of \$3,250,989. This reflects a decrease of \$210,803 from last year.

Continued,

BUDGETARY HIGHLIGHTS

The total of general fund budgeted revenues were \$3.8 million with actual revenues were reported at \$4.4 million. The total special revenue budget was \$3.4 million while actual revenues were reported at \$3.7 million.

CAPITAL ASSETS

The investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2009 and 2008 was \$1,591,507 and \$1,629,220, respectively.

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

Ms. Robert Kazik , Judicial Administrator
Criminal District Court For the Parish of Orleans
2700 Tulane Avenue Room 201
New Orleans, LA 70119
Phone (504) 827-3400



Luther Speight & Company CPA's

INDEPENDENT AUDITOR'S REPORT

To the Honorable Julian Parker, Chief Judge
of the Criminal District Court for the
Parish of Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Criminal District Court for the Parish of Orleans, Louisiana (the Court) as of and for the year ended December 31, 2009, which collectively comprise the Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Court's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Court, as of December 31, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2010 on our consideration of the Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Continued,

The management's discussion and analysis and budgetary comparison information on pages 1 through 5 and 23 through 24, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



New Orleans, Louisiana

June 22, 2010

BASIC FINANCIAL STATEMENTS

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Statement of Net Assets - Governmental Activities
December 31, 2009

ASSETS

Current assets:

Cash and cash equivalents	\$ 3,375,502
Due from other governments	110,241
Prepaid retirement benefits	-
Receivables	<u>133,987</u>
Total current assets	3,619,730

Noncurrent assets

Capital assets, net of depreciation	<u>1,591,507</u>
Total assets	5,211,237

LIABILITIES

Current Liabilities:

Accounts payable	145,538
Accrued expenses	<u>223,203</u>
Total current liabilities	368,741

NET ASSETS

Invested in capital assets, net of related debt	1,591,507
Restricted	1,849,476
Unrestricted	<u>1,401,513</u>
Total net assets	4,842,496

Total liabilities & fund balance	<u>\$ 5,211,237</u>
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See Accompanying Notes to Financial Statements

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Statement of Activities - Governmental Activities
For the Year Ended December 31, 2008

<u>FUNCTIONS / PROGRAMS</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants & Contributions</u>	<u>Net (Expenses) Revenue</u>
Governmental activities:				
General government	\$ 8,298,029	\$2,755,017	\$ 5,366,961	\$ (176,051)
Total governmental activities:				<u>(176,051)</u>
General revenues:				
Unrestricted investment earnings				898
Transfers to other funds				<u>(73,363)</u>
Total general revenues and transfers				<u>(72,465)</u>
Changes in net assets				<u>(248,516)</u>
Net assets - beginning				5,091,012
Net assets - ending				<u>\$ 4,842,496</u>

See Accompanying Notes to Financial Statements

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Balance Sheet - Governmental Funds
December 31, 2009

	<u>General</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 1,520,097	\$ 1,855,405	\$ 3,375,502
Due from other governments	66,968	\$ 43,273	110,241
Prepaid retirement benefits	-	-	-
Grant Receivables	-	133,987	133,987
TOTAL ASSETS	<u>1,587,065</u>	<u>2,032,665</u>	<u>3,619,730</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	-	145,538	145,538
Salaries and Benefits Payable	185,552	37,651	223,203
Total current liabilities	<u>185,552</u>	<u>183,189</u>	<u>368,741</u>
FUND BALANCES			
Unreserved - reported in:			
General Fund	1,401,513	-	1,401,513
Restricted			
Special Revenue Funds	-	1,849,476	1,849,476
TOTAL FUND BALANCES	<u>1,401,513</u>	<u>1,849,476</u>	<u>3,250,989</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,587,065</u>	<u>\$ 2,032,665</u>	<u>\$ 3,619,730</u>

See Accompanying Notes to Financial Statements

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Grant Fund	Total Governmental Funds
REVENUES			
Charges for Services	\$ 2,334,699	\$ 420,318	\$ 2,755,017
Intergovernmental revenues	2,057,402	3,309,559	5,366,961
Interest	522	376	898
TOTAL REVENUES	<u>4,392,623</u>	<u>3,730,253</u>	<u>8,122,876</u>
EXPENDITURES			
General government-			
Current:			
Salaries and related benefits	3,227,681	1,668,521	4,896,202
Travel	2,797	1,619	4,416
Legislative Expenses	5,596	-	5,596
Conferences and Legal Education	103,023	26,604	129,627
Ceremonies	6,509	-	6,509
Office Supplies	76,190	29,012	105,202
Cleaning Supplies	2,677	506	3,183
Law Books	52,264	-	52,264
Bottle Water	15,419	2,103	17,522
Jury Expenses	21,522	197,847	219,369
Security Expenses	1,129	850	1,979
Telephone	54,114	27,161	81,275
Postage	7,841	15,183	23,024
Pest Control	7,035	-	7,035
Dues and Subscriptions	10,739	-	10,739
Paper Supplies	26,805	12,237	39,042
Advertising	1,654	2,638	4,292
Building Maintenance & Repairs	27,241	6,537	33,778
Cleaning Services	4,596	630	5,226
Equipment Maintenance & Repairs	13,353	6,526	19,879
Lease Payments	24,941	520	25,461
Equipment Rentals	5,154	2,400	7,554
Professional & Contractual Exp	195,283	1,363,753	1,559,036
Drug Testing Supplies	-	310,454	310,454
Coffee	7,403	3,164	10,567
Transcripts	45,468	69,896	115,364
Insurance	378,685	28,839	407,524
Miscellaneous	70	340	410
Total current expenditures	<u>4,325,189</u>	<u>3,777,340</u>	<u>8,102,529</u>
Capital outlay	180,452	37,078	217,530
TOTAL EXPENDITURES	<u>4,505,641</u>	<u>3,814,418</u>	<u>8,320,059</u>
Excess (deficiency) of Revenue Over (Under) Expenditures	(113,018)	(84,165)	(197,183)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	1,425,455	155,971	1,581,426
Operating transfers out	(1,490,940)	(213,429)	(1,704,369)
Total Other Financing Sources (Uses)	<u>(65,485)</u>	<u>(57,458)</u>	<u>(122,943)</u>
Net Change in Fund Balances	<u>(178,503)</u>	<u>(141,623)</u>	<u>(320,126)</u>
FUND BALANCES			
Beginning	1,590,016	1,991,099	3,571,115
Ending	<u>\$ 1,401,513</u>	<u>\$ 1,849,476</u>	<u>\$ 3,250,989</u>

See Accompanying Notes to Financial Statements

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2009

Total Governmental Fund Balances	\$ 3,250,989
Amounts reported in governmental activities in the statement of net assets are different because:	
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.	<u>1,591,507</u>
Net Assets of Governmental Activities	<u><u>\$ 4,842,496</u></u>

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Statement of Fiduciary Net Assets - Agency Funds
December 31, 2009

	<u>Court Cost</u>	<u>Restitution</u>	<u>District Attorney</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	5,602	\$ 508,424	\$ 428	\$ 514,454
Due from other funds	398	16,167	-	16,565
TOTAL ASSETS	<u>6,000</u>	<u>524,591</u>	<u>428</u>	<u>531,019</u>
LIABILITIES				
Accounts Payable	-	-	-	-
Due to others	6,000	524,591	428	531,019
TOTAL LIABILITIES	<u>\$ 6,000</u>	<u>\$ 524,591</u>	<u>\$ 428</u>	<u>\$ 531,019</u>

See Accompanying Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Louisiana Revised Statute 13:1335 established the Criminal District Court for the Parish of Orleans (Criminal Court). The Criminal Court is composed of judges serving six-year terms. The Criminal Court has exclusive jurisdiction over the trial and punishment of all crimes, misdemeanors, and offenses committed within the Parish of Orleans. The Criminal Court has appellate jurisdiction for all cases tried before the Municipal Court of New Orleans and the Traffic Court of New Orleans.

In addition, Louisiana Revised Statute 13:1346 established the Magistrate Section of the Criminal District Court for the Parish of Orleans. The magistrate section is composed of one elected judge and four commissioners who are appointed by the judges sitting en banc, each serving six-year terms. The magistrate section has jurisdiction to act as committing magistrate in felony and misdemeanor charges and to hold preliminary examinations, with the authority to bail or discharge, or to hold for trial, in all cases before the Criminal District Court for the Parish of Orleans.

The Criminal District Court for the Parish of Orleans includes all funds that are controlled by the judges en banc as independently elected officials with oversight responsibility. Oversight responsibility is determined on the basis of the following criteria:

1. Appointment of governing boards
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public service

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

A. FUND ACCOUNTING

The accounts of the Criminal Court are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the general purpose financial statements are described as follows:

GOVERNMENTAL FUNDS

General Fund

The General Fund is the general operating fund of the Criminal Court. It accounts for all financial resources, except those that are required to be accounted for in other funds.

Special Revenue Fund

Grant Funds accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In addition, the General Fund of the Board of Jury Commissioners and the Renaissance, Inc. are reported as specific programs within the Special Revenue Fund.

FIDUCIARY FUNDS

Probation Assessment, Restitution and Court Cost Agency Funds

The Probational Assessment, Restitution and Court Cost Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

B. Basic Financial Statements – Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). All of the judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Assets, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net assets are reported in three parts 1.) invested in capital assets, net of related debt; 2.) restricted net assets; and 3.) unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities. These functions are also supported by general government revenues (interest earned and other miscellaneous revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and grants.

The net costs (by function) are normally covered by general revenue (interest earned, etc.). This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

The financial transactions are reported within individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The governmental fund type is the only type reported. The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

C. Measurement Focus and Basis of Accounting

Accrual Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenue, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenue, 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."

Program revenue included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

Modified Accrual Basis of Accounting

The fund financial statements are presented on 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). "Measurable" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period or within 60 days after year-end. Expenditures are generally recorded when the related fund liability is incurred.

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses).

Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

D. Budgets

The Criminal District Court adopts an annual budget for the General Fund and the Special Revenue Funds on a modified accrual basis of accounting. The original proposed budget is made available for public inspection and adopted no later than in December of the previous year.

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, an entity 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.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

F. SALARIES, OFFICE SUPPLIES AND TRAVEL OF JUDGES

Salaries, office supplies, and travel of the judges that are paid directly by warrants drawn on the Louisiana Supreme Court are not included in the expenditures on the accompanying financial statements.

G. COMPENSATED ABSENCES

Employees of the Criminal District Court for the Parish of Orleans and the Board of Jury Commissioners earn from one to four weeks of vacation leave each year, depending upon their years of service. This vacation leave does not accumulate or vest. Sick leave is not earned, but is granted as needed. Paternity leave is granted for up to five days paid. Additionally, maternity leave is provided for as follows:

<u>Number of weeks absent</u>	<u>Percent of compensation paid</u>
6 or less	100
7	75
8	50
9	25
10 or more	0

The liability for unused vacation leave payable at December 31, 2008, was \$208,708.

H. RISK MANAGEMENT

The Criminal District Court for the Parish of Orleans participates in an insurance risk pool sponsored by the State of Louisiana, Office of Risk Management. Annual premiums are paid to the Office of Risk Management to obtain coverage for comprehensive general liability, worker's compensation, faithful performance blanket bond, building and property, automobile liability, automobile physical damage, crime and miscellaneous tort. Premiums are based on two factors: The exposure of the agency to various kinds of claims, and the amount of those claims. Additionally, the risk pool through commercial insurance carriers provides excess coverage.

I. TOTAL COLUMNS OF GENERAL PURPOSE FINANCIAL STATEMENTS

The total columns on the general-purpose financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund elimination's have not been made in the aggregation of this data.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

J. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. INCOME TAXES

Criminal Court is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

NOTE 2: CHANGES IN CAPITAL ASSET BALANCES

A summary of changes in property and equipment is detailed below:

Beginning Balance, January 1, 2008	\$ 1,629,220
Additions	157,787
Deletions	<u>-0-</u>
Ending Balance, December 31, 2008	1,787,007
Less: Depreciation Expense	<u>195,500</u>
Capital Assets, (net of accumulated depreciation)	<u>\$ 1,591,507</u>

NOTE 3: PENSION PLANS

Plan description: The Criminal Court contributes to the Louisiana State Employees' Retirement System (LSERS) and Louisiana Clerks of Court Retirement and Relief Fund (LCCRR), a cost-sharing multiple-employer defined benefit pension plan administered by the Louisiana State Employees' Retirement System. LSERS and LCCRR provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Louisiana State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for LSERS and LCCRR. These reports may be obtained by writing to Louisiana State Employees' Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Continued,

Funding policy: Plan members are required to contribute a portion of their annual covered salary and Criminal Court is required to contribute at actuarially determined rates as follows:

	<u>Employee</u>	<u>Employer</u>
LSERS <thru June 30, 2003>	7.50%	14.10%
LSERS <after June 30, 2003>	7.50%	15.80%
LCCRR <thru June 30, 2003>	8.25%	10.00%
LCCRR <after June 30, 2003>	8.25%	11.50%

The contribution requirements of plan members and Criminal Court are established and may be amended by the LSERS and LCCRR. The Criminal Court contributions to LSERS and LCCRR for the year ending December 31, 2009 are as follows:

LSERS	\$411,556
LCCRR	\$ 99,432

NOTE 4: LEASES

The Criminal District Court for the Parish of Orleans records items under capital leases as assets and obligations in the accompanying financial statements. Capital leases at December 31, 2009, consist of office equipment such as copiers, which are included in the fixed assets. No additional leases were acquired in the year 2009.

The lease agreements provide for renewal and purchase options at the end of the lease term. The lessee may renew the lease for one year at the same price as the original lease or the lessee may purchase the equipment for an amount as specified in the lease agreement.

Fiscal Year	Future Minimum Lease Payments
2009	-0-

NOTE 5: CHANGES IN AGENCY FUND BALANCE

A summary of changes in Probational Assessment, Restitution and Court Cost Agency Fund Cash balances are as follows:

Balance at beginning of year	\$441,661
Net Increase in Cash	<u>89,358</u>
Balance at end of year	<u>\$441,661</u>

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Continued,

NOTE 6: COLLATERALIZATION OF DEPOSITS

At December 31, 2009, the Criminal Court had cash (book balances) totaling \$ 3,375,502. The Criminal Court had \$ 3,977,928 in deposits (collected balances). These deposits are secured from risk by \$250,000 of federal deposit insurance at three institutions totaling \$750,000 and \$ 2,993,271 of pledged securities of their primary depository institution. The pledged securities are held the Federal Reserve Bank department, in the name of the Criminal District Court (Category 2). Pledged securities held by the Court's primary depository institution was not sufficient to collateralize the Court's deposits on hand. The shortfall totaled \$702,980 as of December 31, 2009 at the primary depository institution.

NOTE 7: PROBATION ASSESSMENT, RESTITUTION AND COURT COST

The Probation Assessment and Restitution Fund accounts for the amount a defendant is ordered to pay at the discretion of the court when the court has suspended the imposition or execution of a sentence and has placed the defendant on probation. Payments are made to victims for restitution of their losses as ordered by the court. Probation assessments are paid upon collection to the Criminal District Court for Orleans Parish as provided by Louisiana Revised Statute 15:571.11 (D).

The Court Cost Fund collects all costs assessed against defendant pursuant to Louisiana Revised Statute 13:1377 (B) effective September 1, 1991. Payments are distributed monthly to other agencies, which participate in the amount of court costs assessed.

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2009

	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for Services	\$ 1,550,000	\$ 2,334,699	\$ 784,699
Intergovernmental revenues:			
City of New Orleans	2,134,662	1,773,613	(361,049)
State of LA	-	-	-
State Supreme Court	68,000	283,789	215,789
District Attorney	-	-	-
Court Costs	2,000	-	(2,000)
Municipal & Traffic Court	-	-	-
Interest	38,000	522	(37,478)
TOTAL REVENUES	<u>3,792,662</u>	<u>4,392,623</u>	<u>599,961</u>
EXPENDITURES			
General government-			
Current:			
Salaries and related benefits	2,845,588	2,791,856	(53,733)
Travel	26,400	36,594	10,194
Legislative Expenses	13,000	14,244	1,244
Conferences and Legal Education	85,600	75,729	(9,871)
Ceremonies	200	7,810	7,610
Office Supplies	53,200	74,364	21,164
Law Books	39,600	42,137	2,537
Bottle Water	-	14,322	14,322
Jury Expenses	122,586	98,224	(24,342)
Security Expenses	500	1,607	1,107
Telephone	46,200	54,629	8,429
Postage	8,200	7,708	1,508
Pest Control	5,130	4,450	(680)
Dues and Subscriptions	9,800	10,015	215
Paper Supplies	29,665	27,653	(2,042)
Advertising	-	17	17
Building Maintenance & Repairs	24,870	26,640	1,770
Cleaning Services	1,015	4,878	3,863
Equipment Maintenance & Repairs	12,300	11,889	(411)
Lease Payments	345	2,150	1,805
Equipment Rentals	430	780	350
Professional & Contractual Exp	157,960	115,692	(42,268)
Drug Testing Supplies	75,250	-	(75,250)
Coffee	-	5,628	5,628
Transcripts	60,000	94,789	34,789
Insurance	300,000	294,241	(5,759)
Miscellaneous	11,000	11,569	569
Total current expenditures	<u>3,926,849</u>	<u>4,326,189</u>	<u>399,340</u>
Capital outlay	10,000	180,452	170,452
TOTAL EXPENDITURES	<u>3,936,849</u>	<u>4,505,641</u>	<u>568,792</u>
Net changes in fund balances	<u>(144,187)</u>	<u>(113,018)</u>	<u>31,169</u>

**Budget Comparison Schedule - Grant Funds
For the Year Ended December 31, 2009**

	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
REVENUES			
Charges for Services	\$ 197,950	\$ 420,318	\$ 222,368
Intergovernmental revenues:			
Intergovernmental Revenues	2,968,888	3,165,646	196,658
State of LA	-	-	-
State Supreme Court	-	-	-
District Attorney	-	-	-
Court Costs	5,000	-	(5,000)
Municipal & Traffic Court	190,000	143,913	(46,087)
Interest	40,000	378	(39,624)
TOTAL REVENUES	<u>3,401,938</u>	<u>3,730,253</u>	<u>328,315</u>
EXPENDITURES			
General government-			
Current:			
Salaries and related benefits	1,552,982	1,888,521	115,539
Travel	1,785	1,619	(166)
Legislative Expenses	-	-	-
Conferences and Legal Education	37,700	28,604	(11,096)
Ceremonies	-	-	-
Office Supplies	14,708	29,012	14,308
Cleaning Supplies	-	506	506
Law Books	-	-	-
Bottle Water	-	2,103	2,103
Jury Expenses	152,810	197,847	45,237
Security Expenses	720	850	130
Telephone	15,890	27,181	11,171
Postage	4,100	15,183	11,083
Pest Control	-	-	-
Dues and Subscriptions	150	-	(150)
Paper Supplies	7,672	12,237	4,565
Advertising	-	2,638	2,638
Building Maintenance & Repairs	-	6,537	6,537
Cleaning Services	-	630	630
Equipment Maintenance & Repairs	5,005	6,526	1,521
Lease Payments	1,080	520	(560)
Equipment Rentals	600	2,400	1,800
Professional & Contractual Exp	1,115,781	1,383,753	247,992
Drug Testing Supplies	69,796	310,454	240,658
Coffee	-	4,113	4,113
Transcripts	31,000	2,974	(28,026)
Insurance	-	18,673	18,673
Miscellaneous	29,988	340	(29,648)
Total current expenditures	<u>3,041,845</u>	<u>3,777,340</u>	<u>657,556</u>
Capital outlay	97,000	37,078	(59,922)
TOTAL EXPENDITURES	<u>3,138,845</u>	<u>3,814,418</u>	<u>675,773</u>
Net changes in fund balances	<u>263,293</u>	<u>(84,165)</u>	<u>(347,458)</u>



Luther Speight & Company CPA's

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*

To the Honorable Julian Parker, Chief Judge
of the Criminal District Court for the Parish of Orleans

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Criminal District Court for the Parish of Orleans (the Court), as of and for the year ended December 31, 2009, which collectively comprise the Court's basic financial statements and have issued our report thereon dated June 22, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Court's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Court's financial statements that is more than inconsequential will not be prevented or detected by the Court's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Court's internal control.

Continued,

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Court's 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*.

We noted certain matters that we reported to management of the Court, in a separate letter dated June 22, 2010.

This report is intended solely for the information and use of the management of the Court, others within the entity, federal and pass-through funding agencies, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although, the intended use of these reports may be limited, "Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document."



Luther Speight & Company
June 22, 2010

**CRIMINAL DISTRICT COURT FOR THE PARISH OF
ORLEANS
Schedule of Findings and Questioned Costs
Year Ended December 31, 2009**

Section I - Summary of Auditor's Results

Financial Statements

An unqualified opinion was issued on the financial statements of the auditee.

Internal control over financial reporting:

Material weakness (es) identified?	_____ yes	<u> X </u> no
Significant deficiency(s) identified not considered to be material weaknesses?	_____ yes	<u> X </u> no

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards – N/A

Internal control over major programs:

Material weakness (es) identified?	_____ yes	_____ no
Reportable condition(s) identified not considered to be material weaknesses?	_____ yes	_____ no

An unqualified opinion was issued on compliance.

Any audit findings disclosed that are required to be Reported in accordance with Circular A-133, Section 510(a)?	_____ yes	_____ no
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**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

There were no findings.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
UPDTE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

There were no finding noted in the prior year report.