
23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2020

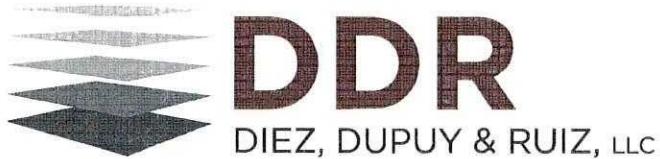
23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Honorable Judges of the 23RD Judicial District
Gonzales, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the 23RD Judicial District Judicial Expense Fund (the District), a component unit of the Ascension Parish Council as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules on pages 3-8 and 21-23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of compensation, benefits and other payments to agency heads and justice system funding schedule-receiving entity are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of compensation, benefits and other payments to agency heads and justice system funding schedule-receiving entity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2021, on our consideration of the District'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 solely 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Dre'z, Dwyng & Ruiz
Gonzales, Louisiana
June 8, 2021

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

This section of 23RD Judicial District Judicial Expense Fund's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the year ended December 31, 2020. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available). Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position of \$1,531,524 increased by 2.3 percent over the course of this year's operations.
- During the year, the District's expenses were \$34,908 less than the \$523,929 generated in charges for court fees, operating grants, and other general revenue.
- The District's expenses decreased by \$459,299 or 48.4 percent. In the prior year, there were special items noted for two payments of \$225,000 (Child Support fund) and \$178,743 (General fund) for the construction of the new courthouse.
- Current year revenues decreased compared to prior year by 9.9 percent to \$523,929.
- The General Fund reported fund balance of \$557,030, an increase of 3.9 percent from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the financial statements, required supplementary information, and other supplementary information. The financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's government, reporting the District's operations in more detail than the government-wide statements.
 - The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

Figure A-1

Major Features of the District's Government-wide and Fund Financial Statements

	Government-wide Statements	Governmental Funds
Scope	Entire District government	The activities of the District
Required financial statements	<ul style="list-style-type: none">• Statement of net position• Statement of activities	<ul style="list-style-type: none">• Balance sheet• Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of Inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in accordance in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position—the difference between the District's assets and liabilities is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the growth of Ascension Parish.

The government-wide financials of the District include:

- Governmental activities - most of the District's basic services are included here, such as operating activities. Court fees, operating grants, and interest finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has only governmental funds as described below:

- Governmental funds-Most of the District's basic services are included in the governmental fund, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's net position increased between fiscal years 2020 and 2019 to \$1,531,524 (See Table A-1)

Table A-1
Statement of Net Position-Governmental Activities

	2020	2019
Cash and other assets	\$ 1,555,029	\$ 1,502,530
Capital assets, net	70,630	65,932
Total assets	1,625,659	1,568,462
Current liabilities	94,135	71,846
Total liabilities	94,135	71,846
Net investment in capital assets	70,630	65,932
Restricted:		
Families in need of services	108,072	89,107
Child support services	795,792	805,450
Unrestricted	557,030	536,127
Total Net Position	\$ 1,531,524	\$ 1,496,616

Net position of the District's governmental activities increased 2.3 percent or \$34,908 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 enabling legislation or other legal requirements increased from \$536,127 at December 31, 2019, to \$557,030 at the end of the current year end.

Changes in net position. The District's total revenues decreased by \$57,671 to \$523,929. (See Table A-2). Approximately 85 percent of the District's revenues comes from charges for services. Another 14 percent is from grants and the remaining is for interest income and miscellaneous income.

The total cost of all programs and services decreased by \$459,299 mainly as a result of the two payments made in the prior year in the amounts of \$225,000 and \$178,743 from Child Support and General Fund; respectively, made for the construction of the new courthouse. Total current year costs were \$489,021. The District's expenses cover all services performed by its office.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

Governmental Activities

Revenues for the District's governmental activities decreased 9.9 percent or by \$57,671 and total expenses decreased by 48.4 percent to \$489,021 for the year. In the prior year, the District made contributions totaling \$403,743 during the year to help fund the cost of construction of the new courthouse. The revenue generated for 2020 was more than the total cost of operations as depicted in Table A-2.

Table A-2
Changes in District's Net Position

Revenues	2020	2019
Program revenues:		
Charges for services	\$ 445,106	\$ 513,265
Operating grants	74,154	63,192
General revenues:		
Miscellaneous	436	-
Interest income	4,233	5,143
Total revenues	523,929	581,600
Expenses		
Other operating	489,021	544,577
Total expenses	489,021	544,577
Excess before special item	34,908	37,023
Special item:		
Courthouse contributions	-	403,743
Increase (decrease) in net position	\$ 34,908	\$ (366,720)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed this year, its governmental funds reported a fund balance of \$1,460,894, an increase from last year of \$30,210.

General Fund Budgetary Highlights

The General fund's budget was amended to decrease revenues by \$14,000 due to pandemic closures. Capital outlay increased by \$78,000 to cover furnishings and equipment for plexiglass and owl cameras needed for the courthouse. General government expenditures decreased by \$58,500 which can be attributed to decreases noted in vehicle leases, per diem, travel and office supplies as a result of COVID-19.

Child Support's budget was amended to decrease revenues by \$55,000 as a result of less collections due to an increase in unemployment caused by the pandemic. Also, court was not held for the months of April and May of 2020. Expenditures were reduced by \$34,400 to reflect changes in salaries and benefits.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2020

CAPITAL ASSETS

At the end of 2020, the District had \$70,630 net investment in capital assets. (See Table A-3).

**Table A-3
District's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2020	2019
Equipment	\$ 31,439	\$ 41,647
Furniture & Fixtures	39,191	24,285
Total	\$ 70,630	\$ 65,932

This year's major capital assets additions include:

- The JE fund purchased new office furniture and computers totaling \$21,546.
- The Child Support fund purchased furniture for new courthouse costing \$10,192.
- Equipment in the amount of \$3,748 was purchased for Child Support fund.
- Disposal of obsolete equipment for JE and Child Support funds totaled \$27,982.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District is dependent on court costs for 20 percent of its revenues and 65 percent from administrative fees collected from the Department of Social Services for child support services. The economy is not expected to generate any significant growth. Court was closed for a short period of time during COVID-19 and the impact on revenues is that it is reasonably possible to increase in the general fund for 2021. Therefore, the District's future revenues are expected to remain relatively consistent with current years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about the report or need additional financial information, contact Patricia Douglas at the Judicial Administrative Office, 607 East Worhey Road, Third Floor, Gonzales, LA 70737.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF NET POSITION
DECEMBER 31, 2020

ASSETS

Cash	\$ 1,088,762
Certificates of deposit	420,383
Receivables from other governments	45,884
Capital assets, net of accumulated depreciation	70,630
TOTAL ASSETS	<u>\$ 1,625,659</u>

LIABILITIES AND NET POSITION

LIABILITIES

Accounts payable	\$ 27,022
Due to other governments	67,113
TOTAL CURRENT LIABILITIES	<u>94,135</u>

NET POSITION

Net investment in capital assets	70,630
Restricted:	
Families in need of services	108,072
Child support services	795,792
Unrestricted	557,030
TOTAL NET POSITION	<u>1,531,524</u>
 TOTAL LIABILITIES AND NET POSITION	 <u>\$ 1,625,659</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

FUNCTION/PROGRAM	Program Revenues			Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants	
Governmental activities:				
General government	\$ 88,741	\$ 106,313	\$ -	\$ 17,572
Families in Need of Service	48,197	-	74,154	25,957
Child Support	352,083	338,793	-	(13,290)
Total governmental activities	<u>\$ 489,021</u>	<u>\$ 445,106</u>	<u>\$ 74,154</u>	<u>30,239</u>
General Revenues:				
Interest				4,233
Miscellaneous				436
				<u>4,669</u>
Change in net position				34,908
Net position- January 1, 2020				<u>1,496,616</u>
Net position- December 31, 2020				<u>\$ 1,531,524</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

ASSETS

	General Fund	Families in Need of Service	Child Support	Total Governmental Funds
Cash	\$ 127,956	\$ 114,922	\$ 845,884	\$ 1,088,762
Certificates of deposit	420,383	-	-	420,383
Receivable from other governments	<u>20,050</u>	<u>-</u>	<u>25,834</u>	<u>45,884</u>
Total assets	<u><u>\$ 568,389</u></u>	<u><u>\$ 114,922</u></u>	<u><u>\$ 871,718</u></u>	<u><u>\$ 1,555,029</u></u>

LIABILITIES AND FUND BALANCES

Liabilities

Accounts payable	\$ 11,359	\$ 2,900	\$ 12,763	\$ 27,022
Due to other governments	<u>-</u>	<u>3,950</u>	<u>63,163</u>	<u>67,113</u>
Total liabilities	<u>11,359</u>	<u>6,850</u>	<u>75,926</u>	<u>94,135</u>

Fund balances

Unassigned	557,030	-	-	557,030
Restricted:				
Families in need of service	-	108,072	-	108,072
Child support services	<u>-</u>	<u>-</u>	<u>795,792</u>	<u>795,792</u>
Total fund balances	<u>557,030</u>	<u>108,072</u>	<u>795,792</u>	<u>1,460,894</u>
Total liabilities and fund balances	<u><u>\$ 568,389</u></u>	<u><u>\$ 114,922</u></u>	<u><u>\$ 871,718</u></u>	<u><u>\$ 1,555,029</u></u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Total fund balances- Governmental Funds \$ 1,460,894

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:

Cost of capital assets at December 31, 2020	204,461
Less: accumulated depreciation as of December 31, 2020	<u>(133,831)</u>
	<u>70,630</u>

Total net position at December 31, 2020 - Governmental Activities	<u>\$ 1,531,524</u>
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The accompanying notes are an integral part of this financial statement.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES**

YEAR ENDED DECEMBER 31, 2020

	General Fund	Families in Need of Service	Child Support	Total Governmental Funds
<u>REVENUES</u>				
Court fees	\$ 106,313	\$ -	\$ -	\$ 106,313
State grant	10,962	63,192	-	74,154
Department of Social Services	-	-	338,793	338,793
Miscellaneous	436	-	-	436
Interest income	3,426	-	807	4,233
Total Revenues	<u>121,137</u>	<u>63,192</u>	<u>339,600</u>	<u>523,929</u>
<u>EXPENDITURES</u>				
Current:				
General government	78,688	44,227	335,318	458,233
Capital outlay	<u>21,546</u>	<u>-</u>	<u>13,940</u>	<u>35,486</u>
Total Expenditures	<u>100,234</u>	<u>44,227</u>	<u>349,258</u>	<u>493,719</u>
Excess of Revenues over (under) Expenditures	20,903	18,965	(9,658)	30,210
Fund Balances, January 1, 2020	<u>536,127</u>	<u>89,107</u>	<u>805,450</u>	<u>1,430,684</u>
Fund Balances, December 31, 2020	<u>\$ 557,030</u>	<u>\$ 108,072</u>	<u>\$ 795,792</u>	<u>\$ 1,460,894</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO CHANGES IN NET POSITION OF
GOVERNMENTAL ACTIVITIES**
DECEMBER 31, 2020

Net change in fund balances	\$ 30,210
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Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets:

Capital outlay capitalized	35,486
Depreciation expense for year ended December 31, 2020	(30,090)
Loss on disposal of assets	(698)
Change in Net Position- Governmental Activities	<u>\$ 34,908</u>

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

INTRODUCTION

The 23RD Judicial District Judicial Expense Fund was established in 1995 under Act No. 435 which was an amendment to Title 13 of the Louisiana Revised Statutes on 1950. The Expense Fund was established for the purpose of paying expenses for the court deemed necessary by the Judges for efficient operations of the court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

GASB Codification Section 2100, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The district court judges are independently elected officials. However, the Judicial District is fiscally dependent on the Ascension Parish Council for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the Judicial District is fiscally dependent on the Council, the Judicial District was determined to be a component unit of the Ascension Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Judicial District and do not present information on the Ascension Parish Council, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the 23rd Judicial District Judicial Expense Fund have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary net activities. Governmental activities generally are financed through charges for court fees, intergovernmental revenues and other nonexchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Section N50.

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

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

FUND FINANCIAL STATEMENTS (FFS):

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds.

The District reports the following major governmental funds:

General Fund- The General fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

Families in Need of Services- This special revenue fund is designed to bring together and offer resources and services to help families of juveniles who are at risk of delinquency.

Child Support Fund- The Child Support fund is a special revenue fund that accounts for the proceeds of administrative court fees collected from enforcement of support obligations.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):

The GWFS are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, and donations. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

FUND FINANCIAL STATEMENTS (FFS):

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end. Court fees, grants, administrative fees, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to December 15, the District completes and submits an operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing those expenditures.
2. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.
3. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Budgeted amounts are as originally adopted, or as amended by the District. Individual amendments were not material in relation to the original appropriations.
5. All annual appropriations lapse at fiscal yearend.

E. CASH

Cash includes amounts in demand deposits. Under state law, the District 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.

F. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	3-7
Furniture & Fixtures	5-7

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CERTIFICATES OF DEPOSIT

State statutes authorize the District to invest in any direct obligation of the United States Treasury, other debt secured or guaranteed by the full faith and credit of the United States, certificates of deposit of any bank in Louisiana, mutual funds which are registered with the Securities and Exchange Commission and invest in securities of the U. S. government or its agencies, guaranteed investment contracts issued by banks or insurance companies or investment grade commercial paper of domestic U. S. Corporations.

H. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net position, the net position amount is classified and displayed in three components:

Net investment in capital assets- consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflow of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position- net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position- consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

I. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- represents balances where constraints have been established by parties outside the District's office or imposed by law through constitutional provisions or enabling legislation.

Committed- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority.

Assigned- represents balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed.

Unassigned- represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to be specific purposes within the general fund.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, the District's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for committed, assigned, and unassigned amounts are available, the District's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

J. 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 amount of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2020, the District's bank balance was secured from risk by federal deposit insurance and pledged securities and was not exposed to custodial credit risk.

3. CERTIFICATES OF DEPOSIT

The District holds certificates of deposits at various financial institutions. The certificates of deposit have maturities ranging from nine to twelve months. The District's certificates of deposit have a book value of \$420,383 as of December 31, 2020.

4. OPERATING LEASE

The 23rd Judicial District Court Families in Need of Services Program leases office space for \$1,000 per month under a 2-year term. Payments under this lease totaled \$12,000 for the year ended December 31, 2020. The lease expired on January 31, 2021 and now is on a month to month basis. Future minimum rental payments required under the lease at December 31, 2020 is \$1,000.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, are as follows:

	Equipment	Furniture & Fixtures	Total
Cost of Capital Assets			
December 31, 2019	\$ 114,830	\$ 82,127	\$ 196,957
Additions	10,760	24,726	35,486
Disposals	(26,460)	(1,522)	(27,982)
Cost of Capital Assets, December 31, 2020	<u>\$ 99,130</u>	<u>\$ 105,331</u>	<u>\$ 204,461</u>
Accumulated depreciation,			
December 31, 2019	\$ 73,183	\$ 57,842	\$ 131,025
Additions	20,578	9,512	30,090
Disposals	(26,070)	(1,214)	(27,284)
Accumulated depreciation, December 31, 2020	<u>67,691</u>	<u>66,140</u>	<u>133,831</u>
Capital Assets, net of accumulated depreciation, December 31, 2020	<u>\$ 31,439</u>	<u>\$ 39,191</u>	<u>\$ 70,630</u>

For the year ended December 31, 2020, depreciation expense was \$ 30,090. Depreciation expense was allocated to general government, families in need of service, and child support in the amounts of \$9,745, \$3,970, and \$16,375; respectively.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 8, 2021, noting that the COVID-19 outbreak in the United States has caused business disruption through mandated closings and the reduction of normal operations. The related financial impact cannot be reasonably estimated at this time.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Court fees	\$ 120,000	\$ 106,000	\$ 106,313
State grants	-	-	10,962
Miscellaneous	-	-	436
Interest	-	-	3,426
Total Revenues	<u>120,000</u>	<u>106,000</u>	<u>121,137</u>
<u>EXPENDITURES</u>			
Current:			
General government	139,000	80,500	78,688
Capital outlay	<u>2,000</u>	<u>80,000</u>	<u>21,546</u>
Total Expenditures	<u>141,000</u>	<u>160,500</u>	<u>100,234</u>
Excess of Revenues over (under) Expenditures	(21,000)	(54,500)	20,903
Fund Balance, January 1, 2020	<u>536,127</u>	<u>536,127</u>	<u>536,127</u>
Fund Balance, December 31, 2020	<u>\$ 515,127</u>	<u>\$ 481,627</u>	<u>\$ 557,030</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE
FAMILIES IN NEED OF SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
State grant	\$ 63,192	\$ 63,192	\$ 63,192
Total Revenues	<u>63,192</u>	<u>63,192</u>	<u>63,192</u>
<u>EXPENDITURES</u>			
Current:			
General government	53,798	53,798	44,227
Capital outlay	5,000	5,000	-
Total Expenditures	<u>58,798</u>	<u>58,798</u>	<u>44,227</u>
Excess of Revenues over Expenditures	4,394	4,394	18,965
Fund Balance, January 1, 2020	<u>80,038</u>	<u>80,038</u>	<u>89,107</u>
Fund Balance, December 31, 2020	<u>\$ 84,432</u>	<u>\$ 84,432</u>	<u>\$ 108,072</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE
CHILD SUPPORT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Department of Social Services	\$ 385,000	\$ 330,000	\$ 338,793
Interest	800	800	807
Total Revenues	<u>385,800</u>	<u>330,800</u>	<u>339,600</u>
<u>EXPENDITURES</u>			
Current:			
General government	373,750	331,350	335,318
Capital outlay	10,000	18,000	13,940
Total Expenditures	<u>383,750</u>	<u>349,350</u>	<u>349,258</u>
Excess of Revenues over (under) Expenditures	2,050	(18,550)	(9,658)
Fund Balance, January 1, 2020	<u>742,410</u>	<u>749,360</u>	<u>805,450</u>
Fund Balance, December 31, 2020	<u>\$ 744,460</u>	<u>\$ 730,810</u>	<u>\$ 795,792</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head

Honorable Jason Verdigets, Chief Judge, Division A

Purpose	Amount
Car allowance	\$ 7,200
Dues	430
Per diem	1,122
Registration fees	575
Special meals	97
Total	<u><u>\$ 9,424</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head

Honorable Thomas Kleibert, Jr., Judge, Division B

Purpose	Amount
Car allowance	\$ 7,200
Dues	525
Per diem	442
Registration fees	225
Special meals	53
Total	<u><u>\$ 8,445</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head

Honorable Katherine Tess Stromberg, Judge, Division C

Purpose	Amount
Car allowance	\$ 7,200
Dues	835
Per diem	884
Registration fees	1,395
Conference travel	819
Special meals	53
Total	<u><u>\$ 11,186</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head

Honorable Jessie M. LeBlanc, Judge, Division D, resigned 2/27/2021

Purpose	Amount
Car allowance	\$ 1,200
Dues	100
Per diem	306
Total	<u><u>\$ 1,606</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEADS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Agency Head

Honorable Alvin Turner, Jr., Judge, Division E

Purpose	Amount
Car allowance	\$ 7,200
Dues	525
Per diem	340
Registration fees	1,207
Special meals	215
Total	<u><u>\$ 9,487</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

JUSTICE SYSTEM FUNDING SCHEDULE- RECEIVING ENTITY
CASH BASIS PRESENTATION
FOR THE YEAR ENDED DECEMBER 31, 2020

	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Receipts from:		
Ascension Parish Clerk of Court, Civil Fees	\$ 23,092	\$ 27,901
Ascension Parish Sheriff, Criminal Court Costs/Fees	11,971	12,523
City of Donaldsonville, Criminal Court Costs/Fees	1,070	1,620
St. James Parish Clerk of Court, Civil Fees	4,035	3,705
St. James Parish Sheriff, Criminal Court Costs/Fees	2,684	3,470
Assumption Parish Clerk of Court, Civil Fees	3,090	3,615
Assumption Parish Sheriff, Criminal Court Costs/Fees	3,105	4,190
Town of Sorrento, Civil Fees	210	125
Total Receipts	<u>\$ 49,047</u>	<u>\$ 57,024</u>
Ending balance of amounts assessed but not received	<u>\$ -</u>	<u>\$ -</u>



DDR

DIEZ, DUPUY & RUIZ, LLC

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

To the Honorable Judges of the 23RD Judicial District
Gonzales, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the 23RD Judicial District Judicial Expense Fund, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the 23RD Judicial District Judicial Expense Fund's basic financial statements, and have issued our report thereon dated June 8, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 23RD District Judicial Expense Fund's internal control over financial reporting (internal control) as a basis for designing 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 23RD Judicial District Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the 23RD Judicial District Judicial Expense Fund's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 23RD Judicial District Judicial Expense Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Díez, Dupuy & Ruiz

Gonzales, Louisiana

June 8, 2021

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2020

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of the 23RD Judicial District Judicial Expense Fund were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are on the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of 23RD Judicial District Judicial Expense Fund which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

FINDINGS-FINANCIAL STATEMENT AUDIT

None

COMPLIANCE

None

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2020

FINDINGS- FINANCIAL STATEMENT AUDIT

None

COMPLIANCE

None