

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**

**Component Unit Financial Statements**  
**As Of June 30, 2021**  
**And For The Year Then Ended**  
**With**  
**Independent Auditors' Report**



**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA**

Component Unit Financial Statements  
As of and for the Year Ended June 30, 2021  
With Supplementary Information Schedules

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**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA**

Component Unit Financial Statements  
As of and for the Year Ended June 30, 2021  
With Supplementary Information Schedules

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## INDEPENDENT AUDITORS' REPORT

The Honorable Judges of the  
Fourth Judicial District Court  
Judicial Expense Fund  
Monroe, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying component unit financial statements of the governmental activities and the aggregate remaining fund information and each major fund of the Fourth Judicial District Court, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Court's component unit 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 misstatements, 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. 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 principles 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 Fourth Judicial District Court, Judicial Expense Fund, as of June 30, 2021, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4-10), the budgetary comparison information (pages 54-59), the Schedule of Employer's Proportionate Share of the Net Pension Liability (page 60), Schedule of Employer's Contributions (page 61), Schedule of Employer's Proportionate Share of the Total Collective OPEB Liability (page 62), and Schedule of Employer's OPEB Contributions (page 63) 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 Fourth Judicial District Court, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury's basic financial statements. The Schedule of Expenditures of Federal Awards; the Schedules of Combining Accounts; the Schedule of Compensation, Benefits, and Other Payments to Agency Head; the Act 87 Collecting and Disbursing Entity and Receiving Entity Schedules; and the Schedule of Judges are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards; the Schedules of Combining Accounts; the Act 87 Collecting and Disbursing Entity and Receiving Entity Schedules; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head 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 directly 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 Schedule of Expenditures of Federal Awards; the Schedules of Combining Accounts; the Act 87 Collecting and Disbursing Entity and Receiving Entity Schedules; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Schedule of Judges has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2021 on our consideration of the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and compliance.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
December 29, 2021

**SECTION I**  
**REQUIRED SUPPLEMENTARY INFORMATION (PART A)**



STATE OF LOUISIANA

## Fourth Judicial District Court

PARISHES OF MOREHOUSE AND OUACHITA

300 ST. JOHN ST. - SUITE 400

Monroe, Louisiana 71201

TELEPHONE (3 18) 361-2250  
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### MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Fourth Judicial District Court provides an overview of the Court's activities for the year ended June 30, 2021. Please read it in conjunction with the Court's financial statements.

### FINANCIAL HIGHLIGHTS

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

- The Court's liabilities were in excess of its assets by \$1,734,637 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  1. Investment in capital assets, of \$132,892 includes office furniture and equipment, net of accumulated depreciation.
  2. Unrestricted net deficit of \$2,788,879 resulting from recognizing \$1,592,821 of post-retirement benefits and \$1,315,395 of retirement benefits payable at some time in the future.
  3. Restricted net position of \$921,350 represents the amount that may be used to meet the Court's obligations to citizens and creditors within the Court's designation and policies.
- The Court's total net position increased by \$312,098 during the current fiscal year.
- At the end of the most recent fiscal year, unassigned fund balance of the General Fund was \$439,435, or 27% of total current year General Fund expenditures.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Court as a whole and present a long-term view of the Court's finances. Fund financial statements tell how governmental activities were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Court's operations in more detail than the government-wide statements by also providing information about all the Court's governmental funds.

These financial statements consist of three sections: Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and supplementary information.



**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**USING THIS ANNUAL REPORT (continued)**

**Reporting the Court as a Whole**

**The Statement of Net Position and the Statement of Activities**

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Court's net position and changes in them. The Court's net position – the difference between assets, deferred outflows, liabilities, and deferred inflows – measure the Court's financial position. The increases or decreases in the Court's net position are an indicator of whether its financial position is improving or deteriorating. Other nonfinancial factors, however, such as number of cases handled by District Court as well as the number of judgeships approved by the State Legislature and the State's economic condition should be considered in order to assess the overall condition of the Court.

Currently, the Court has only governmental activities that provide for personnel, equipment, supplies, and other costs related to the proper administration of the District Court. Primarily court costs, fees, grants, warrants, and interest finance these activities.

**Reporting the Court's Funds**

**Fund Financial Statements**

The fund financial statements provide detailed information about the Court's funds, not the Court as a whole. In addition to accounting for the court costs and fees and other revenues that finance activities of District Court, the Court also accounts for appropriations received from the Department of Health and Human Resources, State of Louisiana, related to child support cases and from the State of Louisiana Supreme Court to administer the Drug Court. The General Fund, the Child Support Fund, and the Court Services Fund are all governmental funds that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures only cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Court's operations and the services it provides. Governmental fund information helps you determine the amount of financial resources available to be spent in the near future to finance the Court's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements.

**THE COURT AS A WHOLE**

The Court had \$110,885 less court fees collected during the year ended June 30, 2021. The Court realized Supreme Court receipts related to the Drug Court that increased \$14,908 due to higher grant awards for the current fiscal year. The warrant revenue decreased \$89,679 during the current fiscal year. The Court also had total expenditures totaling \$57,456 more than the prior year.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021**

**THE COURT AS A WHOLE (continued)**

**Governmental Activities**

The Court's liabilities exceeded its assets at the close of the fiscal year 2021 by \$1,734,637. For the fiscal year ended June 30, 2021, the net position increased by \$312,098 (or 15.2%) and the Court's revenue decreased by \$56,977 (or 1.6%). The revenue decrease was primarily related to witness fee and jury fee funds administered by the Ouachita Parish Police Jury. The Court received \$425,000 during the current fiscal year.

To aid in the understanding of the Statement of Activities some additional explanation is provided. Its format is significantly different than that of the Statement of Revenues, Expenses, and Changes in Fund Balance. The expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net Revenue/(Expense). The reason for this kind of format is to highlight the relative financial burden of each of the governmental functions. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Court costs and fees reported represent the majority of the revenues for the District Court function.

All other governmental revenues (such as interest) are reported as general.

**THE COURT'S FUNDS**

The following schedule presents a summary of general and special revenue funds net position:

**Statement of Net Position (Deficit) Comparative Data**

	June 30		Variance Increased (Decreased) Amounts	Variance Increased (Decreased) Percent (%)
	2021	2020		
Capital assets, net	\$ 132,892	\$ 101,514	\$ 31,378	30.9%
Other assets	<u>1,892,044</u>	<u>2,000,540</u>	<u>(108,496)</u>	<u>(5.4%)</u>
Total assets	\$ 2,024,936	\$ 2,102,054	\$ (77,118)	(3.7%)
Deferred outflows of resources	<u>1,827,357</u>	<u>1,451,418</u>	<u>375,939</u>	<u>25.9%</u>
Total assets and deferred outflows of resources	<u>\$ 3,852,293</u>	<u>\$ 3,553,472</u>	<u>\$ 298,821</u>	<u>8.4%</u>
Noncurrent liabilities	\$ 2,908,216	\$ 3,204,734	\$ (296,518)	(9.3%)
Other liabilities	<u>553,815</u>	<u>509,274</u>	<u>44,541</u>	<u>8.7%</u>
Total liabilities	\$ 3,462,031	\$ 3,714,008	\$ (251,977)	(6.8%)
Deferred inflows of resources	2,124,899	1,886,199	238,700	12.7%
Net position				
Net investment in capital assets	132,892	101,514	31,378	30.9%
Unrestricted (deficit)	(2,788,879)	(3,312,084)	523,205	(15.8%)
Restricted	<u>921,350</u>	<u>1,163,835</u>	<u>(242,485)</u>	<u>(20.8%)</u>
Total net position (deficit)	<u>\$ (1,734,637)</u>	<u>\$ (2,046,735)</u>	<u>\$ 312,098</u>	<u>(15.2%)</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021**

**THE COURT'S FUNDS (continued)**

**How 2021 Compares with 2020 - Statement of Activities**

The information below gives comparative data from the Statement of Activities for the fiscal years ended June 30, 2021 and 2020.

**Statement of Activities Comparative Data**

	June 30		Variance Increased (Decreased) Amounts	Variance Increased (Decreased) Percent (%)
	2021	2020		
<b>Revenues</b>				
Program revenues	\$ 937,582	\$ 990,465	\$ (52,883)	(5.3%)
General revenues	<u>2,593,248</u>	<u>2,597,342</u>	<u>(4,094)</u>	<u>(0.2%)</u>
Total revenues	<u>\$ 3,530,830</u>	<u>\$ 3,587,807</u>	<u>\$ (56,977)</u>	<u>(1.6%)</u>
<b>Expenses</b>				
Judicial expense fund	\$ 1,365,162	\$ 1,591,918	\$ (226,756)	(14.2%)
Child support fund	701,001	722,431	(21,430)	(3.0%)
Court services	<u>1,152,569</u>	<u>1,236,675</u>	<u>(84,106)</u>	<u>(6.8%)</u>
Total expenses	<u>\$ 3,218,732</u>	<u>\$ 3,551,024</u>	<u>(332,292)</u>	<u>(9.4%)</u>
Change in net position	<u>312,098</u>	<u>36,783</u>	<u>275,315</u>	<u>748.5%</u>
Net position (deficit) beginning of year	\$ (2,046,735)	\$ (2,083,518)	\$ 36,783	(1.8%)
Net position (deficit), end of year	<u>\$ (1,734,637)</u>	<u>\$ (2,046,735)</u>	<u>\$ 312,098</u>	<u>(15.2%)</u>

The net position of the Court increased by \$312,098 (or 15.2%) from June 30, 2020 to June 30, 2021.

The following schedule presents a summary of General and Special Revenue Fund revenues and expenditures for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to the prior year.

	FYE 2021 Amount	Percent of Total	FYE 2020 Amount	Percent of Total	Increase (Decrease) from FYE 2020	Percent Increase (Decrease)
<b>Revenues</b>						
Operating grants	\$ 302,070	9%	\$ 334,667	9%	\$ (32,597)	(10%)
Intergovernmental	2,578,336	73%	2,554,292	71%	24,044	1%
Charges for services	635,512	18%	655,798	18%	(20,286)	(3%)
Interest	11,830	-	36,117	1%	(24,287)	(67%)
Other	<u>3,082</u>	<u>-%</u>	<u>6,933</u>	<u>-%</u>	<u>(3,851)</u>	<u>(56%)</u>
Total revenues	<u>\$ 3,530,830</u>	<u>100%</u>	<u>\$ 3,587,807</u>	<u>100%</u>	<u>\$ (56,977)</u>	<u>(2%)</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021**

**THE COURT'S FUNDS (continued)**

**Statement of Activities Comparative Data (continued)**

Intergovernmental revenues decreased due to an decrease in the court fees collected during the year. Interest revenue increased due to the interest paid on accounts during the current year.

	FYE 2021 Amount	Percent of Total	FYE 2020 Amount	Percent of Total	Increase (Decrease) from FYE 2020	Percent Increase (Decrease)
Expenditures						
District court	\$ 3,610,551	98%	\$ 3,606,684	99%	\$ 3,867	-%
Capital outlay	<u>79,038</u>	<u>2%</u>	<u>25,449</u>	<u>1%</u>	<u>53,589</u>	<u>211%</u>
Total expenditures	<u>\$ 3,689,589</u>	<u>100%</u>	<u>\$ 3,632,133</u>	<u>100%</u>	<u>\$ 57,456</u>	<u>2%</u>

The total expenditures increased moderately during 2021. The increase of expenditures was mainly due to \$79,038 in capital outlays, whereas, prior year the Court had \$25,449 in capital outlay expenditures.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year, the General Fund and Special Revenue Funds' budgets were revised one time. The General Fund budget amendments were due to revenue decreases in court fees, warrants, grants, and interest income. The General Fund budget amendments were due to expenditure increases in asset expenditures and professional fees, with decreases in retirement, salaries, and seminars, meetings, and travel.

The actual General Fund revenues were less than the final budget by \$3,919. Actual General Fund expenditures were less than the final budget by \$201.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

At the end of June 30, 2021, the Court had \$132,892 invested in capital assets including computer equipment and office furniture and equipment (see table below).

Computer equipment, including software	\$ 61,905
Office equipment and furniture	<u>70,987</u>
Ending capital assets	<u>\$ 132,892</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021**

**THE COURT'S FUNDS (continued)**

**DEBT**

At year end, the Court had a total of \$128,088 estimated for accrued compensated absences that represents the future liability for vacation earned but not used by District Court employees. That is an increase of five percent (5%) as shown in the following table. The Court also had a total of \$1,592,821 estimated for post-retirement benefit plan payable that represents a future liability for medical and life insurance available upon retirement by District Court employees. This is the eleventh year that this liability has been recognized. Net pension liability recognized by the Court was \$1,315,395 that represents a future liability for retirement by District Court employees. The pension related deferred inflows recognized by the Court was \$1,845,778 that represents contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in a subsequent period. The post-retirement benefit plan had related deferred inflows recognized by the Court of \$279,121 that represents contributions subsequent to the measurement date that will be recognized as a reduction of the net post-retirement liability in a subsequent period.

	FYE 2021 Amount	FYE 2020 Amount	Increase (Decrease) from FYE 2020	Percent Increase (Decrease)
Accrued compensated absences	\$ 128,088	\$ 122,567	\$ 5,521	5%
Post-retirement benefit plan payable	\$ 1,592,821	\$ 1,533,961	\$ 58,860	4%
Net pension liability	\$ 1,315,395	\$ 1,670,773	\$ (355,378)	(21%)
Post-retirement related deferred inflows	\$ 279,121	\$ 382,552	\$ (103,431)	(27%)
Pension-related deferred inflows	\$ 1,845,778	\$ 1,503,647	\$ 342,131	23%

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Court operations are funded by court fees, court costs, the Parishes of Morehouse and Ouachita, and the Louisiana Supreme Court. The Probation/Drug Court Fund anticipates flat income and expense growth. The Judicial Expense Fund has been showing flat or declining revenues for several years while budgets have been trimmed back in certain areas to allow for more travel and technology improvements. Child Support Fund revenues have declined but expenses have increased and continue to be more than revenues. The Misdemeanor Probation Fund revenues have decreased during the current period but expenditures have also decreased, but continue to be more than revenues. Collections of costs and fines are showing a decrease overall.

**SIGNIFICANT EVENTS**

The implementation of the provisions of GASB 68 and 75 has had a major impact on the Fourth Judicial District Court. We have encountered many challenges with these pronouncements and determined our net pension liability and deferred inflows and outflows based upon the actuarial reports provided to us by the two different pension funds. Long-term debt now includes an accrued net pension liability of \$1,315,395, and an accrued post-employment benefit liability of \$1,592,821. See Notes 6 and 7 for detail discussions. The payments made to reduce this long-term debt do not present a problem for the Fourth Judicial District Court in the short or long term.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021**

**SIGNIFICANT EVENTS (continued)**

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U. S. On March 11, 2020 the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 23, 2020, Governor Edwards of Louisiana ordered the closure of the physical location of every "non-life sustaining/non-essential" business for what may be an extended period of time. Future potential impacts may include continued disruptions or restrictions on our employees' ability to work. The future effects of these issues are unknown.

Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments including the duration and spread of the outbreak, impact on our citizens, employees, and vendors all of which are uncertain and cannot be predicted. No adjustments have been made to these financial statements as a result of this uncertainty.

Federal Courts have held that the way courts in Louisiana fund court operations is unconstitutional. The holding is that this is particularly applicable to assessment of fines and fees in criminal cases, with some portion of the money thereby raised going into the Judicial Expense Fund. The determination that the way courts raise funds to pay salaries, and other operating expenses, is unconstitutional, has resulted in a decrease in funds being raised for use by the Fourth Judicial District Court.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with general overview of the Court's finances and to show the Court's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Court Administrator's Office at The Fourth Judicial District Court, 300 St. John Street, Suite 400, Monroe, Louisiana, 71201.

Judge Benjamin Jones  
Court Administrator  
December 29, 2021

**SECTION II**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 1,664,744
Accounts receivable	89
Due from other governmental units	218,758
Prepaid expenses and deposits	8,453
Capital assets	<u>132,892</u>
 Total assets	 \$ <u>2,024,936</u>
 <b>Deferred outflows of resources</b>	
Deferred outflows related to OPEB	\$ 25,475
Deferred outflows related to pensions	1,801,432
Deferred outflows related to rent paid	-
Deferred outflows related to maintenance costs	<u>450</u>
 Total deferred outflows of resources	 \$ <u>1,827,357</u>
 Total assets and deferred outflows of resources	 \$ <u><u>3,852,293</u></u>
 <b>Liabilities</b>	
Accrued and other liabilities	\$ 41,057
Due to other governmental units	384,670
Compensated absences payable	128,088
Other post-employment benefits payable	1,592,821
Net pension liability	<u>1,315,395</u>
 Total liabilities	 \$ <u>3,462,031</u>
 <b>Deferred inflows of resources</b>	
Deferred inflows related to OPEB	\$ 279,121
Deferred inflows related to pensions	<u>1,845,778</u>
 Total deferred inflows of resources	 \$ <u>2,124,899</u>
 <b>Net position</b>	
Net investment in capital assets	\$ 132,892
Unrestricted (deficit)	(2,788,879)
Restricted	<u>921,350</u>
 Total net position	 \$ <u>(1,734,637)</u>
 Total liabilities, deferred inflows of resources, and net position	 \$ <u><u>3,852,293</u></u>

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



**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

Function/Program activities:	Expenses	Program Revenues			Changes in Net Position
		Operating Charges for Services	Capital Grants and Contributions	Net (Expense) Revenue and Grants and Contributions	
<b>Government Activities:</b>					
Judicial Expense Fund	\$ 1,365,162	\$ -	\$ 46,935	\$ -	\$ 1,318,227
Child Support	701,001	-	-	-	701,001
<b>Court Services:</b>					
Misdemeanor Probation	648,018	583,240	-	-	64,778
Drug Court	347,524	52,062	129,986	-	165,476
Juvenile Drug Court	118,521	210	125,149	-	(6,838)
Reentry Court	38,506	-	-	-	38,506
<b>Total government activities</b>	<u>\$ 3,218,732</u>	<u>\$ 635,512</u>	<u>\$ 302,070</u>	<u>\$ -</u>	<u>\$ 2,281,150</u>
<b>General revenues</b>					
Intergovernmental					\$ 2,578,336
Interest					11,830
Other					<u>3,082</u>
<b>Total general revenues</b>					<u>\$ 2,593,248</u>
<b>Changes in net position</b>					\$ 312,098
<b>Net position - beginning</b>					<u>\$ (2,046,735)</u>
<b>Net position - ending</b>					<u>\$ (1,734,637)</u>

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

**SECTION III**  
**FUND FINANCIAL STATEMENTS**

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund	Reentry Court Fund	Total Governmental Fundst
<b>Assets</b>							
Cash and cash equivalents	\$ 625,246	\$ 555,182	\$ 468,980	\$ -	\$ 3,249	\$ 12,087	\$ 1,664,744
Accounts receivable	36	-	-	53	-	-	89
Due from other governmental units	42,229	60,585	-	76,367	31,902	7,675	218,758
Prepaid expenses and deposits	3,175	4,059	1,219	-	-	-	8,453
Due from other funds	10,082	-	-	231,679	-	-	-
<b>Total assets</b>	<b>\$ 680,768</b>	<b>\$ 619,826</b>	<b>\$ 470,199</b>	<b>\$ 308,099</b>	<b>\$ 35,151</b>	<b>\$ 19,762</b>	<b>\$ 1,892,044</b>
<b>Deferred outflows of resources</b>							
Deferred rent paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred maintenance costs	-	450	-	-	-	-	450
<b>Total deferred outflows of resources</b>	<b>\$ -</b>	<b>\$ 450</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450</b>
<b>Total assets and deferred outflows</b>	<b>\$ 680,768</b>	<b>\$ 620,276</b>	<b>\$ 470,199</b>	<b>\$ 308,099</b>	<b>\$ 35,151</b>	<b>\$ 19,762</b>	<b>\$ 1,892,494</b>
<b>Liabilities and fund balances</b>							
<b>Liabilities</b>							
Accrued and other liabilities	\$ 16,971	\$ 729	\$ 867	\$ 14,501	\$ 3,489	\$ 4,500	\$ 41,057
Due to other governmental units	165,185	57,878	114,834	25,543	15,973	5,257	384,670
Compensated absences payable	18,992	56,417	31,788	13,096	7,795	-	128,088
Due to other funds	-	82	201,679	-	30,000	10,000	-
<b>Total liabilities</b>	<b>\$ 201,148</b>	<b>\$ 115,106</b>	<b>\$ 349,168</b>	<b>\$ 53,140</b>	<b>\$ 57,257</b>	<b>\$ 19,757</b>	<b>\$ 553,815</b>
<b>Fund balances</b>							
Nonspendable	\$ 3,175	\$ 4,509	\$ 1,219	\$ -	\$ -	\$ -	\$ 8,903
Restricted	37,010	500,661	119,812	254,959	-	5	912,447
Unassigned	439,435	-	-	-	(22,106)	-	417,329
<b>Total fund balances</b>	<b>\$ 479,620</b>	<b>\$ 505,170</b>	<b>\$ 121,031</b>	<b>\$ 254,959</b>	<b>\$ (22,106)</b>	<b>\$ 5</b>	<b>\$ 1,338,679</b>
<b>Total liabilities and fund balances</b>	<b>\$ 680,768</b>	<b>\$ 620,276</b>	<b>\$ 470,199</b>	<b>\$ 308,099</b>	<b>\$ 35,151</b>	<b>\$ 19,762</b>	<b>\$ 1,892,494</b>

† After internal receivables and payables have been eliminated.

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

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

Total fund balances - total governmental funds	\$	1,338,679
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>		
Deferred outflows - OPEB related		25,475
Deferred outflows - pension related		1,801,432
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Governmental capital assets	\$ 661,769	
Less accumulated depreciation	<u>(528,877)</u>	132,892
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Unfunded post-retirement benefit plan obligations are not financial expenditures and, therefore, are not reported in the funds		(1,592,821)
Net pension liability		(1,315,395)
Deferred inflows - OPEB		(279,121)
Deferred inflows - pension related		<u>(1,845,778)</u>
Net position of governmental activities	\$	<u><u>(1,734,637)</u></u>

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

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund	Reentry Court Fund	Total Governmental Funds
<b>Revenues</b>							
Court fees	\$ 188,630	\$ 638,967	\$ 583,240	\$ 52,062	\$ 210	\$ -	\$ 1,463,109
Supreme court receipts	-	-	-	219,773	-	38,506	258,279
Grant revenue	46,935	-	-	129,986	125,149	-	302,070
Warrant revenue	1,067,460	-	-	-	-	-	1,067,460
Interest income	1,097	6,456	4,264	-	9	4	11,830
Other income	2,433	649	-	-	-	-	3,082
<b>Total revenues</b>	<b>\$ 1,306,555</b>	<b>\$ 646,072</b>	<b>\$ 587,504</b>	<b>\$ 401,821</b>	<b>\$ 125,368</b>	<b>\$ 38,510</b>	<b>\$ 3,105,830</b>
<b>Expenditures</b>							
Asset expenditures	\$ 70,665	\$ 3,078	\$ 3,078	\$ -	\$ 2,217	\$ -	\$ 79,038
Small asset expenditures	19,272	10,290	10,069	1,892	479	-	42,002
Court reporter/process costs	2,913	-	-	-	-	-	2,913
Insurance expense	256,800	72,804	95,765	23,696	6,613	-	455,678
Internet access	8,063	1,712	2,478	644	121	-	13,018
Miscellaneous	2,316	1,149	637	33	-	-	4,135
Office supplies and postage	17,595	-	3,679	-	385	-	21,659
Payroll taxes	16,335	9,935	6,483	1,115	600	1,545	36,013
Professional fees	104,354	28,795	14,084	181,938	57,915	16,410	403,496
Reference materials and dues	4,024	72,494	2,837	-	-	-	79,355
Rent	11,595	5,794	6,917	2,200	-	-	26,506
Repair maintenance and warranty	3,076	1,372	19,213	-	-	-	23,661
Retirement expense	180,720	80,660	57,951	10,744	5,321	-	335,396
Salaries	921,717	520,105	467,914	90,679	43,588	20,101	2,064,104
Seminars meetings and travel	27,582	2,069	865	300	280	450	31,546
Supplies	-	2,742	6,227	46,660	6,113	-	61,742
Telephone and utility expense	1,735	913	6,679	-	-	-	9,327
<b>Total expenditures</b>	<b>\$ 1,648,762</b>	<b>\$ 813,912</b>	<b>\$ 704,876</b>	<b>\$ 359,901</b>	<b>\$ 123,632</b>	<b>\$ 38,506</b>	<b>\$ 3,689,589</b>
Excess (deficiency) of revenues over expenditures	\$ (342,207)	\$ (167,840)	\$ (117,372)	\$ 41,920	\$ 1,736	\$ 4	\$ (583,759)
<b>Other financing sources (uses)</b>							
Operating transfers in	\$ 425,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425,000
Operating transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 425,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 425,000</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	\$ 82,793	\$ (167,840)	\$ (117,372)	\$ 41,920	\$ 1,736	\$ 4	\$ (158,759)
Fund balances - beginning	396,827	673,010	238,403	213,039	(23,842)	1	1,497,438
Fund balances - ending	\$ 479,620	\$ 505,170	\$ 121,031	\$ 254,959	\$ (22,106)	\$ 5	\$ 1,338,679

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

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Net change in fund balance - total governmental funds		\$ (158,759)
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized	\$ 79,038	
Depreciation expense	<u>(47,660)</u>	31,378
Other post-employment benefits are reported in the governmental funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues		
		70,046
Pension expense		<u>369,433</u>
Change in Net Position of Governmental Activities		<u><u>\$ 312,098</u></u>

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

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2021**

	<u>Custodial Funds</u>
<b>Assets</b>	
Cash and cash equivalents	\$ -
Total assets	<u>\$ -</u>
<b>Liabilities</b>	
Restitution to court-ordered recipients payable	\$ -
Total liabilities	<u>\$ -</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**



**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Judicial Expense Fund complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note. The Judicial Expense Fund has adopted the financial reporting requirements of GASB Statement No. 33 and 34.

The Judicial Expense Fund has adopted the financial reporting requirements of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Pension*.

The Fourth Judicial District Court adopted Government Accounting Standard Board (GASB) Statement No. 68 - *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27, and Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68. The adoption of GASB 68 and 71 required significant changes to the financial statements of the Fourth Judicial District Court. The principal objective of these Statements is to improve the usefulness of information for decisions made by the various users of the general purpose external financial reports of governments whose employees, both active and inactive are provided with pensions. One aspect of that objective is to provide information about the effects of pension-related transactions and other events on the elements of basic financial statements of state and local governmental employers. This information will assist users in assessing the relationship between government's inflow of resources and its total cost (including pension expense) of providing government services each period. Another aspect of that objective is to provide users with information about the government's pension obligations and the resources available to satisfy those obligations. An additional objective is to improve the information provided in government financial reports about pension-related financial support provided by certain non-employer entities that make contributions to pension plans that are used to provide benefits to the employees of other entities.

Financial Reporting Entity: The Fourth Judicial District Court, General Fund (Judicial Expense Fund) was created under the Act No. 52 of 1984, effective on the 60<sup>th</sup> day after final adjournment of the 1984 legislative session of the State of Louisiana. The effective date of funding was set on November 1, 1984.

The purpose of the fund is to provide sufficient funding to expedite efficient operation of the Court. In general, the fund is established and may be used for any purpose or purposes connected with, incidental to or related to the proper administration of the Court.

Special Revenue Funds: The purpose of each major special revenue fund and revenue source is listed below:

The Fourth Judicial District Court, Special Revenue Fund (Child Support) authority was created under the Act No. 517 of 1986, effective within one year after final adjournment of the 1986 legislative session of the State of Louisiana. In accordance with Louisiana Revised Statutes, §46:236.5 the Fourth Judicial District Court implemented this process beginning November 1, 1990.

FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The purpose of the fund is to provide an expedited process for establishment and enforcement of support obligations which are brought by the Department of Health and Human Services. Revenues are to be expended to administer the proceedings related to the expedited process.

The Fourth Judicial District Court, Special Revenue Fund (Misdemeanor Probation) authority was created under the Louisiana Code of Criminal Procedure Article 895.1C. The Fourth Judicial District Court issued an order signed *en banc* February 26, 1993 implementing this process. The purpose of the fund is to provide misdemeanor probation services by collecting monthly fines for establishment and enforcement of the probationary period. Revenues are to be expended to administer the proceedings related to the probation process.

The Fourth Judicial District Court, Special Revenue Fund (Drug Court) authority was created under the Louisiana Code of Criminal Procedure Article 193 and Article 18 by Rule XI of this Court. The drug treatment and probation program shall be established in accordance with the provisions of LSA R.S.13:5301-5304. The Fourth Judicial District Court issued an order signed *en banc* February 4, 2000 implementing the process effective January 1, 2000.

The Fourth Judicial District Court, Special Revenue Fund (Adult Drug Court) was granted an award of \$350,000 for the current fiscal year by the Supreme Court of Louisiana, Drug Court Program.

The purpose of the fund is to administer drug offense charges. Revenues are to be expended to administer the monitoring, counseling, and enforcement of drug offense probation.

The Fourth Judicial District Court, Special Revenue Fund (Juvenile Drug Court) was granted an award of \$142,500 for the current fiscal year by the Supreme Court of Louisiana, Drug Court Program.

The purpose of the fund is to administer juvenile drug offense charges. Revenues are to be expended to administer the monitoring, counseling and enforcement of juvenile drug offense probation.

The Fourth Judicial District Court, Special Revenue Fund (Reentry Court) was established in accordance with the provisions of LA R.S. 13:5401. The purpose of the fund is to facilitate economic success for citizens convicted of an offense. The goal of the Reentry Program is to reduce crime, combat recidivism, and enhance public safety.

The Fourth Judicial District Court, Special Revenue Fund (Reentry Court) was granted an award of \$50,000 for the current fiscal year by the Supreme Court of Louisiana, Drug Court Program.

**Basis of Presentation:** The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fund Balance Type Definitions:** In accordance with Governmental Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Fourth Judicial District Court classifies governmental fund balances as follows:

Nonspendable	Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
Restricted	Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
Committed	Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. Fund balance may be committed by the judges of the Fourth Judicial District Court.
Assigned	Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance may be assigned by the judges of the Fourth Judicial District Court.
Unassigned	Includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

**Fund Balance Type Actions:** The Fourth Judicial District Court uses *restricted/committed* amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Fourth Judicial District Court would first use *committed*, then *assigned*, and lastly *unassigned* amounts of unrestricted fund balance when expenditures are made.

The Fourth Judicial District Court does not have a formal minimum fund balance policy.

A schedule of fund balances is as follows:

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund	Reentry Court Fund	Total Governmental Increase (Decrease)
Fund balances							
Non spendable							
Prepaid expenses	\$ 3,175	\$ 4,509	\$ 1,219	\$ -	\$ -	\$ -	\$ 8,903
Restricted							
Families in Need of Services	37,010	-	-	-	-	-	37,010
Child Support enforcement	-	500,661	-	-	-	-	500,661
Court Services	-	-	119,812	254,959	-	5	374,776
Unassigned	439,435	-	-	-	(22,106)	-	417,329
Total fund balances	\$ 479,620	\$ 505,170	\$ 121,031	\$ 254,959	\$ (22,106)	\$ 5	\$ 1,338,679

The Juvenile Drug Court Fund has a deficit fund balance of \$22,106.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The accounting and reporting policies of the Fourth Judicial Court, Judicial Expense Fund conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Municipal Audit and Accounting Guide, the industry audit guide, Audits of State and Local Governmental Units; Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, and/or, where applicable, Public Law 98-502, the Single Audit Act of 1996, and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance).

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

GASB Codification Section 2100 established criteria for determining which component units should be considered part of the Ouachita Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

This criterion includes:

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

Because the Ouachita Parish Police Jury provides for the operation and maintenance of the Courtroom and office space of the Judges in its parish courthouse, the Fourth Judicial District Court was determined to be a component unit of the Ouachita Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fourth Judicial District Court and do not present information on the Ouachita Parish Police Jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basic Financial Statements:** *Government-wide financial statements* – The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

*Fund financial statements* – The financial transactions of the Judicial Expense Fund are reported in individual funds in the fund financial statements. Each fund is accounted for by a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

The funds of the Judicial Expense Fund are described as follows:

*General Fund* – The General Fund is the general operating fund and accounts for all activities of the Judicial Expense Fund except those required to be accounted for in another fund.

*Special Revenue Fund* – Special Revenue Funds are used to account for specific revenue sources that are legally restricted to expenditures for specified purposes. Included in special revenue funds are the Child Support Fund and Court Services Fund which includes Misdemeanor Probation, Drug Court, Juvenile Drug Court, and Reentry Court.

This report includes funds which are controlled by the Fourth Judicial District Court (Chief Judge and Judges) but determined to be a component unit of the Ouachita Parish Police Jury. The Ouachita Parish Police Jury has significant control over the Judicial Expense Fund in the area of necessary capital outlay. The Ouachita Parish Police Jury would present this component unit in a discreet presentation format if it were included in their financial statements. The funds are administered by the Court Administrator.

**Measurement Focus and Basis of Accounting:** Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of measurement focus applied.

*Measurement focus* – The government-wide financial statements are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. All governmental funds utilize a current financial resources measurement focus in the fund financial statements. Only current assets and liabilities are generally included on the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is the measure of available spendable financial resources at the end of the period.

FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Basis of accounting* - The government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Revenues are recognized when "measurable and available" measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions should be recognized in accordance with the requirements of GASB Codification Section N50.

Budgets and Budgetary Accounting: The Fourth Judicial District Court follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Court Administrator prepares a proposed budget for the General Fund and each Special Revenue Fund and submits same to the Chief Judge, prior to the beginning of each fiscal year.
2. The Chief Judge, Fourth Judicial District Court, signs written approval of the budgets.
3. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Chief Judge.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets for the General Fund (Judicial Expense Fund), and Special Revenue Funds (Child Support Fund, Misdemeanor Probation Fund, Drug Court Fund, Juvenile Drug Court Fund, and Reentry Court), are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Amendments of the budget are prepared by the Court Administrator and the process is the same as indicated for the original budget during the fiscal year.

Budget Variance: The significant variation of actual expenses in the areas of reference materials, insurance expense, payroll related expenses, supplies and travel expenses were primarily due to the uncertainties of budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses.

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts, and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Investments:** In accordance with GASB Statement No. 31, the Court's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the credit standing of the issuer or by other factors, it is reported at fair value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

**Interfund Receivables/Payables:** Short-term interfund loans are classified as interfund receivables / payables.

**Prepaid Items:** Advance payments for retirement are expensed as the period lapses. The balance in prepaid expense represents advance retirement payments or contracts due to expire during the subsequent months.

**Capital Assets:** In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$1,000, or more are reported at historical cost. Additions, improvement and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Computer equipment, including software	3 - 10 years
Other office equipment	5 - 10 years
Furniture and fixtures	5 - 20 years

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures of the fund upon acquisition. Capital assets reported herein include only those assets purchased by the Judicial Expense Fund and do not reflect assets of the Court obtained from other sources.

**Compensated Absences:** The Fourth Judicial District Court accrues compensated absence expense based on unused vacation available to employees as of the last day of the fiscal year. Accrued compensated absence is recognized as a current year expenditure in the governmental funds. Accumulated sick leave is non-compensable, therefore, no provision has been made for unused sick leave.

**Pension Plans:** *Louisiana State Employees' Retirement System (LASERS)* - The Fourth Judicial District Court is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and additions to/ deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Parochial Employees' Retirement System of Louisiana* - The Parochial Employees' Retirement System of Louisiana (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan." Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The Retirement System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

**Net Position:** Net position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position balances are classified in the following three components:

*Invested in capital assets, net of related debt* - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition of those assets. There was no outstanding debt attributable to these fixed assets as of June 30, 2021.

*Restricted* - This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There were \$3,175 and \$37,010 in restricted net position as of June 30, 2021 related to the prepaid expenses, and Families in Need of Services Funds, respectively, in the General Fund and \$875,438 restricted net position as of June 30, 2021 related to Special Revenue Fund balances.

*Unrestricted net position* - This component of net position consists of net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Fund Equity:** Designated fund balances represent tentative plans for future use of financial resources.

**Interfund Transactions:** Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

**Use of Estimates:** The preparation of component unit financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 2 - EXPENDITURES - ACTUAL AND BUDGET**

The Judicial Expense Fund had total actual expenditures less than total budgeted expenses for the year by \$201 or 0.01%.

The Child Support Fund had total actual expenditures less than total budgeted expenses for the year by \$1,043 or 0.1%.

The Misdemeanor Probation Fund had total expenditures more than total budgeted expenses for the year by \$3,916 or 0.6%.

The Drug Court Fund had total actual expenditures more than total budgeted expenses for the year by \$20,503 or 5.7%.

The Juvenile Drug Court Fund had total actual expenditures more than total budgeted expenses for the year by \$5,286 or 4.3%.

The Reentry Court Fund had total actual expenditures equal to total budgeted expenses for the year.

The Chief Judge and Judges were aware of any unfavorable variances and approved the additional expenses.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

**A. Cash and Cash Equivalents**

Included as cash and cash equivalents are bank accounts and short-term investments, specifically certificates of deposit.

At June 30, 2021 the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling \$1,664,744 as follows:

Noninterest-bearing demand deposits	\$	44,082
Interest-bearing demand deposits		532,595
Time deposits		<u>1,088,067</u>
Total	\$	<u><u>1,664,744</u></u>

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 3 - DEPOSITS AND INVESTMENTS (continued)**

The following is a summary of specific account information by custodial institution:

<u>Credit Risk</u>	<u>Book Balance</u>	<u>Account Balance</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
<b>BancorpSouth Bank</b>				
General fund				
Families in Need of Services - checking	\$ 44,082	\$ 44,082		0.00%
Special revenue funds				
Child Support - checking	37,447	45,318		0.05%
Misdemeanor Probation - checking	134,409	163,292		0.05%
Juvenile Drug Court - checking	3,249	3,636		0.05%
Re-Entry Court - checking	12,087	12,087		0.05%
Subtotal	<u>\$ 231,274</u>	<u>\$ 268,415</u>		
<b>Cross Keys Bank</b>				
General fund				
Judicial Expense - CD - 5/03/21	\$ 107,294	\$ 107,294	11/01/21	0.27%
Judicial Expense - CD - 5/04/21	128,467	128,467	11/02/21	0.27%
Special revenue funds				
Child Support - CD - 1/15/21	109,334	109,334	01/14/22	0.27%
Misdemeanor Probation - CD - 11/17/20	217,999	217,999	11/16/21	0.27%
Subtotal	<u>\$ 563,094</u>	<u>\$ 563,094</u>		
<b>Origin Bank</b>				
General fund				
Judicial Expense - checking	\$ 276,628	\$ 285,275		0.03%
Subtotal	<u>\$ 276,628</u>	<u>\$ 285,275</u>		
<b>Progressive Bank</b>				
General fund				
Payroll fund - checking	\$ 68,775	\$ 71,679		0.20%
Subtotal	<u>\$ 68,775</u>	<u>\$ 71,679</u>		
<b>B1 Bank</b>				
Special revenue funds				
Child Support - CD - 3/16/21	\$ 238,277	\$ 238,277	09/16/21	0.30%
Child Support - CD - 3/05/21	170,124	170,124	09/08/21	0.30%
Misdemeanor Probation - CD - 4/22/21	116,572	116,572	10/22/21	0.40%
Subtotal	<u>\$ 524,973</u>	<u>\$ 524,973</u>		
<b>Total cash and cash equivalents</b>	<u><u>\$ 1,664,744</u></u>	<u><u>\$ 1,713,436</u></u>		

**FOURTH JUDICIAL DISTRICT COURT  
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MONROE, LOUISIANA  
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**NOTE 3 - DEPOSITS AND INVESTMENTS (continued)**

Custodial Credit Risks - Deposits

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2021, the Fourth Judicial District Court had \$1,713,436 in deposits (collected bank balances). These deposits are secured from risk by \$1,071,678 of federal deposit insurance and \$641,758 of pledged securities held by the bank's agent in the name of the bank as of June 30, 2021.

In accordance with La R.S. 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmatured or payable on demand. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

**B. Investments**

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are:

- Category 1: Investments that are insured, registered, or held by the entity or by its agent in the Court's name.
- Category 2: Investments that are uninsured and unregistered, or held by the counterparty's trust department or agent in the Court's name.
- Category 3: Uninsured and unregistered investments held by the counterparty, its trust or its agent, but not in the Court's name.

**NOTE 4 - ACCOUNT RECEIVABLES AND DUE FROM OTHER GOVERNMENTAL UNITS**

The receivables of \$89 at June 30, 2021 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Drug Court Fund</u>	<u>Totals</u>
Other	\$ 36	\$ 53	\$ 89
Total	<u>\$ 36</u>	<u>\$ 53</u>	<u>\$ 89</u>

The Court considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 - ACCOUNT RECEIVABLES AND DUE FROM OTHER GOVERNMENTAL UNITS (Continued)**

Amounts due from other governmental units consisted of the following:

**General Fund**

**Judicial Expense Fund**

Court fees - Ouachita Parish, Sheriff Department, State of Louisiana (includes expense reimbursement)	\$ 8,614
Court fees - Ouachita Parish, Clerk of Court, State of Louisiana (includes expense reimbursement)	1,882
Court fees - Ouachita Parish, Probation Court, State of Louisiana	65
Court fees - Morehouse Parish, Sheriff Department, State of Louisiana	4,642
Court fees - Morehouse Parish, Clerk of Court, State of Louisiana	855
Travel and expense reimbursement - Supreme Court, Justice Department, State of Louisiana	5,503
Expense reimbursement - Ouachita Parish Police Jury, State of Louisiana	909
Expense reimbursement - Ouachita Parish District Attorney, State of Louisiana	17

**Payroll Fund**

Court fees - Ouachita Parish, Sheriff Department, State of Louisiana (includes expense reimbursement)	<u>19,742</u>
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Total	<u>\$ 42,229</u>
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**Special Revenue Funds**

**Child Support Fund**

Court fees - Department of Health and Human Resources, State of Louisiana	\$ 59,207
Equipment rental reimbursement - Monroe City Court, State of Louisiana	212
Expense reimbursement - Ouachita Parish Police Jury, State of Louisiana	1,166

**Drug Court Fund**

Operation fees - Supreme Court, Justice Department, State of Louisiana	76,367
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**Juvenile Drug Court Fund**

Operation fees - Supreme Court, Justice Department, State of Louisiana	31,902
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**Reentry Court Fund**

Operation fees - Supreme Court, Justice Department, State of Louisiana	<u>7,675</u>
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Total	<u>\$ 176,529</u>
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**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
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**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance <u>June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2021</u>
Government activities:				
Computers and printers	\$ 338,032	\$ 46,742	\$ -	\$ 384,774
Equipment	244,699	32,296	-	276,995
Totals at historical cost	<u>\$ 582,731</u>	<u>\$ 79,038</u>	<u>\$ -</u>	<u>\$ 661,769</u>
Less accumulated depreciation for:				
Computers	\$ 303,968	\$ 18,901	\$ -	\$ 322,869
Equipment	177,249	28,759	-	206,008
	<u>\$ 481,217</u>	<u>\$ 47,660</u>	<u>\$ -</u>	<u>\$ 528,877</u>
Governmental activities:				
Capital assets, net	<u>\$ 101,514</u>	<u>\$ 31,378</u>	<u>\$ -</u>	<u>\$ 132,892</u>

Depreciation expense was charged to governmental functions as follows:

Judicial Expense Fund	\$ 39,474
Child Support Fund	3,626
Misdemeanor Probation Fund	4,013
Drug Court Fund	530
Juvenile Drug Court Fund	17
	<u>\$ 47,660</u>

**NOTE 6 - PENSION PLANS**

The Fourth Judicial District Court implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions* and Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB 68. The standards require the Fourth Judicial District Court to record its proportional share of each of the pension plans' net pension liability and report the following disclosures:

At June 30, 2021, the Fourth Judicial District Court reported a total liability of \$ 1,315,395 for its proportionate share of the net pension liability (asset) in the following retirement plans:

Louisiana State Employees' Retirement System (LASERS)	\$ 1,606,412
Parochial Employees' Retirement System of Louisiana	<u>(291,017)</u>
Total	<u>\$ 1,315,395</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 6 - PENSION PLANS (continued)**

At June 30, 2021, the Fourth Judicial District Court reported total deferred outflows of \$1,801,432 for its proportionate share of the net pension asset in the following retirement plans:

Louisiana State Employee' Retirement System (LASERS)	\$ 1,555,122
Parochial Employees' Retirement System of Louisiana	<u>246,310</u>
Total	<u>\$ 1,801,432</u>

At June 30, 2021, the Fourth Judicial District Court reported total deferred inflows of \$1,845,778 for its proportionate share of the net pension liability in the following retirement plans:

Louisiana State Employees' Retirement System (LASERS)	\$ 1,239,859
Parochial Employees' Retirement System of Louisiana	<u>605,919</u>
Total	<u>\$ 1,845,778</u>

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS)**

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

**Plan Description:** Employees of the Fourth Judicial District Court, Judicial Expense Fund are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

**Benefits Provided:** The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

**Retirement:** The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Our rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing ten years of creditable service, at age 55 upon completing 25 years of creditable service, and at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
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**NOTE 6 - PENSION PLANS (continued)**

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)**

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, house clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
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 FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 6 - PENSION PLANS (continued)**

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)**

Deferred Retirement Benefits: The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

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

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30<sup>th</sup> immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

Disability Benefits: Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching retirement age, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation or 100% of final average compensation if the injury was the result of an intentional act of violence.



FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
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**NOTE 6 - PENSION PLANS (continued)**

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)**

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service or 100% of final average compensation if the injury was the result of an intentional act of violence. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

Survivor's Benefits: Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the members final average compensation.

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivor benefits paid to a surviving spouse without children are equal to 40% of final average compensation and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation, and cease upon remarriage, and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, or 100% of final average compensation if the injury was the result of an intentional act of violence, regardless of children. Line of duty survivor benefits cease upon remarriage, and then benefit is paid to children under 18.

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

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
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**NOTE 6 - PENSION PLANS (continued)**

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)**

**Employer Contributions:** Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2021 for the various plans follow:

Plan	Plan Status	Employee Contribution Rate	Employer Contribution Rate
Appellate law clerks	Closed	7.50%	40.10%
Appellate law clerks hired on or after 7/1/06	Closed	8.00%	40.10%
Alcohol Tobacco Control	Closed	9.00%	38.10%
Bridge police	Closed	8.50%	38.50%
Bridge police hired on or after 7/1/06	Closed	8.50%	38.50%
Corrections primary	Closed	9.00%	38.70%
Corrections secondary	Closed	9.00%	43.00%
Harbor police	Closed	9.00%	12.10%
Hazardous duty	Open	9.50%	45.00%
Judges hired before 1/1/11	Closed	11.50%	42.50%
Judges hired after 12/31/10	Closed	13.00%	43.60%
Judges hired on or after 7/1/15	Open	13.00%	43.60%
Legislators	Closed	11.50%	36.50%
Optional retirement plan (ORP) before 7/1/06*	Closed	7.50%	37.30%
Optional retirement plan (ORP) on or after 7/1/06*	Closed	8.00%	37.30%
Peace officers	Closed	9.00%	40.90%
Regular employees hired before 7/1/06	Closed	7.50%	40.10%
Regular employees hired on or after 7/1/06	Closed	8.00%	40.10%
Regular employees hired on or after 1/1/11	Closed	8.00%	40.10%
Regular employees hired on or after 7/1/15	Open	8.00%	40.10%
Special legislative employees	Closed	9.50%	38.50%
Wildlife agents	Closed	9.50%	50.50%
<b>Aggregate rate</b>			<b>40.60%</b>

\* For ORP the projected employer contribution effort was calculated using the shared UAL portion of the contribution rate of 37.3% for 2021.

The agency's contractually required composite contribution rate for the year ended June 30, 2021 was 40.1% and 40.1% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$197,955 for the year ended June 30, 2021.

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NOTE 6 - PENSION PLANS (continued)

A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2021, the employer reported a liability of \$1,606,412 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Agency's proportion was 0.019420, which was a decrease of 0.00351% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Agency recognized pension expense of \$206,979 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$212,660 for 2021.

At June 30, 2021, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (15,427)
Changes in assumptions	5,140	-
Net difference between projected and actual earnings on pension plan investments	234,827	-
Changes in proportion and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	1,117,200	(1,224,432)
Employer contributions subsequent to the measurement date	197,955	-
<b>Total</b>	<b>\$ 1,555,122</b>	<b>\$ (1,239,859)</b>

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NOTE 6 - PENSION PLANS (continued)

A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* (continued)

\$197,955 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2021	\$ (77,324)
2022	\$ 67,720
2023	\$ 72,567
2024	\$ 54,344

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021, is as follows:

Valuation date	June 30, 2020
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Expected remaining service lives	2 years
Investment rate of return	7.55% per annum, net of investment expenses*
Inflation rate	2.30% per annum
Mortality	Nondisabled members - Mortality rates for 2020 were based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.  Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, disability, and retirement	Termination, disability, and retirement assumptions were projected based on a 5-year (2014-2018) experience study of the System's members.

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**NOTE 6 - PENSION PLANS (continued)**

**A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)**

Salary increases

Salary increases were projected based on a 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	3.0%	12.8%
Judges	2.6%	5.1%
Corrections	3.6%	13.8%
Hazardous duty	3.6%	13.8%
Wildlife	3.6%	13.8%

Cost of living adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

\* The investment rate of return used in the actuarial valuation for funding purposes was 7.90%, recognizing an additional 35 basis points for gain sharing.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of re-balancing/diversification. The resulting expected long-term rate of return is 8.25% for 2020. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return *</u>
Cash	(0.59%)
Domestic equity	4.79%
International equity	5.83%
Domestic fixed income	1.76%
International fixed income	3.98%
Alternative investments	6.69%
Risk parity	4.20%
Total	5.81%

\* For reference only: Presented in LASERS 2020 CAFR, Long-Term Expected Real Rate of Return, Page 35.

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NOTE 6 - PENSION PLANS (continued)

A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS) (continued)

**Discount Rate:** The discount rate used to measure the total pension liability was 7.55%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the Employer's proportionate share of the net pension liability using the discount rate of 7.55%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.55%) or one percentage-point higher (8.55%) than the current rate:

	Changes in Discount Rate - 2020		
		Current	
	1% Decrease 6.55%	Discount Rate 7.55%	1% Increase 8.55%
Employer's proportionate share of the Net Pension Liability	\$ 1,974,030	\$ 1,606,412	\$ 1,294,447

**Pension Plan Fiduciary Net Position:** Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

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**NOTE 6 - PENSION PLANS (continued)**

**B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA**

**Plan Description:** The Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have its own retirement system, and which elects to become members of the System. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

**Eligibility Requirements:** All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

**Retirement Benefits:** Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

**Survivor Benefits:** Upon the death of any member of with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

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**NOTE 6 - PENSION PLANS (continued)**

**B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)**

**Survivor Benefits:** A surviving spouse who is not eligible for Social Security survivorship or retirement benefits and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

**Deferred Retirement Option Plan:** Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the State or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

**Disability Benefits:** A member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

**Cost of Living Increases:** The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (R.S. 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.



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**NOTE 6 – PENSION PLANS (continued)**

**B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)**

**Employer Contributions:** According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actuarially determined contribution rate was 11.11% of member's compensation. However, the actual rate for the fiscal year ending December 31, 2020, was 12.25%.

According to state statute, the System also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

**Schedule of Employer Allocations:** The schedule of employer allocations reports the historical employer contributions, in addition to the employer allocation percentage for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the plan during the fiscal year ended December 31, 2020, as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2020.

**Schedule of Pension Amounts by Employer:** The schedule of pension amounts by employer displays each employer's allocation of the net pension liability, the various categories of deferred outflows of resources, the various categories of deferred inflows of resources, and various categories of pension expense. The schedule of pension amounts by employer was prepared using the allocations included in the Schedule of Employer Allocations.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At June 30, 2021, the employer reported an asset of \$291,017 for its proportionate share of the Net Pension Asset. The Net Pension Liability was measured as of December 31, 2020 and the total pension asset used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date. The Agency's proportion of the Net Pension Asset was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the Agency's proportion was 0.165970%, which was a decrease of 0.02999% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Agency recognized pension expense of \$33,931 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions totaling \$156,773 for 2021.

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**NOTE 6 - PENSION PLANS (continued)**

**B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)**

At June 30, 2021, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 70,853	\$ (34,735)
Changes in assumptions	95,212	-
Net difference between projected and actual earnings on pension plan investments	-	(567,980)
Changes in proportion and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	7,514	(3,204)
Employer contributions subsequent to the measurement date	<u>72,731</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 246,310</u></b>	<b><u>\$ (605,919)</u></b>

\$72,731 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2021	\$ (111,690)
2022	\$ (38,084)
2023	\$ (178,732)
2024	\$ (92,790)

**Actuarial Methods and Assumptions:** The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability (asset) of the System's employers as of December 31, 2020, are as follows:

Total Pension Liability	\$ 4,385,659,960
Plan Fiduciary Net Pension	<u>4,561,001,343</u>
Total Net Pension Liability	<u>\$ (175,341,383)</u>

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NOTE 6 - PENSION PLANS (continued)

B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)

Actuarial Methods and Assumptions (continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020, is as follows:

Valuation date	December 31, 2020
Actuarial cost method	Entry age normal
Investment rate of return	6.40%, net of investment expenses, including inflation
Expected remaining service lives	4 years
Projected salary increases	4.75%
Cost of living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation rate	2.30%

The discount rate used to measure the total pension liability was 6.40%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**NOTE 6 – PENSION PLANS (continued)**

**B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)**

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2020, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	33%	0.86%
Equity	51%	3.36%
Alternatives	14%	0.67%
Real assets	2%	0.11%
Total	100%	5.00%
 Inflation		 2.00%
 Expected arithmetic nominal return		 7.00%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

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NOTE 6 - PENSION PLANS (continued)

B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA (continued)

Sensitivity of Changes in Discount Rate: The following presents the net pension liability (asset) of the participating employers calculated using the discount rate of 6.40%, as well as what the employer's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

	Changes in Discount Rate - 2020		
	Current		
	1% Decrease 5.40%	Discount Rate 6.40%	1 % Increase 7.40%
Employer's proportionate share of the Net Pension Liability (asset)	\$ 610,177	\$ (291,017)	\$ (1,045,748)

Retirement System Audit Report: The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the audit report can be found on the System's website: [www.persla.org](http://www.persla.org) or on the Office of Louisiana Legislative Auditor's official website: [www.la.state.la.us](http://www.la.state.la.us).

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**NOTE 7 – POST-RETIREMENT BENEFIT PLAN**

The Court adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* for the year ended June 30, 2018. Statement No. 75 addresses accounting and financial reporting for other postemployment benefits (OPEB) for health care and life insurance that are provided to employees of state and local governmental employers. In addition, Statement No. 75 supersedes GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multi-Employer Plans*. Most significantly, the Court is required to recognize the remaining liability for its proportionate share of the OPEB liability of the State of Louisiana’s retiree health plans.

**Plan Description:** The Court is a participant in the State of Louisiana Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The State administers the plan through the Office of Group Benefits. Louisiana Revised Statutes 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy’s website at [www.doa.la.gov/osrap](http://www.doa.la.gov/osrap).

**Funding Progress:** There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of June 30, 2021. The plan is funded on a “pay-as-you-go” basis under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

The contribution requirements of plan members and the Court are established and may be amended by La R.S. 42:801-883. Employer contributions are based on plan premiums and the employer contributions percentage. Premium amounts vary depending on the health plan selected and if the retired member has Medicare coverage. OGB offers retirees four self-insured healthcare plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage also have access to four fully insured Medicare Advantage plans.

The employer contribution percentage is based on the date of participation in an OGB plan and employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65, who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer and retiree is based on the following schedule:

<u>Service</u>	<u>Employer Percentage</u>	<u>Retiree Percentage</u>
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

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**NOTE 7 - POST-RETIREMENT BENEFIT PLAN (continued)**

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retirees and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums for individual retirees. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

**Total Collective OPEB Liability and Changes in Total Collective OPEB Liability**

At June 30, 2021, the Court reported a liability of \$1,592,821 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2020 and was determined by an actuarial valuation as of that date. The Court's proportionate share of the total collective OPEB liability at June 30, 2020, totaling \$1,533,961 was determined using a roll back of the same valuation to July 1, 2019, using the discount rate applicable on that date, and assuming no experience gains or losses.

The total collective OPEB liability in the July 1, 2020, actuarial valuation was determined using the following actuarial methods, assumptions, and other inputs applied to all periods included in the measurement, unless otherwise specified:

- Actuarial cost method - entry age normal, level percentage of pay
- Estimated remaining service lives - 4.8
- Inflation rate - Consumer Price Index (CPI) - 2.8%
- Salary increase rate - consistent with the State of Louisiana's pension plan
- Discount rate - 2.66% based on the June 30, 2020 S & P's 20-year municipal bond index
- Mortality rate - based on the RP-2014 Combined Healthy Mortality Table, or RP-2014 Disabled Retiree Mortality Table; both tables projected on fully generated basis by Mortality Improvement Scale MP-2018
- Healthcare cost trend rates - 6.75% for pre-Medicare eligible employees grading down by 0.25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2029; 5.25% for post-Medicare eligible employees grading down by 0.25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2023-2024 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building-block approach which considers the Consumer Price Index, gross domestic product, and technology growth.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.79% as of July 1, 2019, to 2.66% as of July 1, 2020.

There were seven (7) inactive employees currently receiving benefit payment during the year ended June 30, 2021.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 7 - POST-RETIREMENT BENEFIT PLAN (continued)**

**Sensitivity of the Proportionate Share of the Total Collective OPEB Liability to Changes in the Discount Rate**

The following presents the Court's proportionate share of the total collective OPEB liability using the current discount rate as well as what the Court's proportionate share of the total collective OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1 % Increase (3.66%)
Proportionate share of total collective OPEB liability	\$ 1,840,657	\$ 1,592,821	\$ 1,393,838

**Sensitivity of the Proportionate Share of the Total Collective OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the Court's proportionate share of the total collective OPEB liability using the current healthcare cost trend rates as well as what the Court's proportionate share of the total collective OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1 % Increase (7.75%)
Proportionate share of total collective OPEB liability	\$ 1,393,838	\$ 1,592,821	\$ 1,837,801



FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2021

**NOTE 7 - POST-RETIREMENT BENEFIT PLAN (continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021, the Court recognized OPEB expense of (\$38,602). At June 30, 2021, the Court reported deferred outflows of resources and deferred inflows related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,475	\$ 41,199
Changes in assumptions	-	237,922
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	-	-
<b>Total</b>	<u>\$ 25,475</u>	<u>\$ 279,121</u>

Deferred outflows of resources related to OPEB resulting from the Court's benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30</u>	
2022	\$ (113,561)
2023	(94,835)
2024	(47,808)
2025	2,558
2026	<u>-</u>
	<u>\$ (253,646)</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 8 - DUE TO OTHER GOVERNMENTAL UNITS**

Accounts due to other governmental units consist of the following:

**General Fund**

**Judicial Expense Fund**

Ouachita Parish District Attorney - State of Louisiana	\$ 7,072
Ouachita Parish Police Jury - State of Louisiana	154,542
Ouachita Parish Sheriff Department - State of Louisiana	<u>3,571</u>
Total general fund	<u>\$ 165,185</u>

**Special Revenue Funds**

**Child Support Fund**

Ouachita Parish Police Jury - State of Louisiana	\$ 56,176
Ouachita Parish Sheriff Department - State of Louisiana	1,702
<b>Court Services Fund (Misdemeanor, Drug Court, Juvenile Drug Court and Reentry Court)</b>	
Ouachita Parish District Attorney - State of Louisiana	5,257
Ouachita Parish Police Jury - State of Louisiana	151,643
Ouachita Parish Sheriff Department - State of Louisiana	207
University of Louisiana at Monroe - State of Louisiana	<u>4,500</u>
Total special revenue funds	<u>\$ 219,485</u>

**NOTE 9 - COMPENSATED ABSENCES**

At June 30, 2021, employees of the Fourth Judicial District Court have accumulated and vested \$128,088 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$18,992 is recorded as an obligation of the General Fund and \$109,096 is recorded as an obligation of the Special Revenue Funds.

**NOTE 10 - CHANGES IN CUSTODIAL FUND DEPOSITS DUE OTHERS**

A summary of changes in custodial fund deposits due others follows:

	<u>Balance at Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at End of Year</u>
<b>Custodial Funds: Misdemeanor Probation Fund</b>				
Ouachita Parish Sheriff's Department - Monroe, Louisiana	\$ -	\$ 6,068	\$ (6,068)	\$ -
Morehouse Parish Sheriff's Department Bastrop, Louisiana	-	736	(736)	-
Indigent Defender Board - Monroe, Louisiana	-	52,843	(52,843)	-
Criminal Court Fund - Monroe, Louisiana	-	11,429	(11,429)	-
Restitution recipients, Fourth District - State of Louisiana	-	<u>62,279</u>	<u>(62,279)</u>	-
	<u>\$ -</u>	<u>\$ 133,355</u>	<u>\$ (133,355)</u>	<u>\$ -</u>

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 11 - GRANT PROGRAMS**

Families in Need of Services (FINS)

The Court was ordered to furnish the administration and implementation of Families In Need of Services, per Title VII of the Louisiana Children's Code, within the Fourth Judicial District, State of Louisiana.

Effective April 1, 2007 the Court entered into a contract with the Ouachita Parish District Attorney to administer the program.

The Fourth Judicial District Court, Judicial Expense Fund, continues to participate in another contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was continued for the period beginning July 1, 2020 until June 30, 2021 and funded monthly from July 1, 2020 until June 30, 2021 for \$51,372.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS program were \$46,546 for the fiscal year ended June 30, 2021.

Temporary Assistance for Needy Families (TANF)

The Fourth Judicial District Court, Court Services Fund, has been awarded from the Supreme Court of Louisiana, Drug Court Program funds that include federal grants totaling \$129,986 during the fiscal year ended June 30, 2021 from the "Temporary Assistance for Needy Families" (TANF) program for the Adult Drug Court program.

The total expenditures of the Fourth Judicial District Court related to this "Adult Drug Court" program were \$129,986 for the fiscal year ended June 30, 2021.

The Fourth Judicial District Court, Juvenile Drug Court Fund, has been awarded from the Supreme Court of Louisiana, Drug Court Program funds that include federal grants totaling \$125,149 during the fiscal year ended June 30, 2021 from the "Temporary Assistance for Needy Families" (TANF) program.

The total expenditures of the Fourth Judicial District Court related to this program were \$123,632 for the fiscal year ended June 30, 2021.

**NOTE 12 - JOINT VENTURES**

The Child Support Fund has entered into agreements with the Ouachita Parish Police Jury, Ouachita Clerk of Court, and the Morehouse Clerk of Court for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Misdemeanor Probation Fund and Drug Court Fund have also entered into agreements with the Ouachita Parish Police Jury for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Ouachita Parish Police Jury and Morehouse Parish Police Jury are reimbursed one dollar per page per case filed by those offices for costs directly related to the indigent cases of the Judicial Expense Fund included in these financial statements as a General Fund expense. As the Fourth Judicial District Court, Child Support Fund, Misdemeanor Probation Fund, and Drug Court Fund reimburses the other governmental units, the appropriate expense accounts are debited and reflected in the financial statements.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE 13 - RISK MANAGEMENT**

The Fourth Judicial District Court, Judicial Expense Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters for which the Fourth Judicial District Court, Judicial Expense Fund carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**NOTE 14 - SUBSEQUENT EVENTS**

In accordance with ASC 855, the Court has evaluated subsequent events through December 29, 2021, the date these financial statements were available to be issued.

**COVID-19**

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U. S. On March 11, 2020 the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 23, 2020, Governor Edwards of Louisiana ordered the closure of the physical location of every "non-life sustaining/non-essential" business for what may be an extended period of time. Future potential impacts may include continued disruptions or restrictions on our employees' ability to work. The future effects of these issues are unknown.

Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments including the duration and spread of the outbreak, impact on our citizens, employees, and vendors all of which are uncertain and cannot be predicted. No adjustments have been made to these financial statements as a result of this uncertainty.

**SECTION IV**  
**REQUIRED SUPPLEMENTARY INFORMATION (PART B)**

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
(JUDICIAL EXPENSE FUND)  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Court fees - Ouachita Parish	\$ 177,850	\$ 156,200	\$ 152,361	\$ (3,839)
Court fees - Morehouse Parish	26,350	33,500	36,269	2,769
Grant revenue	51,372	50,158	46,935	(3,223)
Warrant revenue	1,166,425	1,067,100	1,067,460	360
Interest income	6,141	1,083	1,097	14
Other income	6,183	2,433	2,433	-
<b>Total revenues</b>	<b>\$ 1,434,321</b>	<b>\$ 1,310,474</b>	<b>\$ 1,306,555</b>	<b>\$ (3,919)</b>
<b>Expenditures</b>				
Asset expenditures	\$ 38,000	\$ 79,500	\$ 70,665	\$ 8,835
Small asset expenditures	10,000	7,000	19,272	(12,272)
Court reporter costs	1,550	3,050	2,913	137
Insurance expense	255,403	257,895	256,800	1,095
Internet access	7,305	8,040	8,063	(23)
Miscellaneous	2,385	2,200	2,316	(116)
Office supplies and postage	16,171	18,123	17,595	528
Payroll taxes	18,410	16,420	16,335	85
Professional fees	87,630	104,065	104,354	(289)
Reference materials and dues	5,050	2,800	4,024	(1,224)
Rent	11,975	11,725	11,595	130
Repair, maintenance, and warranty	3,090	2,980	3,076	(96)
Retirement expense	211,400	180,725	180,720	5
Salaries	984,500	923,750	921,717	2,033
Seminars, meetings, and travel	61,635	28,875	27,582	1,293
Telephone expense	4,300	1,815	1,735	80
<b>Total expenditures</b>	<b>\$ 1,718,804</b>	<b>\$ 1,648,963</b>	<b>\$ 1,648,762</b>	<b>\$ 201</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (284,483)</b>	<b>\$ (338,489)</b>	<b>\$ (342,207)</b>	<b>\$ (3,718)</b>
<b>Other financing sources (uses)</b>				
Operating transfers in	\$ 250,000	\$ 425,000	\$ 425,000	\$ -
Operating transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 250,000</b>	<b>\$ 425,000</b>	<b>\$ 425,000</b>	<b>\$ -</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<b>\$ (34,483)</b>	<b>\$ 86,511</b>	<b>\$ 82,793</b>	<b>\$ (3,718)</b>
<b>Fund balance - beginning</b>	<b>396,827</b>	<b>396,827</b>	<b>396,827</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 362,344</b>	<b>\$ 483,338</b>	<b>\$ 479,620</b>	<b>\$ (3,718)</b>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND  
(CHILD SUPPORT FUND)  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Court fees	\$ 740,000	\$ 632,000	\$ 638,967	\$ 6,967
Interest income	14,760	7,105	6,456	(649)
Other income	-	-	649	649
<b>Total revenues</b>	<u>\$ 754,760</u>	<u>\$ 639,105</u>	<u>\$ 646,072</u>	<u>\$ 6,967</u>
<b>Expenditures</b>				
Asset expenditures	\$ 6,000	\$ 11,885	\$ 3,078	\$ 8,807
Small asset expenditures	1,000	615	10,290	(9,675)
Insurance expense	67,600	73,200	72,804	396
Internet access	1,540	1,675	1,712	(37)
Miscellaneous	810	1,150	1,149	1
Payroll taxes	9,675	9,935	9,935	-
Professional fees	27,750	28,800	28,795	5
Reference materials and dues	72,600	72,500	72,494	6
Rent	7,825	5,795	5,794	1
Repair, maintenance, and warranty	1,265	1,280	1,372	(92)
Retirement expense	65,000	80,700	80,660	40
Salaries	514,300	521,500	520,105	1,395
Seminars, meetings, and travel	3,140	2,145	2,069	76
Supplies	1,900	2,850	2,742	108
Telephone and utility expense	800	925	913	12
<b>Total expenditures</b>	<u>\$ 781,205</u>	<u>\$ 814,955</u>	<u>\$ 813,912</u>	<u>\$ 1,043</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (26,445)</u>	<u>\$ (175,850)</u>	<u>\$ (167,840)</u>	<u>\$ 8,010</u>
<b>Fund balance - beginning</b>	<u>673,010</u>	<u>673,010</u>	<u>673,010</u>	<u>-</u>
<b>Fund balance - ending</b>	<u><u>\$ 646,565</u></u>	<u><u>\$ 497,160</u></u>	<u><u>\$ 505,170</u></u>	<u><u>\$ 8,010</u></u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND  
(MISDEMEANOR PROBATION FUND)  
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Court fees	\$ 597,300	\$ 591,585	\$ 583,240	\$ (8,345)
Interest income	10,610	4,266	4,264	(2)
<b>Total revenues</b>	<b>\$ 607,910</b>	<b>\$ 595,851</b>	<b>\$ 587,504</b>	<b>\$ (8,347)</b>
<b>Expenditures</b>				
Asset expenditures	\$ 6,000	\$ 11,885	\$ 3,078	\$ 8,807
Small asset expenditures	1,000	380	10,069	(9,689)
Insurance expense	92,800	95,765	95,765	-
Internet access	2,250	2,465	2,478	(13)
Miscellaneous	950	475	637	(162)
Postage	6,000	3,850	3,679	171
Payroll taxes	6,560	6,485	6,483	2
Professional fees	14,230	14,085	14,084	1
Reference materials and dues	1,125	1,285	2,837	(1,552)
Rent	11,375	7,405	6,917	488
Repair, maintenance, and warranty	18,700	15,685	19,213	(3,528)
Retirement expense	59,000	58,000	57,951	49
Salaries	484,600	469,200	467,914	1,286
Seminars, meetings, and travel	1,285	895	865	30
Supplies	5,116	6,450	6,227	223
Telephone and utility expense	4,410	6,650	6,679	(29)
<b>Total expenditures</b>	<b>\$ 715,401</b>	<b>\$ 700,960</b>	<b>\$ 704,876</b>	<b>\$ (3,916)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (107,491)</b>	<b>\$ (105,109)</b>	<b>\$ (117,372)</b>	<b>\$ (12,263)</b>
<b>Fund balance - beginning</b>	<b>238,403</b>	<b>238,403</b>	<b>238,403</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 130,912</b>	<b>\$ 133,294</b>	<b>\$ 121,031</b>	<b>\$ (12,263)</b>

See Independent Auditors' Report.



**FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND  
 (DRUG COURT FUND)  
 FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Drug screen fees	\$ 55,100	\$ 52,400	\$ 52,062	\$ (338)
Supreme court	225,000	215,000	219,773	4,773
Supreme court - TANF	155,000	135,000	129,986	(5,014)
Total revenues	<u>\$ 435,100</u>	<u>\$ 402,400</u>	<u>\$ 401,821</u>	<u>\$ (579)</u>
Expenditures				
Small asset expenditures	\$ -	\$ -	\$ 1,892	\$ (1,892)
Insurance expense	25,740	23,700	23,696	4
Internet access	582	641	644	(3)
Miscellaneous	-	33	33	-
Payroll taxes	1,270	117	1,115	(998)
Professional fees	181,500	181,950	181,938	12
Reference materials and dues	1,855	110	-	110
Rent	50	2,200	2,200	-
Retirement expense	10,050	10,755	10,744	11
Salaries	87,375	90,775	90,679	96
Seminars, meetings, and travel	4,100	240	300	(60)
Supplies	75,575	28,877	46,660	(17,783)
Total expenditures	<u>\$ 388,097</u>	<u>\$ 339,398</u>	<u>\$ 359,901</u>	<u>\$ (20,503)</u>
Excess (deficiency) of revenues over expenditures	\$ 47,003	\$ 63,002	\$ 41,920	\$ (21,082)
Fund balance - beginning	213,039	213,039	213,039	-
Fund balance - ending	<u>\$ 260,042</u>	<u>\$ 276,041</u>	<u>\$ 254,959</u>	<u>\$ (21,082)</u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND**  
**(JUVENILE DRUG COURT FUND)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Drug screen fees	\$ 400	\$ 210	\$ 210	\$ -
Supreme court - TANF	142,500	118,346	125,149	6,803
Interest income	12	10	9	(1)
<b>Total revenues</b>	<b>\$ 142,912</b>	<b>\$ 118,566</b>	<b>\$ 125,368</b>	<b>\$ 6,802</b>
<b>Expenditures</b>				
Asset expenditures	\$ -	\$ -	\$ 2,217	\$ (2,217)
Small asset expenditures	-	93	479	(386)
Insurance expense	7,079	6,607	6,613	(6)
Internet access	-	121	121	-
Office supplies and postage	-	72	385	(313)
Payroll taxes	628	600	600	-
Professional fees	57,300	57,815	57,915	(100)
Retirement expense	4,977	5,321	5,321	-
Salaries	43,276	43,435	43,588	(153)
Seminars, meetings, and travel	2,000	-	280	(280)
Supplies	27,240	4,282	6,113	(1,831)
<b>Total expenditures</b>	<b>\$ 142,500</b>	<b>\$ 118,346</b>	<b>\$ 123,632</b>	<b>\$ (5,286)</b>
Excess (deficiency) of revenues over expenditures	\$ 412	\$ 220	\$ 1,736	\$ 1,516
Fund balance - beginning	(23,842)	(23,842)	(23,842)	-
Fund balance - ending	<u>\$ (23,430)</u>	<u>\$ (23,622)</u>	<u>\$ (22,106)</u>	<u>\$ 1,516</u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND**  
**(REENTRY COURT FUND)**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amount		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Supreme court	\$ 100,000	\$ 38,506	\$ 38,506	\$ -
Interest income	-	4	4	-
Total revenues	<u>\$ 100,000</u>	<u>\$ 38,510</u>	<u>\$ 38,510</u>	<u>\$ -</u>
Expenditures				
Insurance expense	\$ 448	\$ -	\$ -	\$ -
Payroll taxes	101	1,545	1,545	-
Professional fees	44,920	16,410	16,410	-
Retirement expense	801	-	-	-
Salaries	35,016	20,101	20,101	-
Seminars, meetings, and travel	5,180	450	450	-
Supplies	13,534	-	-	-
Total expenditures	<u>\$ 100,000</u>	<u>\$ 38,506</u>	<u>\$ 38,506</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ 4	\$ 4	\$ -
Fund balance - beginning	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 1</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ -</u></u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Fiscal Year *</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<b>A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS)</b>					
2015	0.0003841%	\$ 2,401,548	\$ 705,740	340%	65.00%
2016	0.0321300%	\$ 2,185,121	\$ 609,748	358%	62.70%
2017	0.0282200%	\$ 2,216,304	\$ 665,869	333%	57.70%
2018	0.0287800%	\$ 2,025,986	\$ 530,660	382%	62.50%
2019	0.0231000%	\$ 1,575,471	\$ 697,805	226%	64.30%
2020	0.0229300%	\$ 1,661,548	\$ 710,942	234%	62.90%
2021	0.0194200%	\$ 1,606,412	\$ 706,045	228%	58.00%
<b>B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA</b>					
2015	0.1892000%	\$ 51,718	\$ 1,242,323	4.16%	99.15%
2016	0.2152000%	\$ 566,352	\$ 1,292,676	43.81%	92.23%
2017	0.2330000%	\$ 479,871	\$ 1,381,831	34.72%	94.10%
2018	0.1907200%	\$ (141,561)	\$ 1,173,912	(12.06%)	102.00%
2019	0.1952630%	\$ 866,646	\$ 1,170,496	74.04%	88.90%
2020	0.1959600%	\$ 9,225	\$ 1,242,530	1.00%	88.90%
2021	0.1659700%	\$ (291,017)	\$ 1,108,531	(26.00%)	104.00%

\* Amounts presented were determined as of the end of the Court's fiscal year.

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

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
SCHEDULE OF EMPLOYER'S CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Fiscal Year *</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to contractually required contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Employer's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
<b>A. LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM (LASERS)</b>					
2014	\$ 236,266	\$ 254,614	\$ (18,348)	\$ 705,740	36.1%
2015	\$ 233,460	\$ 249,993	\$ (16,533)	\$ 609,748	41.0%
2016	\$ 202,820	\$ 224,359	\$ (21,539)	\$ 665,869	33.7%
2017	\$ 213,438	\$ 213,438	\$ -	\$ 530,660	40.2%
2018	\$ 203,390	\$ 214,090	\$ (10,700)	\$ 697,805	30.7%
2019	\$ 169,438	\$ 190,272	\$ (20,834)	\$ 710,942	26.8%
2020	\$ 185,670	\$ 193,798	\$ (8,128)	\$ 706,045	27.4%
2021	\$ 163,356	\$ 197,955	\$ (34,599)	\$ 710,500	27.9%
<b>B. PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA</b>					
2014	\$ 182,481	\$ 182,481	\$ -	\$ 1,424,838	12.8%
2015	\$ 170,323	\$ 178,874	\$ (8,551)	\$ 1,242,323	14.4%
2016	\$ 233,460	\$ 180,151	\$ 53,309	\$ 1,292,676	13.9%
2017	\$ 180,417	\$ 179,638	\$ 779	\$ 1,381,831	13.0%
2018	\$ 146,739	\$ 146,739	\$ -	\$ 1,173,912	12.5%
2019	\$ 134,607	\$ 134,762	\$ (155)	\$ 1,170,496	11.5%
2020	\$ 142,891	\$ 143,020	\$ (129)	\$ 1,242,530	11.5%
2021	\$ 135,795	\$ 135,855	\$ (60)	\$ 1,108,531	12.3%

\* Amounts presented were determined as of the end of the Court's fiscal year.

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

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Total OPEB liability, beginning of year	\$ 1,533,961	\$ 1,777,668	\$ 1,867,884
Changes for the year:			
Service cost	\$ 31,712	\$ 41,209	\$ 38,125
Interest	43,247	53,720	59,017
Changes in benefit terms	-	-	-
Differences between expected used actual experience	32,179	(20,926)	(77,312)
Changes of assumptions or other input	(16,833)	(285,106)	(68,749)
Benefit payments	(31,445)	(32,604)	(41,297)
Net changes	<u>\$ 58,860</u>	<u>\$ (243,707)</u>	<u>\$ (90,216)</u>
Total OPEB liability, end of year	<u>\$ 1,592,821</u>	<u>\$ 1,533,961</u>	<u>\$ 1,777,668</u>
Covered Payroll	\$ 517,235	\$ 547,000	\$ 546,981
Total OPEB liability as a percentage of covered payroll	308%	280%	325%

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

**FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 SCHEDULE OF EMPLOYER'S CONTRIBUTION - OPEB  
 FOR THE YEAR ENDED JUNE 30, 2021**

<u>Fiscal Year *</u>	<u>Statutorily required contribution</u>	<u>Contributions in relation to statutorily required contributions</u>	<u>Contribution deficiency (excess)</u>	<u>The Court's covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
2017	\$ 40,969	\$ 40,969	\$ -	\$ 532,837	7.69%
2018	\$ 41,297	\$ 41,297	\$ -	\$ 697,805	5.92%
2019	\$ 41,297	\$ 41,297	\$ -	\$ 546,981	7.55%
2020	\$ 32,604	\$ 32,604	\$ -	\$ 547,000	5.96%
2021	\$ 31,445	\$ 31,445	\$ -	\$ 517,235	6.08%

\* Amounts presented were determined as of the end of the Court's fiscal year.

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

FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2021

**Pension Plans:**

**Changes of Benefit Terms**

**A. Louisiana State Employees' Retirement System**

There were no changes in terms for the year ended June 30, 2021.

**B. Parochial Employees' Retirement System**

There were no changes of benefit terms for the year ended June 30, 2021.

**Changes of Assumptions**

**A. Louisiana State Employees' Retirement System**

The discount rate has been decreased from 7.60% to 7.55% since the previous valuation.

**B. Parochial Employees' Retirement System**

For the actuarial valuation for the year ended December 31, 2020, the discount rate has been decreased from 6.50% to 6.40% from the actuarial valuation for the year ended December 31, 2019.

**OPEB Schedules**

There are no assets accumulated in a trust that meets the requirements, in paragraph 4 of GASB Statement 75, to pay related benefits.

**Changes of Benefit Terms**

There were no changes of benefit terms for the year ended June 30, 2021.

**Changes of Assumptions**

The discount rate has been decreased from 2.79% to 2.66% since the previous valuation.

Baseline per capita costs were updated to reflect 2020 claims and enrollment for the prescription drug costs and retiree contributions were updated based on 2021 premiums. 2020 medical claims and enrollment experience were reviewed but not included in the projection of expected 2021 plan costs. Due to the COVID-19 pandemic, we do not believe this experience is reflective of what we can expect in future years.

The salary scale assumptions were revised for the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana.

Medical participation rates, life participation rates, the age difference between future retirees and their spouses, Medicare eligibility rates, and medical plan election percentages have all been updated based on a review of OPEB experience from July 1, 2017 through June 30, 2020.



**SECTION V**  
**SUPPLEMENTARY INFORMATION**

# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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## **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**

The Honorable Judges of the  
Fourth Judicial District Court  
Judicial Expense Fund  
Monroe, 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 component unit financial statements of the governmental activities and the aggregate remaining fund information and each major fund of the Fourth Judicial District Court, Judicial Expense Fund, a component unit of the Ouachita Parish Police Jury, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements and have issued our report thereon dated December 29, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes 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. Accordingly, we do not express an opinion on the effectiveness of the Court'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 Court's component unit 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*.

**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.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
December 29, 2021

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA

Schedule of Findings and Responses  
 For the Year Ended June 30, 2021

We have audited the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund as of and for the year ended June 30, 2021 and have issued our report thereon dated December 29, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2021, resulted in an unmodified opinion.

Section I- Summary of Auditors' Results

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

Internal Control

Material Weakness \_\_\_ yes X no

Significant Deficiencies not considered to be  
 Material Weaknesses \_\_\_ yes X no

Compliance

Compliance Material to Financial Statements \_\_\_ yes X no

Section II- Financial Statement Findings

None

Section III- Federal Award Findings and Questioned Costs: N/A

FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA

Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2021

There were no findings in the prior year report.

FOURTH JUDICIAL DISTRICT COURT  
 JUDICIAL EXPENSE FUND  
 MONROE, LOUISIANA  
 SCHEDULE I - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS WITH  
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2021

Federal Grants/Pass Through Grantor/Program Title	Federal CFDA Number	Program Award Amount	Revenue Recognized	Expenditures
U.S. Department of Health and Human Services Passed through the Louisiana Supreme Court				
TANF Cluster:				
Temporary Assistance of Needy Families	93.558			
Adult drug court		\$ 129,986	\$ 129,986	\$ 129,986
Juvenile drug court		125,149	125,149	123,632
Total TANF Cluster		\$ 255,135	\$ 255,135	\$ 263,618
Total U.S. Department of Health and Human Services		\$ 255,135	\$ 255,135	\$ 263,618

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all Federal award programs of the Fourth Judicial District Court. The Fourth Judicial District Court's primary government reporting entity is defined in Note 1 of the Court's financial statements. All Federal awards received directly from Federal agencies, as well as Federal awards passed through other governmental agencies, are included on this schedule. The Fourth Judicial District Court did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the Fourth Judicial District Court under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Fourth Judicial District Court, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Fourth Judicial District Court.

3. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting. Fourth Judicial District Court does not utilize an indirect cost rate.

**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA  
SCHEDULE II - SCHEDULE OF JUDGES  
FOR THE YEAR ENDED JUNE 30, 2021**

Division A	Judge B. Scott Leehy
Division B	Judge Sharon I. Marchman
Division C	Judge Wilson Rambo
Division D	Judge H. Stephens Winters
Division E	Judge Walter M. Caldwell, IV
Division F	Judge C. Wendell Manning
Division G	Judge Frederick D. Jones
Division H	Judge Larry Jefferson
Division I	Judge Alvin R. Sharp
Division J	Chief Judge Robert C. Johnson
Division K	Judge Daniel J. Ellender

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**SCHEDULE III - BALANCE SHEET - SCHEDULE OF COMBINING ACCOUNTS**  
**GENERAL FUND**  
**JUNE 30, 2021**

	Judicial Expense Fund	FINS Fund	Payroll Account	Combined Accounts
<b>Assets</b>				
Cash and cash equivalents	\$ 512,389	\$ 44,082	\$ 68,775	\$ 625,246
Accounts receivable	-	-	36	36
Due from other governmental units	22,487	-	19,742	42,229
Prepaid expenses and deposits	1,414	-	1,761	3,175
Due from other funds	10,082	-	-	10,082 †
<b>Total assets</b>	<b>\$ 546,372</b>	<b>\$ 44,082</b>	<b>\$ 90,314</b>	<b>\$ 680,768</b>
<b>Deferred outflows of resources</b>				
Deferred rent paid	\$ -	\$ -	\$ -	\$ -
Deferred maintenance costs	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total assets and deferred outflows</b>	<b>\$ 546,372</b>	<b>\$ 44,082</b>	<b>\$ 90,314</b>	<b>\$ 680,768</b>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accrued and other liabilities	\$ 12,904	\$ -	\$ 4,067	\$ 16,971
Due to other governmental units	42,769	7,072	115,344	165,185
Compensated absences payable	18,992	-	-	18,992
Due to other funds	-	-	-	- †
<b>Total liabilities</b>	<b>\$ 74,665</b>	<b>\$ 7,072</b>	<b>\$ 119,411</b>	<b>\$ 201,148</b>
<b>Fund balances</b>				
Nonspendable	\$ 1,414	\$ -	\$ 1,761	\$ 3,175
Restricted	-	37,010	-	37,010
Unassigned	470,293	-	(30,858)	439,435
<b>Total fund balances</b>	<b>\$ 471,707</b>	<b>\$ 37,010</b>	<b>\$ (29,097)</b>	<b>\$ 479,620</b>
<b>Total liabilities and fund balances</b>	<b>\$ 546,372</b>	<b>\$ 44,082</b>	<b>\$ 90,314</b>	<b>\$ 680,768</b>

† After internal receivables and payables have been eliminated.



**FOURTH JUDICIAL DISTRICT COURT  
JUDICIAL EXPENSE FUND  
MONROE, LOUISIANA**

**SCHEDULE IV - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
SCHEDULE OF COMBINING ACCOUNTS GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	Judicial Expense Fund	FINS Fund	Payroll Account	Combined Accounts
<b>Revenues</b>				
Court fees - Ouachita Parish	\$ 149,711	\$ -	\$ -	\$ 149,711
Court fees - Morehouse Parish	36,269	-	-	36,269
Court fees - Probation Review Court	2,650	-	-	2,650
Grant revenue	-	46,935	-	46,935
Warrant revenue - Ouachita Parish	-	-	977,969	977,969
Warrant revenue - Morehouse Parish	-	-	89,491	89,491
Interest income	842	-	255	1,097
Other income	-	-	2,433	2,433
<b>Total revenues</b>	<b>\$ 189,472</b>	<b>\$ 46,935</b>	<b>\$ 1,070,148</b>	<b>\$ 1,306,555</b>
<b>Expenditures</b>				
Asset expenditures	\$ 70,665	\$ -	\$ -	\$ 70,665
Small asset expenditures	19,272	-	-	19,272
Court reporter costs	2,913	-	-	2,913
Insurance expense	100,429	5,813	150,558	256,800
Internet access	8,063	-	-	8,063
Miscellaneous	1,163	-	1,153	2,316
Office supplies and postage	13,714	3,822	59	17,595
Payroll taxes	2,153	425	13,757	16,335
Professional fees	88,740	1,850	13,764	104,354
Reference materials and dues	4,024	-	-	4,024
Rent	11,595	-	-	11,595
Repair, maintenance, and warranty	3,076	-	-	3,076
Retirement expense	22,447	3,920	154,353	180,720
Salaries	151,905	29,796	740,016	921,717
Seminars, meetings, and travel	26,662	920	-	27,582
Telephone expense	1,735	-	-	1,735
<b>Total expenditures</b>	<b>\$ 528,556</b>	<b>\$ 46,546</b>	<b>\$ 1,073,660</b>	<b>\$ 1,648,762</b>
Excess (deficiency) of revenues over expenditures	\$ (339,084)	\$ 389	\$ (3,512)	\$ (342,207)
<b>Other financing sources (uses)</b>				
Operating transfers in	\$ 425,000	\$ -	\$ -	\$ 425,000
Operating transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ 425,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 425,000</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	\$ 85,916	\$ 389	\$ (3,512)	\$ 82,793
Fund balance - beginning	385,791	36,621	(25,585)	396,827
Fund balance - ending	<u>\$ 471,707</u>	<u>\$ 37,010</u>	<u>\$ (29,097)</u>	<u>\$ 479,620</u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**SCHEDULE VI - JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY**  
**AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION**  
**CASH BASIS PRESENTATION**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	First Six Month Period Ended <u>12/31/2020</u>	Second Six Month Period Ended <u>06/30/2021</u>
<b>MISDEMEANOR PROBATION FUND</b>		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ -	\$ -
Add: Collections		
Criminal Court Costs/Fees	28,402	42,674
Restitution	23,698	38,581
Probation/Parole/Supervision Fees	<u>260,947</u>	<u>322,208</u>
Subtotal Collections	<u>313,047</u>	<u>403,463</u>
Less: Disbursements To Governments & Nonprofits:		
Morehouse Parish Sheriff's Department, Criminal Court Costs/Fees	-	736
Ouachita Parish Sheriff's Department, Criminal Court Costs/Fees	2,640	3,428
Indigent Defender Board, Criminal Court Costs/Fees	21,238	31,605
Criminal Court Fund, Criminal Court Costs/Fees	4,524	6,905
Less: Amounts Retained by Collecting Agency		
Self-Disbursed Probation/Parole/Supervision Fees	260,947	322,208
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Restitution Payments to Individuals	<u>23,698</u>	<u>38,581</u>
Subtotal Disbursements/Retainage	<u>313,047</u>	<u>403,463</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**SCHEDULE V - SCHEDULE OF COMPENSATION, BENEFITS, AND**  
**OTHER PAYMENTS TO AGENCY HEADS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**Chief Judge Daniel J. Ellender**  
 (Chief Judge as of 01/01/19 - 12/31/20)

<u>Purpose</u>	<u>Amount</u>
Per diem	\$ 885
Travel:	
Mileage	\$ 2,707
Cell phone	\$ 234
Continuing Education	\$ 650
Other reimbursements	\$ 146

**Chief Judge Robert C. Johnson**  
 (Chief Judge as of 01/01/21 - 12/31/22)

<u>Purpose</u>	<u>Amount</u>
Per diem	\$ -
Travel:	
Mileage	\$ -
Other reimbursements	\$ -

See Independent Auditors' Report.

**FOURTH JUDICIAL DISTRICT COURT**  
**JUDICIAL EXPENSE FUND**  
**MONROE, LOUISIANA**  
**SCHEDULE VII - JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY**  
**AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION**  
**CASH BASIS PRESENTATION**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	First Six Month Period Ended <u>12/31/2020</u>	Second Six Month Period Ended <u>06/30/2021</u>
<b>JUDICIAL EXPENSE FUND:</b>		
Receipts From:		
Morehouse Parish Clerk of Court, Civil Fees	\$ 3,735	\$ 4,665
Morehouse Parish Sheriff's Department, Criminal Court Costs/Fees	10,485	14,802
Ouachita Parish Clerk of Court, Civil Fees	25,397	18,525
Ouachita Parish Sheriff's Department, Criminal Court Costs/Fees	53,168	54,001
Subtotal Receipts	<u>\$ 92,785</u>	<u>\$ 91,993</u>
<b>CHILD SUPPORT FUND:</b>		
Receipts From:		
Service/Collection Fees - DCFS	\$ 315,004	\$ 320,007
Subtotal Receipts	<u>\$ 315,004</u>	<u>\$ 320,007</u>