

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

Compiled Component Unit Financial Statements
For the Year Ended December 31, 2018

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

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ACCOUNTANT'S COMPILATION REPORT

Honorable Judge Ashley Paul Thomas
Thirty-Seventh Judicial District Court
Judicial Expense Fund
Caldwell Parish

Management is responsible for the accompanying component unit financial statements of the governmental activities and fund information of Thirty-Seventh Judicial District Court, Judicial Expense Fund (a governmental entity) and a component unit of the Caldwell Parish Police Jury, as of and for the year ended December 31, 2018/, and the related notes to the financial statements, which collectively comprise Thirty-Seventh District Court, Judicial Expense Fund's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express and opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information on pages 3-6 and pages 19-22 be presented to supplement the basic financial statements:

Management's Discussion and Analysis
Budgetary Comparison Schedule

Such information is presented for purposes of additional analysis and, although not a required 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. This information is the representation of management. I have not performed an audit, review or compilation on the required supplementary information and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on such information.

I am not independent with respect to Thirty-Seventy Judicial District Court.

West Monroe, Louisiana
June 6, 2019

David M. Hartt, CPA (APAC)

REQUIRED SUPPLEMENTAL INFORMATION (PART A)

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Thirty-Seventh Judicial District Court (the Court) provides an overview of the Court's activities for the year ended December 31, 2018. Please read it in conjunction with the Court's financial statements.

USING THIS ANNUAL REPORT

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

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

Reporting the Court as a Whole

The Statement of Net Position and the Statement of Activities

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

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

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

Reporting the Court's Funds

Fund Financial Statements

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

THE COURT AS A WHOLE

For the year ended December 31, 2018 and 2017, net position changed as follows:

	2018	2017
Beginning net position	\$ 65,577	\$ 63,903
Increase (Decrease) in net position	<u>(3,037)</u>	<u>1,674</u>
Ending net position	<u>\$ 62,540</u>	<u>\$ 65,577</u>

Governmental Activities

The Court's assets exceeded its liabilities at the close of the year 2018 by \$62,540. For the calendar year 2018, the net position decreased by \$3,037 and the Court's revenue increased by \$608.

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

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

THE COURT'S FUNDS

The following schedule presents a summary of the government wide net position:

	Net Position as of December 31,	
	2018	2017
Current and noncurrent assets	\$83,719	\$72,647
Current and noncurrent liabilities	<u>21,179</u>	<u>7,070</u>
Net Position	<u>\$62,540</u>	<u>\$65,577</u>
Total net position	<u>\$62,540</u>	<u>\$65,577</u>

Net position of the Court decreased by \$3,037 (or 4.63%) from December 31, 2017 to December 31, 2018.

The following schedule presents a summary of general and special revenue funds revenues and expenditures for the year ended December 31, 2018 and the amount and percentage of increases and decreases in relation to the prior year.

	2018 Amount	Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease)
Revenues:				
Operating Grants	\$ 84,281	44%	\$(5,877)	(7%)
Intergovernmental	44,864	24%	4,419	11%
Charges for services	53,888	28%	1,559	3%
Interest	259	1%	102	65%
Other	<u>6,431</u>	<u>3%</u>	<u>405</u>	<u>8%</u>
Total revenues	<u>\$ 189,723</u>	<u>100%</u>	<u>\$ 608</u>	<u>80%</u>

Revenues remained consistent in 2018

	2017 Amount	Percent of Total	Increase (Decrease) from 2016	Percent Increase (Decrease)
Revenues:				
Operating Grants	\$ 90,158	48%	\$(25,860)	(22%)
Intergovernmental	40,445	21%	4,429	12%
Charges for services	52,329	28%	11,845	29%
Interest	157	1%	(59)	(3%)
Other	<u>6,026</u>	<u>2%</u>	<u>(1,999)</u>	<u>(25%)</u>
Total revenues	<u>\$ 189,115</u>	<u>100%</u>	<u>\$(11,644)</u>	<u>(9%)</u>

Revenues decreased in 2017 primarily because of the decrease in Drug Court reimbursements than there have been in prior years and operating grants decreased from prior year.

	2018 Amount	Percent of Total	Increase (Decrease) from 2017	Percent Increase (Decrease)
Expenditures District Court	\$ 192,760	100%	\$ 5,319	3%

District Court expenditures increased during 2018. The increase was due primarily to an increase in health insurance costs over prior year.

	2017 Amount	Percent of Total	Increase (Decrease) from 2016	Percent Increase (Decrease)
Expenditures District Court	\$ 187,441	100%	(\$ 27,730)	(13%)

District Court expenditures decreased during 2017. The decrease was due primarily to a decrease in salaries and drug treatment costs over prior year.

CAPITAL ASSETS

The Court had reported no capital assets as of December 31, 2018 and 2017.

DEBT ADMINISTRATION

The Court had no long term debt as of December 31, 2018 and 2017.

ECONOMIC FACTORS AND NEXT YEAR'S RATES

Court operations are funded extensively by the Parish of Caldwell. The court anticipates a flat growth with very little change.

CONTACTING THE THIRTY-SEVENTH DISTRICT COURT'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Court's finances and to demonstrate the Court's accountability for the financial resources it manages. If you have questions about this report or need additional information contact the Honorable Judge Ashley P. Thomas at P.O. Box 177, Columbia, Louisiana 71418.

Honorable Ashley P. Thomas

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

STATEMENT OF NET POSITION
DECEMBER 31, 2018

<u>Assets</u>	<u>Governmental Activities</u>
Cash and Cash Equivalents	\$ 54,952
Certificate of Deposit	18,156
Accounts Receivable	<u>10,611</u>
Total Assets	<u>83,719</u>
 <u>Liabilities</u>	
Accounts Payable	4,418
Payroll Taxes Payable	<u>16,761</u>
Total Liabilities	<u>21,179</u>
 <u>Net Position</u>	
Net Position - Restricted	5,068
Net Position - Unrestricted	<u>57,472</u>
Total Net Position	<u><u>\$ 62,540</u></u>

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functional / Program Activities:					
Government Activities:					
Judicial Expense Fund	\$ 36,743	\$ 16,707	\$ -	\$ -	\$ (20,036)
Child Support	28,195	-	-	-	(28,195)
Misdemeanor Probation	36,885	37,181	-	-	296
Drug Court	55,888	-	49,457	-	(6,431)
FINS Fund	35,049	-	34,824	-	(225)
Total Government Activities	\$ 192,760	\$ 53,888	\$ 84,281	\$ -	\$ (54,591)

General Revenues:

Intergovernmental	44,864
Drug Court Fees	1,250
Contributions	5,181
Interest	259
Total General Revenues	<u>51,554</u>
Changes in Net Position	(3,037)
NET POSITION - BEGINNING	<u>65,577</u>
NET POSITION - ENDING	<u>\$ 62,540</u>

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

FUND FINANCIAL STATEMENTS

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	<u>General Fund</u>	<u>Child Support Fund</u>	<u>Misdemeanor Probation Fund</u>	<u>Drug Court Fund</u>	<u>FINS Fund</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>						
Cash and Cash Equivalents	\$ -	\$ 29,267	\$ 4,320	\$ 16,297	\$ 5,068	\$ 54,952
Certificate of Deposit	18,156	-	-	-	-	18,156
Receivables	3,911	6,700	-	-	-	10,611
Due From Other Governmental Units	-	-	-	68,273	-	68,273
Total Assets	<u>\$ 22,067</u>	<u>\$ 35,967</u>	<u>\$ 4,320</u>	<u>\$ 84,570</u>	<u>\$ 5,068</u>	<u>\$ 151,992</u>
<u>LIABILITIES AND FUND BALANCES</u>						
<u>Liabilities</u>						
Accounts Payable	\$ 4,418	\$ -	\$ -	\$ -	\$ -	\$ 4,418
Payroll Taxes Payable	15,473	1,288	-	-	-	16,761
Due to Other Governmental Units	68,273	-	-	-	-	68,273
Total Liabilities	<u>88,164</u>	<u>1,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,452</u>
<u>Fund Balances</u>						
Restricted	-	-	-	-	5,068	5,068
Assigned	-	34,679	4,320	84,570	-	123,569
Unassigned	(66,097)	-	-	-	-	(66,097)
Total Fund Balances	<u>(66,097)</u>	<u>34,679</u>	<u>4,320</u>	<u>84,570</u>	<u>5,068</u>	<u>62,540</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 22,067</u>	<u>\$ 35,967</u>	<u>\$ 4,320</u>	<u>\$ 84,570</u>	<u>\$ 5,068</u>	<u>\$ 151,992</u>

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Revenues</u>	<u>General Fund</u>	<u>Child Support</u>	<u>Misdemeanor Probation Fund</u>	<u>Drug Court Fund</u>	<u>FINS Fund</u>	<u>Total Governmental Funds</u>
<u>State</u>						
Intergovernmental Revenues	\$ -	\$ 44,864	\$ -	\$ -	\$ -	\$ 44,864
Supreme Court Receipts	-	-	-	49,457	34,824	84,281
<u>Local</u>						
Caldwell Parish Sheriff	5,735	-	-	-	-	5,735
Caldwell Parish Clerk of Court	3,560	-	-	-	-	3,560
Caldwell Parish Probation	7,412	-	-	-	-	7,412
Interest on Investments	259	-	-	-	-	259
Inmates on Probation	-	-	37,181	-	-	37,181
Diversion Program	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Drug Court Fees	-	-	-	1,250	-	1,250
Contributions	-	-	-	5,181	-	5,181
Total Revenues	16,966	44,864	37,181	55,888	34,824	189,723
<u>Expenditures</u>						
<u>Judicial:</u>						
Utilities	-	-	-	-	-	-
Travel	3,561	2,056	-	1,252	-	6,869
Professional Development	650	-	-	-	-	650
Accounting and Auditing	6,800	1,375	-	-	-	8,175
Salaries/Benefits	3,271	13,051	-	16,609	1,350	34,281
Insurance	31,525	-	-	16,928	29,015	77,468
Miscellaneous	244	337	-	-	-	581
Supplies	67	95	564	-	2,559	3,285
Dues and Subscriptions	1,750	156	-	-	-	1,906
Drug Treatment	-	-	-	15,736	-	15,736
Drug Testing	-	-	-	4,163	-	4,163
Professional Fees	-	-	-	1,200	-	1,200
Restitution of Funds	-	-	10,891	-	-	10,891
Telephone and Internet	-	-	-	-	2,125	2,125
Rent	-	-	-	-	-	-
<u>Transfer to:</u>						
37th Judicial District Court Expense	-	11,125	7,412	-	-	18,537
Indigent Defender Board	-	-	725	-	-	725
Child Support Fund	(11,125)	-	-	-	-	(11,125)
Caldwell Parish Sheriff	-	-	4,941	-	-	4,941
Probation Officer Salary	-	-	12,352	-	-	12,352
Total Expenditures	36,743	28,195	36,885	55,888	35,049	192,760
<u>Excess (Deficiency) of Revenues</u>						
<u>Over Expenditures</u>	(19,777)	16,669	296	-	(225)	(3,037)
<u>Fund Balance at Beginning of Year</u>	(46,320)	18,010	4,024	84,570	5,293	65,577
<u>FUND BALANCE AT END OF YEAR</u>	\$ (66,097)	\$ 34,679	\$ 4,320	\$ 84,570	\$ 5,068	\$ 62,540

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 1 - Historical Background

The Judicial Expense Fund of the Thirty-Seventh Judicial District Court was established by Act 916 of the 1985 Session of the Louisiana Legislature and began operating in March of 1986. The Judicial Expense Fund is controlled by the Judge of the Thirty-Seventh Judicial District Court and was established and may be used for any purpose connected with, incidentally to, or related to the proper administration or function of the court or the office of the Judge thereof, and in addition to any and all other funds, salaries, expenses or other monies that were or hereafter will be provided, authorized, or established by law for any of the aforesaid purposes. The Judicial Expense Fund's revenues are derived from court costs assessed in civil and criminal cases of the Thirty-Seventh Judicial District Court and are collected by the Sheriff and Clerk of Court. The Special Revenue Funds entitled Child Support and Misdemeanor Probation were established by the Louisiana Legislature in 1994. The Misdemeanor Probation Fund was established by order of the Thirty-Seventh Judicial District Court, the Caldwell Parish Sheriff and the Probation officer for the Parish of Caldwell on July 1, 1997. The Thirty-Seventh Judicial District Court started receiving the funds in June of 1995 and the Misdemeanor Probation Fund started receiving funds from the inmates on probation in July 1997.

Note 2 - Summary of Significant Accounting Policies

A. Basis of Accounting

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.

B. Reporting Entity

The Thirty-Seventh Judicial District Court, Special Revenue Fund (Child Support), authority was created by the Louisiana Legislature in 1994, and began receiving funds in June of 1995. 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 Resources. Revenues are to be expended to administer the proceedings related to the expedited process. The Thirty-Seventh Judicial District Court, Special Revenue Fund (Misdemeanor Probation), authority was created under the Louisiana Code of Criminal Procedure Article 895.1C. The Thirty-Seventh Judicial District Court issued an order signed en banc July 1, 1997 implementing this process. The purpose of this 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.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

B. Reporting Entity (continued)

The accounting and reporting policies of the Thirty-Seventh Judicial District Court, Judicial Expense Fund conform to accounting principles generally accepted in the United States of America 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 Governments*.

For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB), the Judicial Expense Fund and Child Support is a part of the Thirty-Seventh Judicial District Court, a component of the Caldwell Parish Police Jury judicial system. The financial reporting entity consists of (a) the primary government (Caldwell Parish Police Jury), (b) organization of 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Caldwell 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 criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Caldwell Parish Police 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 Caldwell Parish Police Jury.
2. Organizations for which the Caldwell Parish Policy Jury does not appoint a voting majority but are fiscally dependent on the Caldwell 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.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

B. Reporting Entity (continued)

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

C. Basis of Presentation

In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include a Management Discussion and Analysis (MD & A) section providing an analysis of the Judicial Expense Fund’s overall financial position and results of operations and financial statements prepared using full accrual accounting for all Judicial Expense Fund’s activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.

D. 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 non-exchange 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 and FINS.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

E. Basic Financial Statements (continued)

This report includes funds which are controlled by the Thirty-Seventh Judicial District Court but determined to be a component unit of the Caldwell Parish Police Jury. The Caldwell Parish Police Jury has significant control over the Judicial Expense Fund in the area of necessary capital outlay. The Caldwell 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.

F. 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 position, 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.

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.

G. Budgets and Budgetary Accounting

The Louisiana Government Budget Act applies to the courts, but only as to judicial expense funds. Thus, the courts must prepare a budget document related to those funds. Criminal court funds are reported with the parish and must have budgets created by the parish authorities

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

H. Cash and Cash Equivalents

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

I. Vacation and Sick Leave

The court does not have a policy for its four employees' annual vacation and sick leave.

J. Use of Estimates

The preparation of the component unit financial statements in conformity with accounting principles generally accepted in the United States of America 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.

K. Fund Balances

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Judge – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Judge removes the specified use by taking the same type of action imposing the commitment.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies (continued)

K. Fund Balances (continued)

This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Court’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Judge and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Court’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

Note 3 - Cash and Cash Equivalents

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the Court’s deposits may not be returned to it. The Court’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its’ own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Court that the fiscal agent bank has failed to pay deposited fund upon demand. Accordingly, the Court had no custodial credit risk related to its deposits at December 31, 2018. The court had cash and cash equivalents in demand deposits and a certificate of deposit, totaling \$73,108 at December 31, 2018.

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2018, are secured, as follows:

Bank Balances	\$ 54,394
FDIC Insurance	250,000
Pledged Securities (uncollateralized)	-
Total	\$ 250,000

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 4 - Receivables

The Judicial Expense Fund receivables of \$10,611 at December 31, 2018, are as follows:

	<u>Total</u>	<u>Judicial Expense Fund</u>	<u>Child Support Fund</u>	<u>Drug Court Fund</u>	<u>FINS Fund</u>
Criminal and Civil Costs	<u>\$ 10,611</u>	<u>\$ 3,911</u>	<u>\$ 6,700</u>	<u>\$ -</u>	<u>\$ -</u>

Note 5 - Litigation and Claims

There is no litigation pending against the Judicial Expense Fund at December 31, 2018.

Note 6 - Health and Life Insurance Benefits

The Judicial Expense Fund provides health care and life insurance benefits for its employees. Substantially all of the Judicial Expense Fund employees are covered by the State Employees Benefit Program. During the year ended December 31, 2018, the Expense Fund paid \$48,453 for those benefits, of which the child support fund reimbursed \$11,125.

Note 7 - Pension and Compensated Absences

The 37th Judicial District Court does not participate in a retirement system, or in an individual retirement account.

Note 8 - Grant Programs

Families in Need of Services (FINS)

The 37th Judicial District Court receives a grant for \$34,824 from the Supreme Court of the State of Louisiana for the operation of the FINS Program. The Court receives the money in monthly installments of \$2,902 from the state. The court uses the grant money to pay the expenditures of the FINS program and the salary for the FINS Officer.

Temporary Assistance for Needy Families (TANF)

The 37th District Court has been awarded from the Louisiana Supreme Court, State of Louisiana Drug Court Program Office funds that include federal grants totaling \$32,307 during the year ended December 31, 2018 from the "Temporary Assistance for Needy Families" (TANF) program. Total revenues in this fund were \$55,888.

The total expenditures of the 37th District Court related to this program were \$55,888 for the year ended December 31, 2018. The difference is the timing difference between spending the funds and receiving the reimbursement.

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

Note 9 - Subsequent Events

Subsequent events have been evaluated through June 6, 2019 and it has been determined that no significant events have occurred for disclosure. June 6, 2019 is the date that the financial statements are available to be issued.

Note 10 - Deficit Fund Balance

The 37th Judicial District Court uses one the Judicial Expense Fund to account for both its general fund activities and its Drug Court activities. When both are combined into one fund, there is actually excess fund balance of \$18,473. For reporting purposes, these two activities are separated, causing the general fund activities to have a deficit of \$66,097. The Court intends to reduce this deficit with reductions in future expenditures.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

BUDGETARY COMPARISON SCHEUDLE
JUDICIAL EXPENSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Caldwell Parish Sheriff's Department	\$ 8,950	\$ 6,200	\$ 5,735	\$ (465)
Caldwell Parish Clerk of Court	3,500	3,600	3,560	(40)
Caldwell Parish District Attorney Diversion Program	-	-	-	-
Caldwell Parish Misdemeanor Probation	6,200	7,100	7,412	312
Miscellaneous	-	-	-	-
Total Revenues	18,650	16,900	16,707	(193)
<u>Expenditures (Outflows):</u>				
Salaries/Benefits	15,100	1,100	3,271	(2,171)
Insurance	13,000	21,000	31,525	(10,525)
Travel	2,800	4,000	3,561	439
Accounting	2,000	1,700	-	1,700
Supplies	500	75	67	8
Continuing Education	815	1,050	650	400
Audit	5,500	2,750	6,800	(4,050)
Dues	500	1,350	1,750	(400)
Telephone	-	-	-	-
Miscellaneous	250	250	244	6
Total Expenditures	40,465	33,275	47,868	(14,593)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	(21,815)	(16,375)	(31,161)	(14,786)
<u>Other Financing Sources (Uses)</u>				
Transfers In	-	-	-	-
Interest Income	214	214	259	45
Child Support Transfers	26,100	21,000	11,125	(9,875)
Indigent Defender Board	-	-	-	-
Total Other Financing Sources (Uses)	26,314	21,214	11,384	(9,830)
Net Change in Fund Balance	4,499	4,839	(19,777)	(24,616)
Fund Balance at Beginning of Year	(46,320)	(46,320)	(46,320)	-
FUND BALANCE (DEFICIT)				
AT END OF YEAR	\$ (41,821)	\$ (41,481)	\$ (66,097)	\$ (24,616)

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

BUDGETARY COMPARISON SCHEUDLE
FINS FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
State Funds - Department of Social Services	34,824	34,824	34,824	\$ -
Cooperative Endeavor	-	-	-	-
Total Revenues	<u>34,824</u>	<u>34,824</u>	<u>34,824</u>	<u>-</u>
<u>Expenditures (Outflows):</u>				
Professional Services	29,380	29,380	29,015	365
Rent	-	-	-	-
Utilities	-	-	-	-
Travel	500	500	-	500
Postage	-	-	-	-
Telephone	2,500	2,500	2,125	375
Dues and Subscriptions	-	-	-	-
Office Supplies	1,144	1,144	2,559	(1,415)
Bookkeeping	1,300	1,300	1,350	(50)
Total Expenditures	<u>34,824</u>	<u>34,824</u>	<u>35,049</u>	<u>(225)</u>
<u>Net Change in Fund Balance</u>	-	-	(225)	(225)
<u>Fund Balance at Beginning of Year</u>	<u>5,068</u>	<u>5,068</u>	<u>5,068</u>	<u>-</u>
<u>FUND BALANCE (DEFICIT) AT END OF YEAR</u>	<u>\$ 5,068</u>	<u>\$ 5,068</u>	<u>\$ 4,843</u>	<u>\$ (225)</u>

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

BUDGETARY COMPARISON SCHEUDLE
DRUG COURT FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Federal Grant	\$ 50,000	\$ 40,000	\$ 49,457	\$ 9,457
Fees and Donations	-	-	6,431	6,431
Total Revenues	<u>50,000</u>	<u>40,000</u>	<u>55,888</u>	<u>15,888</u>
<u>Expenditures (Outflows):</u>				
Administrative Personnel	13,946	10,519	16,609	(6,090)
Treatment	27,201	20,628	15,736	4,892
Testing and Labortory	3,726	3,726	4,163	(437)
Office Expense	727	727	-	727
Other Services	4,400	4,400	1,200	3,200
Health Insurance	-	-	16,928	(16,928)
Travel and Training	-	-	1,252	(1,252)
Miscellaneous	-	-	-	-
Total Expenditures	<u>50,000</u>	<u>40,000</u>	<u>55,888</u>	<u>(15,888)</u>
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	<u>84,570</u>	<u>84,570</u>	<u>84,570</u>	<u>-</u>
<u>FUND BALANCE (DEFICIT)</u> <u>AT END OF YEAR</u>	<u>\$ 84,570</u>	<u>\$ 84,570</u>	<u>\$ 84,570</u>	<u>\$ -</u>

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

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

A proposed budget, prepared on the modified accrual basis of accounting, is posted at the courthouse at least ten days prior to the public hearing. A public hearing is held at the Thirty-Seventh Judicial District Court – Judicial Expense Fund’s office during the month of December for comments from citizens. The budget is then legally adopted by the district and amended during the year, as necessary. The budget is established and controlled by the district 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 subsequent amendments.

OTHER SUPPLEMENTARY INFORMATION

THIRTY-SEVENTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
CALDWELL PARISH

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Ashley Thomas</u> <u>District Judge</u>
<i>Purpose:</i>	
Salary	\$ 125,268
Reimbursements	-
Travel and Mileage Reimbursements	410
Insurance and Pension	38,635
Total	<u>\$ 164,313</u>