

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Monroe, Louisiana

Component Unit Financial Statements
For the Year Ended June 30, 2024

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

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INDEPENDENT AUDITORS' REPORT

The Honorable Walter M. Caldwell, IV
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of the Fourth Judicial District Court, Judicial Expense Fund, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Fourth Judicial District Court, Judicial Expense Fund, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fourth Judicial District Court, Judicial Expense Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fourth Judicial District Court, Judicial Expense Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Honorable Walter M. Caldwell, IV
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fourth Judicial District Court, Judicial Expense Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

The Honorable Walter M. Caldwell, IV
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information 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 the 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 assurances.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

The Schedule of Compensation, Benefits and Other Payments to Agency Head and the Justice System Funding Reporting Schedules 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 Compensation, Benefits and Other Payments to Agency Head and Justice System Funding Reporting Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

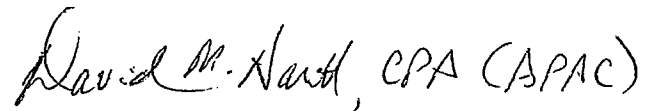
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The Honorable Walter M. Caldwell, IV
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2025 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and compliance.

Handwritten signature of David M. North, CPA (APAC)

West Monroe, Louisiana
January 30, 2025

BASIC FINANCIAL STATEMENTS

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 1,515,063
Accounts Receivable	-
Due From Other Government Units	290,305
Capital Assets:	
Depreciable	150,726
Total Assets	<u>1,956,094</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Prepaid Assets	450
Related to OPEB	63,312
Related to Pensions	769,654
Total Deferred Outflows of Resources	<u>833,416</u>
<u>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>\$ 2,789,510</u>
<u>LIABILITIES</u>	
Accounts Payable	66,596
Bank Overdraft	16,998
Accrued Expenses	110,222
Due to Other Governments	363,790
Compensated Absences	110,222
Accrued Interest Liability - SBITA	470
Current Subscription Liability - SBITA	70,944
Non-Current Liabilities	
Long Term Subscription Liability - SBITA	50,855
Net OPEB Obligation	1,814,958
Net Pension Liability	1,762,821
Total Liabilities	<u>4,367,876</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Related to OPEB	199,745
Related to Pensions	187,823
Total Inflows of Resources	<u>387,568</u>
<u>TOTAL INFLOWS OF RESOURCES AND LIABILITIES</u>	4,755,444
<u>NET POSITION</u>	
Net Investment in Capital Assets	150,726
Unrestricted, Unreserved	<u>(2,116,660)</u>
<u>TOTAL NET POSITION</u>	<u>\$ (1,965,934)</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, 2024

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Judicial Expense Fund	\$ 1,213,333	\$ -	\$ 117,055	\$ -	\$ 1,096,278
Child Support	689,113	-	-	-	689,113
Court Services:					
Misdemeanor Probation	449,121	491,215	127,673	-	(169,767)
Drug Court	354,173	34,836	118,758	-	200,579
Juvenile Drug Court	119,805	-	-	-	119,805
Total Governmental Activities	<u>\$ 2,825,545</u>	<u>\$ 526,051</u>	<u>\$ 363,486</u>	<u>\$ -</u>	<u>\$ 1,936,008</u>
General Revenues:					
					2,379,252
					60,805
					-
					2,912
					<u>2,442,969</u>
					506,961
					<u>(2,472,895)</u>
					<u>\$ (1,965,934)</u>

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

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 600,469	\$ 415,576	\$ 114,019	\$ 373,210	\$ 11,789
Accounts Receivable	-	-	-	-	-
Due From Other Governmental Units	202,010	54,812	-	21,716	11,767
Prepaid Expenses and Deposits	-	450	-	-	-
Due From Other Funds	139,332	110,000	30,000	-	-
<u>TOTAL ASSETS</u>	<u>\$ 941,811</u>	<u>\$ 580,838</u>	<u>\$ 144,019</u>	<u>\$ 394,926</u>	<u>\$ 23,556</u>
<u>LIABILITIES AND FUND BALANCE</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ 49,517	\$ 7,183	\$ 3,765	\$ -	\$ 6,131
Bank Overdraft	16,998	-	-	-	-
Other Accrued Expenses	14,748	38,963	48,114	-	8,397
Due To Other Governments	235,479	76,696	-	45,487	6,128
Due To Other Funds	153,632	83,800	-	11,900	30,000
Total Liabilities	470,374	206,642	51,879	57,387	50,656
<u>FUND BALANCE</u>					
Fund Balance					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Unassigned	471,437	374,196	92,140	337,539	(27,100)
Total Fund Balance	471,437	374,196	92,140	337,539	(27,100)
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 941,811</u>	<u>\$ 580,838</u>	<u>\$ 144,019</u>	<u>\$ 394,926</u>	<u>\$ 23,556</u>

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL FUNDS
JUNE 30, 2024

Total Governmental Funds	Total Governmental Fund Balances	\$ 1,248,212
	<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$ 1,515,063		
-		
290,305	Deferred outflows - OPEB related	63,312
450	Deferred outflows - pension related	769,654
<u>279,332</u>		
<u>\$ 2,085,150</u>	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	150,726
\$ 66,596	Subscription liabilities used in governmental activities are not financial liabilities and, therefore, are not reported in the governmental funds	(122,269)
16,998		
110,222		
363,790	Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(110,222)
<u>279,332</u>		
<u>836,938</u>		
	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
-	Unfunded post-retirement benefit plan obligations are not financial expenditures and, therefore, are not reported in the funds	(1,814,958)
-	Net pension liability	(1,762,821)
<u>1,248,212</u>	Deferred inflows - OPEB related	(199,745)
<u>1,248,212</u>	Deferred inflows - pension related	<u>(187,823)</u>
<u>\$ 2,085,150</u>	Net Position of Governmental Activities	<u>\$ (1,965,934)</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, 2024

	General Fund	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund	Juvenile Drug Court Fund
<u>REVENUES</u>					
Court Fees	\$ 238,380	\$ 755,016	\$ 491,215	\$ 34,836	\$ -
Supreme Court Receipts	-	-	-	220,327	-
Grant Revenue	117,055	-	-	127,673	118,758
Warrant Revenue	1,165,529	-	-	-	-
Interest Income	42,134	9,909	8,762	-	-
Miscellaneous	2,571	341	-	-	-
Total Revenues	1,565,669	765,266	499,977	382,836	118,758
<u>EXPENDITURES</u>					
Asset Expenditures	10,394	-	-	-	-
Small Asset Expenditures	-	8,764	-	427	-
Court Reporter Costs	739	-	8,634	-	-
Insurance Expense	335,219	69,759	66,379	-	9,013
Internet Access	4,063	1,837	2,176	23,639	82
Miscellaneous	656	1,063	505	-	-
Office Supplies and Postage	6,621	2,550	7,131	-	-
Payroll Taxes	10,939	6,174	4,229	1,011	630
Professional Fees	51,972	61,691	5,298	93,426	49,300
Reference Materials and Dues	1,544	28,617	3,940	300	50
Rent	2,939	8,390	3,448	-	-
Repair, Maintenance and Warranty	-	541	-	-	-
Retirement Expense	188,471	105,505	32,224	9,315	5,436
Salaries	1,001,088	390,397	311,355	81,712	48,261
Seminars, Meetings and Travel	51,891	2,171	1,168	6,399	1,445
Supplies	-	-	159	137,944	5,146
Telephone Expense	3,490	609	1,037	-	-
Total Expenditures	1,670,026	688,068	447,683	354,173	119,363
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	(104,357)	77,198	52,294	28,663	(605)
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating Transfers - In	-	-	-	-	-
Operating Transfers - Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	(104,357)	77,198	52,294	28,663	(605)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	575,794	296,998	39,846	308,876	(26,495)
<u>FUND BALANCE AT END OF YEAR</u>	\$ 471,437	\$ 374,196	\$ 92,140	\$ 337,539	\$ (27,100)

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Total Governmental Funds		
	Net Change in Fund Balances - Total Governmental Funds	\$ 53,193
\$ 1,519,447	<i>Amounts reported for governmental activities</i>	
220,327	<i>in the statement of activities are different</i>	
363,486	<i>because:</i>	
1,165,529		
60,805		
2,912		
3,332,506	Governmental funds report capital outlays as	
	expenditures while governmental activities	
	report depreciation expense to allocate those	
	expenditures over the life of the assets:	
10,394	Capital asset purchases capitalized	-
9,191	Depreciation expense	(95,676)
9,373		(95,676)
480,370		
31,797	Change in compensated absences	1,358
2,224		
16,302		
22,983	Other post-employment benefits are reported in the	
261,687	governmental funds as expenditures when paid. The	
34,451	unfunded annual contribution is reported in the Statement of	
14,777	Activities as it accrued	534,411
541		
340,951	Pension expense	13,675
1,832,813		
63,074	Change in Net Position in Governmental	
143,249	Activities	\$ 506,961
5,136		
3,279,313		
53,193		
-		
-		
-		
-		
53,193		
1,195,019		
\$ 1,248,212		

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

Statement G

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

Custodial
Funds

<u>ASSETS</u>	
Cash and Cash Equivalents	\$ -
Total Assets	\$ -
<u>LIABILITIES</u>	
Restitution To Court-Ordered Recipients Payable	\$ -
Total Liabilities	\$ -

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

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

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 60th 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, 2024**

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 \$344,000 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 \$112,000 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.

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
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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.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

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
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JUNE 30, 2024**

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, 2024**

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 telephone, 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, 2024**

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
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

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, 2023.

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 \$23,087 and \$37,010 in restricted net position as of June 30, 2023 related to the prepaid expenses, and Families in Need of Services Funds, respectively, in the General Fund.

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
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JUNE 30, 2024**

NOTE 2 – EXPENDITURES – ACTUAL AND BUDGET

The Child Support Fund had total actual revenues less than total budgeted revenues for the year by \$50,263 or 7%. It also had total actual expenses more than total budgeted expenses for the year by \$42,746 or 6%.

The Misdemeanor Probation Fund had total revenues more than total budgeted revenues for the year by \$6,010 or 1%. It also had total actual expenses more than total budgeted expenses for the year by \$8,966 or 2%.

The Drug Court Fund had total actual expenditures more than total budgeted expenses for the year by \$4,052 or 1%.

The Juvenile Drug Court Fund had total actual expenditures less than total budgeted expenses for the year by \$2,180 or 0.2%.

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, 2024 the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling \$1,515,063 as follows:

Noninterest-bearing demand deposits	\$ 37,010
Interest-bearing demand deposits	553,958
Time deposits	<u>924,095</u>
Total	<u><u>\$ 1,515,063</u></u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

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, 2024, the Fourth Judicial District Court had \$1,515,063 in deposits (collected bank balances). These deposits are secured from risk by \$1,250,000 of federal deposit insurance and \$1,033,612 of pledged securities held by the bank's agent in the name of the bank as of June 30, 2024.

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.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
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JUNE 30, 2024**

NOTE 4 – ACCOUNT RECEIVABLES AND DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

General Fund

Judicial Expense Fund

Warrant Fees – Ouachita Parish Sheriff	\$113,223
Warrant Fees – Morehouse Parish Sheriff	13,374
Expense reimbursement – Ouachita & Morehouse Parish Police Jury, State of Louisiana	72,021
Expense reimbursement – Ouachita Parish Clerk of Court, State of Louisiana	3,392

Families in Need Services Fund

Expense reimbursement – Ouachita Parish District Attorney, State of Louisiana	-
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Total	<u>\$ 202,010</u>
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Special Revenue Funds

Child Support Fund

Court fees – Department of Health and Human Resources, State of Louisiana	\$ 54,812
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Drug Court Fund

Operation fees – Supreme Court, Justice Department, State of Louisiana	21,716
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Juvenile Drug Court Fund

Operation fees – Supreme Court, Justice Department, State of Louisiana	11,767
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Reentry Court Fund

Operation fees – Supreme Court, Justice Department, State of Louisiana	-
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Total	<u>\$ 88,295</u>
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**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Government activities:				
Computers and printers	\$ 384,774	\$ -	\$ -	\$ 384,774
Equipment	<u>278,085</u>	<u>-</u>	<u>-</u>	<u>278,085</u>
Totals at historical cost	<u>\$ 662,859</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 662,859</u>
Less accumulated depreciation for:				
Computers	\$ 359,226	\$ 15,476	\$ -	\$ 374,702
Equipment	<u>241,214</u>	<u>11,206</u>	<u>-</u>	<u>252,420</u>
Total accumulated depreciation	<u>\$ 600,440</u>	<u>\$ 26,682</u>	<u>\$ -</u>	<u>\$ 627,122</u>
Governmental activities:				
Capital assets, net	<u>\$ 62,419</u>	<u>\$ (26,382)</u>	<u>\$ -</u>	<u>\$ 35,737</u>
Subscription Asset – SBITA	<u>\$ 208,464</u>	<u>\$ -</u>	<u>\$ 93,475</u>	<u>\$ 114,989</u>

Depreciation expense was charged to governmental functions as follows:

Judicial Expense Fund	\$ 23,757
Child Support Fund	1,045
Misdemeanor Probation Fund	1,438
Drug Court Fund	-
Juvenile Drug Court Fund	<u>442</u>
	<u>\$ 26,382</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, 2024, the Fourth Judicial District Court reported a total liability of \$1,762,821 for its proportionate share of the net pension liability in the following retirement plans:

Louisiana State Employees' Retirement System (LASERS)	\$ 1,567,557
Parochial Employees' Retirement System of Louisiana	<u>195,264</u>
Total	<u>\$ 1,762,821</u>

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

At June 30, 2024, the Fourth Judicial District Court reported total deferred outflows of \$769,654 for its proportionate share of the net pension asset in the following retirement plans:

Louisiana State Employee' Retirement System (LASERS)	\$ 272,207
Parochial Employees' Retirement System of Louisiana	497,447
Total	<u>\$ 769,654</u>

At June 30, 2024, the Fourth Judicial District Court reported total deferred inflows of \$187,823 for its proportionate share of the net pension liability in the following retirement plans:

Louisiana State Employees' Retirement System (LASERS)	\$ 14,667
Parochial Employees' Retirement System of Louisiana	173,156
Total	<u>\$ 187,823</u>

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 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.

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.

1. Retirement Benefits

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. The LASERS 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, 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.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

NOTE 6 – PENSION PLANS (continued)

Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

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 but generally is ten years of service.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

NOTE 6 – PENSION PLANS (continued)

2. Deferred 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 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

3. 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.

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.

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

4. Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased 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 in 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.

5. Permanent Benefit Increases/Cost-of-Living Adjustments

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

Contributions

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.

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

The rates in effect during the year ended June 30, 2024 for the various plans follow:

Plan	Plan Status	Employer Contribution Rate
Regular Employees hired before 7/01/06	Closed	39.50%
Regular Employees hired on or after 7/01/06	Closed	39.50%
Regular Employees hired on or after 1/01/11	Closed	39.50%
Regular Employees hired on or after 7/1/15	Open	39.50%

The Fourth Judicial District Court Judicial Expense Fund's contractually required composite contribution rate for the year ended June 30, 2024 was 41.30% 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 Fourth Judicial District Court Judicial Expense Fund were \$210,521 for the year ended June 30, 2024.

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

At June 30, 2024, the Employer reported a liability of \$1,567,557 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2023 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Fourth Judicial District Court Judicial Expense Fund's proportion of the Net Pension Liability was based on a projection of the Fourth Judicial District Court Judicial Expense Fund's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Agency's proportion was 0.023419%, which was a decrease of 0.002531% from its proportion measured as of June 30, 2022. For the year ended June 30, 2024, the Fourth Judicial District Court Judicial Expense Fund recognized pension expense of \$235,991 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contribution, which was (\$312,563). Total pension expense for the Fourth Judicial District Court Judicial Expense Fund for the year ended June 30, 2024 was (\$76,572).

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2023**

NOTE 6 – PENSION PLANS (continued)

At June 30, 2024, the Fourth Judicial District Court Judicial Expense Fund 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	33,933	-
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	8,961	-
Changes in employer's portion of beginning net pension liability	-	-
Differences between employer contributions and proportionate share of employer contributions	18,792	14,667
Subsequent measurement contributions	210,521	-
Total	272,207	14,667

The \$210,521 reported as deferred outflows of resources related to pensions resulting from the Fourth Judicial District Court Judicial Expense Fund contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2025	46,973
2026	(56,610)
2027	77,207
2028	(20,550)

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

NOTE 6 – PENSION PLANS (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability are as follows:

Valuation Date	June 30, 2023						
Actuarial Cost Method	Entry Age Normal						
Actuarial Assumptions:							
Expected remaining service lives	2 years						
Investment Rate of Return	7.25%, per annum, net of investment expenses						
Inflation rate	2.3%, per annum.						
Mortality rates	<p>Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.</p> <p>Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>						
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.						
Salary increases	<p>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:</p> <table><tr><td><u>Member Type</u></td><td><u>Lower Range</u></td><td><u>Upper Range</u></td></tr><tr><td>Regular</td><td>3.0%</td><td>12.8%</td></tr></table>	<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>	Regular	3.0%	12.8%
<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>					
Regular	3.0%	12.8%					
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.						

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimates 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 rebalancing/diversification. The resulting expected long-term rate of return is 8.19% for 2023.

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Cash	0.80%
Domestic equity	4.45%
International equity	5.44%
Domestic fixed income	2.04%
International fixed income	5.33%
Alternative investments	8.19%
Totals	5.75%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. 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 payment to determine the total pension liability.

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

Sensitivity of the Fourth Judicial District Court Judicial Expense Fund's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Fourth Judicial District Court Judicial Expense Fund's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Fourth Judicial District Court Judicial Expense Fund's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	\$2,052,587	\$1,567,557	\$1,156,635

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$0, which is the legally required contribution due at June 30, 2024. This amount is recorded in accrued expenses.

Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LASERS 2023 Comprehensive Annual Financial Report at www.lasersonline.org.

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

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

The Fourth Judicial Court JEF Fund contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Fourth Judicial Court JEF Fund are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age with thirty (30) 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.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

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 3% of the employee'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.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended June 30, 2024, the Fourth Judicial Court JEF Fund's total payroll for all employees was \$1,576,336. Total covered payroll was \$1,485,452. Covered payroll refers to all compensation paid by the Fourth Judicial Court JEF Fund to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2024, the actual employer contribution rate was 11.50% for Plan A, 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 accrued liability. The Fourth Judicial Court JEF Fund's contributions to the System under Plan A for the year ending June 30, 2024 were \$170,827. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Fourth Judicial Court JEF Fund to the System monthly.

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

At June 30, 2024, the Employer reported a liability of \$195,264 for its proportionate share of the Net Pension Liability/Asset. The Net Pension Liability/Asset was measured as of December 31, 2023 and the total pension liability/asset used to calculate the Net Pension Liability/Asset was determined by an actuarial valuation as of that date. The Fourth Judicial Court JEF Fund's proportion of the Net Pension Liability/Asset was based on a projection of the Fourth Judicial Court JEF Fund's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2023, the Fourth Judicial Court JEF Fund's proportion was 0.204954%, which was a decrease of 0.02391% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the Fourth Judicial Court JEF Fund recognized pension expense of \$77,243 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$24,375). Total pension expense for the Fourth Judicial Court JEF Fund for the year ended June 30, 2024 was \$52,868.

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

At June 30, 2024, the Fourth Judicial Court JEF Fund 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	92,463	52,413
Changes in assumption	-	34,019
Net difference between projected and actual earnings on pension plan investments	314,696	-
Changes in employer's portion of beginning net pension liability	313	5,518
Differences between employer contributions and proportionate share of employer contributions	4,200	81,206
Subsequent measurement contributions	85,775	-
Total	497,447	173,156

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30,	
2025	(34,786)
2026	134,828
2027	266,389
2028	(127,913)

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

NOTE 6 – PENSION PLANS (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023, are as follows:

Valuation Date	December 31, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.40%, net of investment expense, 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 rates	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% for Plan A. 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.

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

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM 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 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2023.

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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	33%	1.12%
Equity	51%	3.20%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.10%
Inflation		2.40%
Expected arithmetic nominal return		7.50%

Sensitivity of the Fourth Judicial Court JEF Fund's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Fourth Judicial Court JEF Fund's proportionate share of the net pension liability calculated using the discount rate of 6.40%, as well as what the Fourth Judicial Court JEF Fund's proportionate share of the net pension liability 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:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	1,393,245	195,264	(810,322)

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

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$0, which is the legally required contribution due at June 30, 2024. This amount is recorded in accrued expenses.

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Audit Report at www.persla.org.

NOTE 7 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The Fourth Judicial District Court (the Court) provides certain continuing health care and life insurance benefits for its retired employees. The Fourth Judicial District Court's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Court. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Court. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Eligibility for retirement under the Parochial Employees' Retirement System of Louisiana (PERS) Plan A as follows: attainment of 30 years of service at any age, or age 55 and 25, or age 60 and 10 years of service; for employees hired after January 1st, 2007, age 55 and 30 years of service, age 62 and 10 years of service, and age 67 with 7 years of service. After retirement under the PERS Plan A system, medical benefits continue for the retiree until age 65. Spouse benefits end at the earlier of the retiree's or spouse's age 65.

Eligibility for Normal or Early Retirement under the Louisiana State Employees Retirement System (LASERS) as follows: attainment of 30 years of service at any age, or age 55 and 25, or age 60 and 10 years of service, or age 65 and 7 years of service; for employees hired after January 1st, 2007, age 60 and 5 years of service; for employees hired after January 1st, 2015, age 62 with 5 years of service. An active employee covered by an OGB active health plan immediately prior to retirement is eligible for lifetime retiree medical and life insurance benefits for the retiree and spouse if retiring from a Statewide Retirement System.

Life insurance coverage under the OGB program is available to retirees by election and the OGB blended rate (active and retired) is used. The employer pays 50% of the "cost" of the retiree life insurance. Insurance coverage amounts are reduced by 25% at age 65 and by an additional 25% at age 70 according to the OGB plan provisions.

Employees covered by benefit terms – As of the measurement date June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	8
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	34
	<hr/>
	42
	<hr/>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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JUNE 30, 2024**

NOTE 7 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Total OPEB Liability

The Court's total OPEB liability is \$1,814,958 as of the measurement date June 30, 2024, the end of the fiscal year.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation		2.0%
Salary increases	(PERS)	4.75%, annually, including inflation
Salary increases	(OGB)	from the LASERS valuation, including inflation

<u>Service</u>	<u>Rate</u>	<u>Service</u>	<u>Rate</u>
0	12.80%	8	4.00%
1	6.90%	9	3.90%
2	6.15%	10-12	3.60%
3	5.40%	13	3.30%
4	5.15%	14-17	3.20%
5	4.90%	18	3.10%
6	4.60%	19+	3.00%
7	4.30%		

Discount rate	3.65% annually
	3.93% annually
Healthcare cost trend rates	Getzen model, with an initial trend of 5.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2024, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2024.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
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NOTE 7 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

Changes in the Total OPEB Liability

Balance at June 30, 2023	\$ 1,828,633
Changes for the year:	
Service cost	44,504
Interest	67,133
Differences between expected and actual experience	0
Changes in assumptions	(56,959)
Benefit payments and net transfers	(68,353)
Net changes	(13,675)
Balance at June 30, 2024	\$ 1,814,958

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Court, as well as what the Court’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1.0% Decrease (2.65%)	Current Discount Rate (3.65%)	1.0% Increase (4.65%)
Total OPEB liability	\$2,030,972	\$1,814,958	\$1,631,051

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Court, as well as what the Court’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$1,577,955	\$1,814,958	\$2,100,822

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

NOTE 7 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (continued)

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

For the year ended June 30, 2024, the Court recognized OPEB expense of \$-157,082. At June 30, 2024, the Court reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$14,772	\$ 0
Changes in assumptions	47,540	(199,745)
Total	\$62,312	\$(199,745)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:	
2025	(107,152)
2026	4,015
2027	(12,450)
2028	(12,450)
2029	(8,238)
Thereafter	(1,158)

NOTE 8 – DUE TO OTHER GOVERNMENTAL UNITS

Accounts due to other governmental units consist of the following:

General Fund	
JEF Fund	
Ouachita Parish Police Jury	\$ 235,479
FINS	
Ouachita Parish District Attorney	-
Total General Fund	<u>\$ 235,479</u>
Special Revenue Funds	
Child Support Fund	
Ouachita Parish Police Jury	\$ 76,696
Court Services (Misdemeanor, Drug Court, Juvenile Drug Court)	
Ouachita Parish Police Jury	<u>51,615</u>
Total Special Revenue Funds	<u>\$ 128,311</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

NOTE 9 – COMPENSATED ABSENCES

At June 30, 2024, employees of the Fourth Judicial District Court have accumulated and vested \$110,222 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$14,748 is recorded as an obligation of the General Fund and \$95,474 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>
Custodial Funds: Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Department – Monroe, Louisiana	\$ -	\$ 10,023	\$ (10,023)	\$ -
Indigent Defender Board – Monroe, Louisiana	-	32,059	(32,059)	-
Criminal Court Fund – Monroe, Louisiana	-	6,839	(6,839)	-
Restitution recipients, Fourth District – State of Louisiana	-	40,823	(40,823)	-
	<u>\$ -</u>	<u>\$ 89,744</u>	<u>\$ (89,744)</u>	<u>\$ -</u>

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, 2023 until June 30, 2024 and funded monthly from July 1, 2023 until June 30, 2024 for \$53,052.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS program were \$53,052 for the fiscal year ended June 30, 2024.

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 \$127,672 during the fiscal year ended June 30, 2024 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 \$127,672 for the fiscal year ended June 30, 2024.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

NOTE 11 - GRANT PROGRAMS (continued)

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 \$120,000 during the fiscal year ended June 30, 2024 from the "Temporary Assistance for Needy Families" (TANF) program. The total expenditures of the Fourth Judicial District Court related to this program were \$119,363 for the fiscal year ended June 30, 2024.

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.

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 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT

Lessor Leases:

The District's Subscription Based Technology Arrangements (SBITA) consists primarily of contracts for the use of Technology related to legal research, filings, and legal documents. The terms of these SBITAs are generally for periods ranging from 1 to 3 years at various payment frequencies and amounts. In accordance with GASB Statement No. 96, SBITAs, a liability has been recorded for the present value of SBITA payments to be made over the SBITA term for each agreement. As of June 30, 2024, the combined value of the liabilities was \$121,799. In determining the present value, a discount rate of 4.69% was generally applied to reflect a borrowing rate of the Court. Also, a corresponding right-of-use asset is recorded as a capital asset to be amortized to expense over the term of the contract. The balance of the right-of-use less accumulated amortization at June 30, 2024 is \$114,989.

The future SBITA principal and interest payments as of June 30, 2024, are as follows:

<u>Year</u> <u>Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 70,944	\$ 4,218	\$ 75,162
2026	\$ 50,855	\$ 896	\$ 51,751

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED
JUNE 30, 2024**

NOTE 15 – SUBSEQUENT EVENTS

In accordance with ASC 855, the Court has evaluated subsequent events through January 30, 2025, the date these financial statements were available to be issued and has determined that there are no significant subsequent events that require recognition or disclosure through that date.

REQUIRED SUPPLEMENTAL INFORMATION

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Court Fees - Ouachita Parish	179,000	\$ 197,969	\$ 194,379	\$ (3,590)
Court Fees - Morehouse Parish	37,800	37,708	42,972	5,264
Court Fees - Probation Review Court	2,650	1,223	1,029	(194)
Grant Revenue - FINS	53,052	53,052	53,052	-
Shared Revenue - OPPJ	140,435	376,631	64,003	(312,628)
Warrant Revenue - Ouachita Parish	1,004,420	1,008,846	1,031,763	22,917
Warrant Revenue - Morehouse Parish	71,790	89,645	133,766	44,121
Interest Income	1,906	5,892	42,134	36,242
Other Income	-	2,571	2,571	-
Total Revenues	1,491,053	1,773,537	1,565,669	(207,868)
<u>Expenditures</u>				
Asset Expenditures	45,000	7,472	10,394	(2,922)
Small Asset Expenditures	12,000	-	-	-
Court Reporter Costs	1,200	805	739	66
Insurance Expense	320,200	329,836	335,219	(5,383)
Internet Access	7,100	-	4,063	(4,063)
Miscellaneous	8,300	678	656	22
Office Supplies and Postage	19,932	20,302	6,621	13,681
Payroll Taxes	13,805	14,783	10,939	3,844
Professional Fees	111,381	102,653	51,972	50,681
Reference Materials and Dues	70,200	73,060	1,544	71,516
Rent	27,550	12,936	2,939	9,997
Repair, Maintenance and Warranty	38,500	-	-	-
Retirement Expense	172,720	194,104	188,471	5,633
Salaries	947,643	909,160	1,001,088	(91,928)
Seminars, Meetings and Travel	32,018	35,492	51,891	(16,399)
Telephone Expense	18,000	4,512	3,490	1,022
Total Expenditures	1,845,549	1,705,793	1,670,026	35,767
<u>Excess of Revenues</u>				
<u>Over Expenditures</u>	(354,496)	67,744	(104,357)	(243,635)
<u>Other Financing Sources (Uses)</u>				
Transfers In	250,000	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	250,000	-	-	-
<u>Net Change in Fund Balance</u>	(104,496)	67,744	(104,357)	(243,635)
<u>Fund Balance at Beginning of Year</u>	575,794	575,794	575,794	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 471,298</u>	<u>\$ 643,538</u>	<u>\$ 471,437</u>	<u>\$ (243,635)</u>

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

FOURTH JUDICIAL DISTRICT COURT
CHILD SUPPORT FUND
MONROE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Court Fees	\$ 762,000	\$ 753,309	\$ 755,016	\$ 1,707
Interest Income	1,893	2,500	9,909	
Miscellaneous	2,000	199	341	142
Total Revenues	765,893	756,008	765,266	1,849
<u>Expenditures</u>				
Asset Expenditures	2,300	8,634	-	8,634
Small Asset Expenditures	7,400	130	8,764	(8,634)
Court Reporter Costs	-	-	-	-
Insurance Expense	77,000	53,564	69,759	(16,195)
Internet Access	1,410	1,831	1,837	(6)
Miscellaneous	2,146	910	1,063	(153)
Office Supplies and Postage	3,000	2,410	2,550	(140)
Payroll Taxes	6,800	5,080	6,174	(1,094)
Professional Fees	52,000	59,549	61,691	(2,142)
Reference Materials and Dues	24,500	26,194	28,617	(2,423)
Rent	6,830	7,691	8,390	(699)
Repair, Maintenance and Warranty	175	150	541	(391)
Retirement Expense	120,497	87,037	105,505	(18,468)
Salaries	405,566	312,339	390,397	(78,058)
Seminars, Meetings and Travel	1,500	1,670	2,171	(501)
Supplies	-	-	-	-
Telephone Expense	3,000	615	609	6
	714,124	567,804	688,068	(120,264)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	51,769	188,204	77,198	122,113
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	-	-	-	-
<u>Net Change in Fund Balance</u>	51,769	188,204	77,198	122,113
<u>Fund Balance at Beginning of Year</u>	296,998	296,998	296,998	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 348,767</u>	<u>\$ 485,202</u>	<u>\$ 374,196</u>	<u>\$ 122,113</u>

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

FOURTH JUDICIAL DISTRICT COURT
MISDEMEANOR PROBATION FUND
MONROE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Court Fees	\$ 505,085	\$ 503,721	\$ 491,215	\$ (12,506)
Interest Income	2,300	2,300	8,762	6,462
Miscellaneous	-	-	-	-
Total Revenues	507,385	506,021	499,977	(6,044)
<u>Expenditures</u>				
Asset Expenditures	-	-	-	-
Small Asset Expenditures	17,500	8,634	-	8,634
Court Reporter Costs	-	-	8,634	(8,634)
Insurance Expense	72,800	64,722	66,379	(1,657)
Internet Access	2,100	2,061	2,176	(115)
Miscellaneous	1,651	394	505	(111)
Office Supplies and Postage	6,750	7,220	7,131	89
Payroll Taxes	4,800	4,131	4,229	(98)
Professional Fees	9,500	6,357	5,298	1,059
Reference Materials and Dues	1,200	2,463	3,940	(1,477)
Rent	4,075	3,182	3,448	(266)
Repair, Maintenance and Warranty	195	-	-	-
Retirement Expense	35,052	31,339	32,224	(885)
Salaries	330,376	305,621	311,355	(5,734)
Seminars, Meetings and Travel	2,100	1,121	1,168	(47)
Supplies	50	-	159	(159)
Telephone Expense	2,300	1,037	1,037	-
	490,449	438,282	447,683	(9,401)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	16,936	67,739	52,294	3,357
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	-	-	-	-
<u>Net Change in Fund Balance</u>	16,936	67,739	52,294	3,357
<u>Fund Balance at Beginning of Year</u>	39,846	39,846	39,846	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 56,782</u>	<u>\$ 107,585</u>	<u>\$ 92,140</u>	<u>\$ 3,357</u>

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

FOURTH JUDICIAL DISTRICT COURT
ADULT DRUG COURT
MONROE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Court Fees	\$ 40,143	\$ 34,105	\$ 34,836	\$ 731
Supreme Court Receipts	235,000	235,000	220,327	(14,673)
Grant Revenue	107,000	107,000	127,673	20,673
Miscellaneous	-	-	-	-
Total Revenues	382,143	376,105	382,836	6,731
<u>Expenditures</u>				
Asset Expenditures	-	-	-	-
Small Asset Expenditures	-	-	-	-
Court Reporter Costs	-	-	427	(427)
Insurance Expense	24,200	26,646	-	26,646
Internet Access	550	377	23,639	(23,262)
Miscellaneous	-	-	-	-
Office Supplies and Postage	-	-	-	-
Payroll Taxes	1,235	1,082	1,011	71
Professional Fees	41,167	45,463	93,426	(47,963)
Reference Materials and Dues	275	360	300	60
Rent	-	-	-	-
Repair, Maintenance and Warranty	-	-	-	-
Retirement Expense	9,348	10,051	9,315	736
Salaries	85,000	87,396	81,712	5,684
Seminars, Meetings and Travel	6,000	7,259	6,399	860
Supplies	186,175	186,260	137,944	48,316
Telephone Expense	-	-	-	-
	353,950	364,894	354,173	10,721
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	28,193	11,211	28,663	(3,990)
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	-	-	-	-
<u>Net Change in Fund Balance</u>	28,193	11,211	28,663	(3,990)
<u>Fund Balance at Beginning of Year</u>	308,876	308,876	308,876	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 337,069</u>	<u>\$ 320,087</u>	<u>\$ 337,539</u>	<u>\$ (3,990)</u>

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

FOURTH JUDICIAL DISTRICT COURT
JUVENILE DRUG COURT
MONROE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Grant Revenue	\$ 120,000	\$ 120,000	\$ 118,758	\$ (1,242)
Miscellaneous	-	-	-	-
Total Revenues	120,000	120,000	118,758	(1,242)
<u>Expenditures</u>				
Asset Expenditures	-	-	-	-
Small Asset Expenditures	-	-	-	-
Court Reporter Costs	-	-	-	-
Insurance Expense	8,806	8,362	9,013	(651)
Internet Access	100	86	82	4
Miscellaneous	-	-	-	-
Office Supplies and Postage	-	-	-	-
Payroll Taxes	692	575	630	(55)
Professional Fees	50,700	49,071	49,300	(229)
Reference Materials and Dues	500	50	50	-
Rent	-	-	-	-
Repair, Maintenance and Warranty	-	-	-	-
Retirement Expense	5,492	4,970	5,436	(466)
Salaries	48,358	47,596	48,261	(665)
Seminars, Meetings and Travel	1,000	1,445	1,445	-
Supplies	4,352	7,845	5,146	2,699
Telephone Expense	-	-	-	-
	120,000	120,000	119,363	637
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	-	-	(605)	(1,879)
<u>Other Financing Sources (Uses)</u>				
Transfers In (Out)	-	-	-	-
<u>Net Change in Fund Balance</u>	-	-	(605)	(1,879)
<u>Fund Balance at Beginning of Year</u>	(26,495)	(26,495)	(26,495)	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ (26,495)</u>	<u>\$ (26,495)</u>	<u>\$ (27,100)</u>	<u>\$ (1,879)</u>

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

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Ouachita Parish Court House during the month of June for comments from taxpayers. The budget is then legally adopted by the Court and amended during the year, as necessary. The budget is established and controlled by the Court at the object level of expenditure. Appropriations lapse at year end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

The following fund budgets had unfavorable amounts:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Judicial Expense Fund Revenues	\$ 1,773,537	\$ 1,565,669	\$(207,868)

This variance mainly due to OPPJ and MPPJ shared revenues and expenditures being netted together for the actual column.

Child Support Fund Expenditures	\$ 567,804	\$ 688,068	\$ 120,264
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This variance mainly due to salaries and retirement actual expenditures being more than what was budgeted.

SUPPLEMENTARY INFORMATION

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Monroe, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR
CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2024

Agency Head: Larry D. Jefferson, Chief Judge

<u>Purpose</u>	<u>Amount</u>
Per diem	\$ -
Travel	\$ -
Dues	\$ -

Schedule VI

**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, 2024**

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 06/30/2024
MISDEMEANOR PROBATION FUND		
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 62,226	\$ 62,327
Add: Collections		
Criminal Court Costs/Fees	22,341	26,581
Restitution	31,688	9,134
Probation/Parole/Supervision Fees	237,471	253,673
Subtotal Collections	<u>291,500</u>	<u>289,388</u>
Less: Disbursements To Governments & Nonprofits:		
Morehouse Parish Sheriff's Department, Criminal Court Costs/Fees	-	-
Ouachita Parish Sheriff's Department, Criminal Court Costs/Fees	4,197	5,546
Indigent Defender Board, Criminal Court Costs/Fees	15,074	16,935
Criminal Court Fund, Criminal Court Costs/Fees	2,689	4,050
Less: Amounts Retained by Collecting Agency		
Self-Disbursed Probation/Parole/Supervision Fees	237,471	253,673
Less: Disbursements to Individuals/3rd Party Collection or Processing		
Restitution Payments to Individuals	31,968	9,334
Subtotal Disbursements/Retainage	<u>291,399</u>	<u>289,538</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 62,327</u>	<u>\$ 62,177</u>

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
SCHEDULE VI - 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, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 06/30/2023
JUDICIAL EXPENSE FUND:		
Receipts From:		
Morehouse Parish Clerk of Court, Civil Fees	\$ 4,500	\$ 6,165
Morehouse Parish Sheriff's Department, Criminal Court Costs	12,935	19,927
Ouachita Parish Clerk of Court, Civil Fees	33,634	34,272
Ouachita Parish Sheriff's Department, Criminal Court Costs/F	49,747	80,037
Subtotal Receipts	<u>\$ 100,816</u>	<u>\$ 140,401</u>

CHILD SUPPORT FUND:

Receipts From:		
Service/Collection Fees - DCFS	\$ 407,373	\$ 345,350
Subtotal Receipts	<u>\$ 407,373</u>	<u>\$ 345,350</u>

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2024

	Programs of the General Fund			Total
	Judicial Expense Fund	FINS Fund	Payroll Account	General Fund
<u>ASSETS</u>				
Cash & Cash Equivalents	\$ 563,459	\$ 37,010	\$ -	\$ 600,469
Accounts Receivable	-	-	-	-
Due From Other Governmental Units	53,026	-	148,984	202,010
Prepaid Expenses and Deposits	-	-	-	-
Due From Other Funds	-	-	139,332	139,332
<u>TOTAL ASSETS</u>	<u>\$ 616,485</u>	<u>\$ 37,010</u>	<u>\$ 288,316</u>	<u>\$ 941,811</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accrued and Other Liabilities	28,102	\$ -	\$ 21,415	\$ 49,517
Bank Overdraft	-	-	16,998	16,998
Due To Other Governmental Units	35,009	-	200,470	235,479
Compensated Absences Payable	14,748	-	-	14,748
Due To Other Funds	43,632	-	110,000	153,632
Total Current Liabilities	121,491	-	348,883	470,374
<u>FUND BALANCE</u>				
Nonspendable	-	-	-	-
Unassigned	494,994	37,010	(60,567)	471,437
Total Fund Balance	494,994	37,010	(60,567)	471,437
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 616,485</u>	<u>\$ 37,010</u>	<u>\$ 288,316</u>	<u>\$ 941,811</u>

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2024

	Programs of the General Fund			Total
	Judicial Expense Fund	FINS Fund	Payroll Account	General Fund
<u>Revenues</u>				
Court Fees - Ouachita Parish	\$ 194,379	\$ -	\$ -	\$ 194,379
Court Fees - Morehouse Parish	42,972	-	-	42,972
Court Fees - Probation Review Court	1,029	-	-	1,029
Grant Revenue	64,003	53,052	-	117,055
Warrant Revenue - Ouachita Parish	-	-	1,031,763	1,031,763
Warrant Revenue - Morehouse Parish	-	-	133,766	133,766
Interest Income	39,991	-	2,143	42,134
Other Income	2,571	-	-	2,571
Total Revenues	344,945	53,052	1,167,672	1,565,669
<u>Expenditures</u>				
Asset Expenditures	10,394	-	-	10,394
Small Asset Expenditures	-	-	-	-
Court Reporter Costs	739	-	-	739
Insurance Expense	108,406	7,739	219,074	335,219
Internet Access	4,063	-	-	4,063
Miscellaneous	656	-	-	656
Office Supplies and Postage	4,753	1,757	111	6,621
Payroll Taxes	764	437	9,738	10,939
Professional Fees	50,372	1,600	-	51,972
Reference Materials and Dues	1,244	300	-	1,544
Rent	1,097	1,842	-	2,939
Repair, Maintenance and Warranty	-	-	-	-
Retirement Expense	6,506	3,870	178,095	188,471
Salaries	152,179	33,087	815,822	1,001,088
Seminars, Meetings and Travel	49,471	2,420	-	51,891
Telephone Expense	3,490	-	-	3,490
Total Expenditures	394,134	53,052	1,222,840	1,670,026
<u>Excess of Revenues Over</u>				
<u>Expenditures</u>	(49,189)	-	(55,168)	(104,357)
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<u>Excess of Revenues and Other</u>				
<u>Financing Sources Over</u>				
<u>Expenditures and Other</u>				
<u>Financing Uses</u>	(49,189)	-	(55,168)	(104,357)
<u>Fund Balance at Beginning of Year</u>	544,183	37,010	(5,399)	575,794
<u>FUND BALANCE AT</u>				
<u>END OF YEAR</u>	\$ 494,994	\$ 37,010	\$ (60,567)	\$ 471,437

See Independent Auditors' Report.

OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING*
STANDARDS AND BY OFFICE OF MANAGEMENT AND BUDGET
UNIFORM GUIDANCE

**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 Walter M. Caldwell, IV
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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fourth Judicial District Court, Judicial Expense Fund (A Governmental entity), a component unit of Ouachita Parish Police Jury, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Fourth Judicial District Court, Judicial Expense Fund's basic financial statements, and have issued our report thereon dated January 30, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fourth Judicial District Court, Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fourth Judicial District Court, Judicial Expense Fund's internal control.

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

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

The Honorable Walter M. Caldwell, IV
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fourth Judicial District Court, Judicial Expense Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-1..

Fourth Judicial District Court, Judicial Expense Fund's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Fourth Judicial District Court, Judicial Expense Fund's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Fourth Judicial District Court, Judicial Expense Fund's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

David M. Hart, CPA (APAC)

West Monroe, Louisiana
January 30, 2025

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Monroe, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Honorable Walter M. Caldwell, IV, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the financial statements 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, 2024, and have issued our report thereon dated January 30, 2025. 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, 2024, resulted in an unqualified opinion.

Section I- Summary of Auditor's 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 X yes ___ no

Compliance

Compliance Material to Financial Statements ___ yes ___ no

B. Federal Awards -- N/A

Material Weakness Identified ___ yes ___ no

Significant Deficiencies not considered to be

Material Weaknesses ___ yes ___ no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ___ Qualified ___

Disclaimer ___ Adverse ___

Are there findings required to be reported in accordance with the Uniform Guidance, Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster) CFDA Number(s) N/A

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by the Uniform Guidance? N/A

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Monroe, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section II - Financial Statement Findings

2024-01 Financial Statements Issued After Due Date

Condition: The audit report was submitted after the statutory due date.

Criteria: LSA-R.S.24.513 states that all engagements must be completed and transmitted to the Legislative Auditor within six months of the close of the auditee fiscal year.

Cause: The financial records were not complete to be able to finish the audit within the required time frame.

Effect: When an entity is late filing its report, the entity is placed on the LLA's noncompliance list. Being placed on the list results in an entity receiving no funds from the State until the entity is removed from the list. However, the Court requested and was subsequently granted a filing extension so as not to be put on the noncompliance list.

Recommendation: The Court should have the financial records completed in a timely manner so its audit report can be submitted to the LLA on time.

Management's Response:

The Court has been understaffed for most of the last fiscal year which has resulted in management and remaining current staffing to take on additional duties. These additional duties contributed to management and staff being late in compiling and turning over information to auditors to complete the report. The Court is taking steps to replace the staffing and/or resource out the tasks to third parties to assure more timely preparation and access to the necessary information.

Section III - Management Letter

No management letter was issued.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
Monroe, Louisiana
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

Section I - Internal Control and Compliance Material to the Financial Statements

2023-01 Possible Personnel Violation of Employee Conduct Policy

Condition: Subsequent to year end, an employee of the Court ran for public office and did not separate from employment as the policy mandates, violating the Court's policy of engaging in political activities. The job description of the employee clearly states that employee will "abide by all policies and procedures of the Fourth Judicial District Court Personnel Handbook".

Criteria: The Court's policy states as follows: "Employees of the Court are entitled to entertain personal views on political questions and are not required to surrender rights or opinions as a citizen. However, employees should not engage publicly in political activities nor should they act as leaders or hold office in political organizations. The employee should not make speeches for or publicly endorse political organizations or candidates for political or public office. No Court employee shall be a candidate for or hold an elective office. An employee who becomes a candidate for elective office shall be separated from employment. A candidate is a person seeking elective office. A person becomes a candidate for elective office as soon as he or she makes a public announcement of candidacy, declares or files as a candidate with the election appointment authority, or authorizes solicitation or acceptance of contributions of support, whichever occurs first."

Effect: Employees are to conduct themselves at all times in a manner that is generally required in a work environment and that promotes public confidence in the integrity and impartiality of the Judiciary or any work environment. Conduct that interferes with operations or policies of the Court should not be tolerated.

Recommendation: The Court should consider at rewriting this policy so that there is no room for interpretation based on opinion in an effort to prevent further violations.

Management's Response:

The Court, on September 15, 2023, revised its personnel handbook to amend its policy on political activity to permit employees to become candidates for elective office and requires that the employee take a leave of absence without pay if the employee does seek elective while employed by the Court.

Section II - Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III - Management Letter

This section is not applicable for this entity.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Fourth Judicial District Court and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Fourth Judicial District Court (the Entity) and the Louisiana Legislative Auditor (LLA), on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. The Entity's management is responsible for those C/C areas identified in the SAUPs.

Fourth Judicial District Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and related exceptions obtained are described in the attachment to this report.

We were engaged by the Fourth Judicial District Court to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Fourth Judicial District Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

David M. Hartt, CPA (PPAC)

West Monroe, Louisiana
January 30, 2025

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions were noted in the above procedures.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

The minutes of the July, August and October 2023 could not be located.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There were no exceptions noted in the above procedures.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions noted in the above procedures.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

There were no exceptions noted in the above procedures.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)
- D. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe

whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

There were no exceptions noted in the above procedures.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions noted in the above procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions noted in the above procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the

pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums) have been paid, and any associated forms have been filed, by required deadlines.

There were no exceptions noted in the above procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Two employees selected did not have proof of ethics training.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedures related to debt service are not required since the District has no debt.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

These procedures are not applicable to this entity.

13) Information Technology Disaster Recovery/Business Continuity

Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management"**:

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets

have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedures and discussed the results with management. The required cybersecurity training was not obtained.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Two of the employees tested did not receive the required sexual harassment training.