

Financial Report

*Judicial Expense Fund of the Civil District Court
for the Parish of Orleans*

December 31, 2024



Financial Report

***Judicial Expense Fund of the Civil District Court
for the Parish of Orleans
New Orleans, Louisiana***

December 31, 2024

TABLE OF CONTENTS

Judicial Expense Fund of the Civil District Court for the Parish of Orleans New Orleans, Louisiana

December 31, 2024

	<u>Page Numbers</u>
Introductory Section	
Letter of Transmittal	1 - 4
Principal Officials	5
Organizational Chart	6
Financial Section	
Independent Auditor's Report	7 - 10
Management's Discussion and Analysis	11 - 16
Exhibits	
Government-Wide Financial Statements:	
A - Statement of Net Position (Deficit)	17 - 18
B - Statement of Activities	19
Fund Financial Statements:	
C - Balance Sheet - Governmental Fund	20
D - Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position (Deficit)	21
E - Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund	22
F - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	23
G - Notes to Financial Statements	24 - 55

TABLE OF CONTENTS
(Continued)

Page
Numbers

Required Supplementary Information

Schedules

1 - Schedule of Revenues and Expenditures Budgeted and Actual	56
2 - Note to Required Supplementary Information - Budgetary Reporting	57
3 - Schedule of Employer's Proportionate Share of Net Pension Liabilities (Assets)	58
4 - Schedule of Employer's Contributions	59
5 - Notes to Required Pension Supplementary Information	60 - 61
6 - Schedule of Changes in Total OPEB Liability and Related Ratios	62

Supplementary Information

Schedules

7 - Schedule of Revenues and Expenses - by Ledger	63
8 - Justice System Funding Schedule - Collecting/Disbursing Entity	64
9 - Justice System Funding Schedule - Receiving Entity	65
10 - Schedule of Compensation, Benefits, and Other Payments to Chief Judge	66

Special Reports of Certified Public Accountants

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	67 - 68
Schedule of Findings and Responses	69

Reports by Management

Schedule of Prior Year Findings and Responses	70
Management's Corrective Action Plan	71

INTRODUCTORY SECTION

Judicial Expense Fund

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June 13, 2025

LETTER OF TRANSMITTAL

To the Chief Judge Monique Barial,

The Judges *En Banc* of the Judicial Expense Fund,

The Supreme Court of the State of Louisiana,

Citizens of the Parish of Orleans, and the State of Louisiana.

It is my privilege to present the Annual Financial Report on the financial condition of the Judicial Expense Fund of the Civil District Court for the Parish of Orleans, also including First and Second City Courts, (the "Judicial Expense Fund"), for the year ended December 31, 2024. The report was prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), and is submitted in accordance with Louisiana Revised Statutes, Title 24, section 514.

The Judges *En Banc* of the Judicial Expense Fund are responsible for the accuracy, completeness and fair presentation of the data, representations, and disclosures presented in the report. To the best of my knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations, and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the Judicial Expense Fund.

GASB Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is intended to complement Management's Discussion and Analysis, which begins immediately following the independent auditor's report, and should be read in conjunction with it.

Independent Audit

These financial statements have been audited by the firm of Bourgeois Bennett, L.L.C. Certified Public Accountants, located in New Orleans, Louisiana. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Judicial Expense Fund as of and for the year ended December 31, 2024 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The financial statements of the Judicial Expense Fund as of and for the year ended December 31, 2024 are fairly presented in accordance with GAAP. The independent auditor's report is the first component of the financial section of this report.

Accounting Control

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the Judicial Expense Fund adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Profile of the Judicial Expense Fund

The Louisiana State Constitution of 1879 created the Judicial Expense Fund, which includes a district court (Orleans Parish Civil District Court); two city courts (First City Court and Second City Court of New Orleans); and two city offices (the Recorder of Mortgages and the Register of Conveyances of New Orleans). Act 621 of the Louisiana Legislature was signed by the governor on June 23, 2006. As a result of this legislation, the composition of the fund has changed. Effective January 1, 2009, the Recorder of Mortgages and the Register of Conveyances became divisions of the Clerk of Civil District Court's Operations and are no longer a part of the Judicial Expense Fund. Management's Discussion and Analysis includes a description of the financial reporting entity and Note 2 explains the significant accounting policies.

The Judicial Expense Fund has two funds, a General Fund and an Assistive Outpatient Treatment Fund. Revenues are comprised primarily of filing fees paid by attorneys and litigants. The Judicial Expense Fund is completely self-funded and does not receive tax revenue of any type. As of and December 31, 2024, the Judicial Expense Fund did not have any debt, and all of the Fund Balance is unassigned or non-spendable.

As the Organizational Chart on page 6 shows, the fourteen judges of Civil District Court, the three judges of First City Court, and the judge of Second City Court form the Judges *En Banc*, which is charged with managing the Judicial Expense Fund in accordance with Louisiana Revised Statutes, Title 13, and Section 1312. The names of these principal officials can be found on page 5 following this letter. All eighteen judges are elected for six-year terms. The terms of all Civil District Court judges and First and Second City Court judges, expire on December 31, 2026.

Budget

The Judges *En Banc* at a public meeting on December 5, 2023, adopted a budget for the year ending December 31, 2024. This budget was amended by the Judges *En Banc* at a public meeting on December 6, 2024. In accordance with Louisiana Revised Statutes, Title 39, section 1305 the budget is prepared by function and character. Management's Discussion and Analysis compares the budget with actual results and discusses the reasons for the major variances. The budget-to-actual financial statement appears as required supplemental information, which supplements the basic financial statements.

Capital Improvement Projects

In 2022, a capital improvement project was implemented to update computer and security equipment and management. These improvement projects continued in 2024 and 2025.

Investments

Currently, idle funds are invested in two money market accounts and Certificates of Deposits. Note 3 describes the risks associated with these invested funds.

Risk Management

The Judges *En Banc* manage the Judicial Expense Fund's risks by purchasing commercial insurance policies, including coverage for general liability, property, crime, errors and omissions, professional liability, and workers compensation. Please see Note 12 for information on when liabilities are recorded in the financial statements.

Pensions

As is described in detail in Note 10, employees of the Judicial Expense Fund participate in one of three multiple-employer defined benefit retirement plans, depending on the employee's job. The GASB issued Statement Number 68, "*Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27*" and the Judicial Expense Fund implemented this statement in 2015. Note 10 contains additional pension information, including employer and employee contribution rates for 2024.

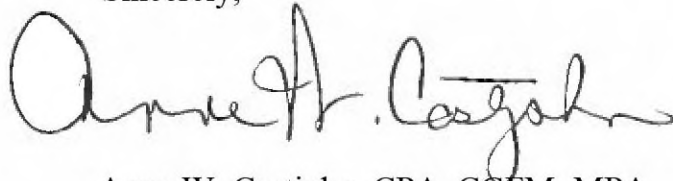
Postemployment Benefits

GASB issued Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which adopted for 2018. The Judicial Expense Fund participates in the program of the Louisiana Office of Group Benefits. Note 9 provides greater detail about postemployment benefits.

Acknowledgments

I express my appreciation to the Judges *En Banc*, Parochial Officials and their respective staff members for their support in preparing this report. I would also like to thank the staff of the Judicial Expense Fund for their hard work and contributions.

Sincerely,

A handwritten signature in black ink, reading "Anne W. Castjohn". The signature is fluid and cursive, with the first name "Anne" being the most prominent part.

Anne W. Castjohn, CPA, CGFM, MPA
Chief Financial Officer

PRINCIPAL OFFICIALS

Judicial Expense Fund For the Civil District Court For the Parish of Orleans New Orleans, Louisiana

December 31, 2024

<u>Judge's Name</u>	<u>Court</u>	<u>Division</u>
2024 Judges En Banc		
Ellen M. Hazeur	Civil District Court	A
Marissa Hutabarat	Civil District Court	B
Sidney H. Cates, IV	Civil District Court	C
Monique Barial	Civil District Court	D
Omar Mason	Civil District Court	E
Jennifer Medley	Civil District Court	F
Veronica Henry	Civil District Court	G
LaKeisha Jefferson	Civil District Court	H
Lori Jupiter	Civil District Court	I
D. Nicole Sheppard	Civil District Court	J
Bernadette D'Souza	Civil District Court	K
Kern A. Reese	Civil District Court	L
Paulette R. Irons	Civil District Court	M
Ethel Simms Julien	Civil District Court	N
Monique G. Morial	First City Court	Section A
Elroy James	First City Court	B
Dianne Alexander	First City Court	C
Ernestine Anderson Trahan	Second City Court	

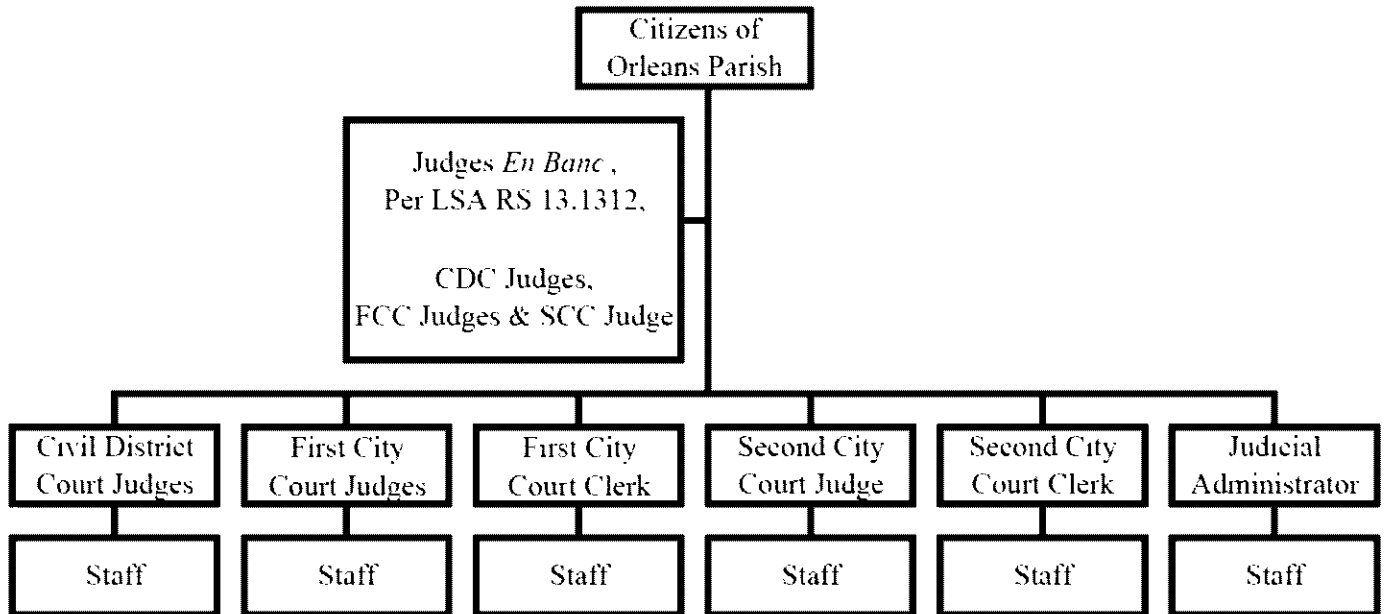
2024 Parochial Officials

Donna Glapion	Clerk of First City Court
Lisa Ray Diggs	Clerk of Second City Court

ORGANIZATIONAL CHART

Judicial Expense Fund For the Civil District Court For the Parish of Orleans New Orleans, Louisiana

December 31, 2024



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Judges En Banc,
Civil District Court Parish of Orleans,
Judicial Expense Fund,
New Orleans, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities and the major fund of the Judicial Expense Fund of the for the Parish of Orleans (the "Judicial Expense Fund"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Judicial Expense Fund'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 and the major fund of the Judicial Expense Fund as of December 31, 2024 and the respective changes in net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Judicial Expense Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 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.

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 auditor's report that includes our opinion. 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 the 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 on the effectiveness of the Judicial Expense Fund'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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 11 through 16, and the required supplementary information on pages 56 through 62 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Judicial Expense Fund's basic financial statements. The accompanying supplementary information on pages 63 through 66 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work, performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated June 13, 2025, on our consideration of Judicial Expense Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Judicial Expense Fund's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Bourgeois Bennett, L.L.C." in a cursive script.

Certified Public Accountants.

New Orleans, Louisiana,
June 13, 2025.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Judicial Expense Fund of the Civil District Court for the Parish of Orleans New Orleans, Louisiana

December 31, 2024

Introduction to the Two Types of Financial Statements

The Management’s Discussion and Analysis of Judicial Expense Fund of the Civil District Court for the Parish of Orleans (the “Judicial Expense Fund”) financial performance presents a narrative overview and analysis of the Judicial Expense Fund’s financial activities for the year ended December 31, 2024. This document focuses on the current year’s activities, resulting changes, and currently known facts. Please read this document in conjunction with the financial statements that follow this section.

The Judicial Expense Fund has two funds, the General Fund and Assistive Outpatient Treatment Fund, and engages in only one type of activity, a governmental activity of a special-purpose government. The fund financial statements (Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance), show the results of operations and financial position using the current financial resources measurement focus and the modified accrual basis of accounting, emphasizing the change in fund balance as a result of the current year’s operations, as well as the amount of resources available to spend. The government-wide financial statements (Statement of Net Assets and Statement of Activities), show the results of operations and financial position using the total economic resources measurement focus and the accrual basis of accounting, which emphasize the long-term financial picture and are very similar to the financial statements of private-sector for-profit enterprises.

The difference in measurement focus affects the types of transactions and events that are reported in the operating statement. Specifically, since fund statements are concerned with only current financial resources, noncurrent assets and liabilities are not shown on the Balance Sheet, and their related expenses are not reflected in the operating statement; government-wide financial statements include noncurrent assets and liabilities and their related expenses. For the Judicial Expense Fund at the fund level, the full purchase price of capital assets, net of retirements has been recorded as expenditures on the operating statement in the year of purchase, since available financial resources have been decreased (cash has been spent to purchase these assets). In contrast, since the government-wide statements focus on total economic resources, capital assets are shown as noncurrent assets on the Statement of Net Position (Deficit) (with their related accumulated depreciation), and a portion of their purchase price has been allocated as depreciation expense on the Statement of Activities, as is the practice in private-sector enterprises. On the liability side, the fund-level Balance Sheet excludes noncurrent liabilities, but the government-wide Statement of Net Position (Deficit) includes these liabilities, as they will be paid sometime in the future and thus affect total economic resources; although not current financial resources.

Introduction to the Two Types of Financial Statements (Continued)

The second difference between fund and government-wide financial statements is the basis of accounting, or the *timing* of the recognition of transactions and events. Fund statements use the *modified accrual* basis of accounting, which recognizes revenues when they are earned, only so long as they are collectible within the fiscal period, and expenditures when they are due (hence the elimination of long-term liabilities from the Balance Sheet). The government-wide financial statements use the *full accrual* basis of accounting: revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the receipt or disbursement. In layman's terms, fund financial statements focus on the current fiscal year, and the resources that are available and spendable, and government-wide statements focus on the overall economic position, both short- and long-term. The following summarizes these differences.

	Fund	Government-Wide
Statement of Position	Balance Sheet	Statement of Net Position (Deficit)
Statement of Operations	Statement of Revenues, Expenditures, and Changes in Fund Balance	Statement of Activities
Measurement focus	Current financial resources	Total economic resources
Basis of accounting	Modified accrual	Accrual
Capital assets	Full purchase price is expensed in the year of purchase in the operating statement; not recorded on the Balance Sheet.	Full purchase price is recorded as a capital asset on the Statement of Net Position (Deficit); depreciation expense for the current fiscal year is recorded in the Statement of Activities; total accumulated depreciation is shown on the Statement of Net Position (Deficit); the related expense is recorded in the Statement of Activities.
Noncurrent liabilities	Not shown on the Balance Sheet; the related expenditure is not recorded in the operating statement until the expenditure has occurred.	Shown on the Statement of Net Position (Deficit); the related expense is recorded in the Statement of Activities.
Depreciation expense	Not recorded	Recorded in the Statement of Activities.
Accumulated depreciation	Not recorded	Shown on the Statement of Net Position (Deficit).

Overview of Difference in Fund and Government-Wide Financial Statements

The presentation of the two sets of financial statements is also different. On the fund level, the Balance Sheet shows Assets, Liabilities; and Fund Balance, with reconciliation to Net Position (Deficit) which follows the balance sheet. All assets and liabilities on the Balance Sheet are current. The governmentwide Statement of Net Position (Deficit) shows Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources, separated into current and noncurrent, and Net Position (Deficit) (the difference). All of the Judicial Expense Fund's Net Position (Deficit), except for the \$400,944 invested in capital assets is unrestricted; the fund balance is non-spendable and unassigned.

A significant difference lies in the presentation of the operating statement. The fund Statement of Revenues, Expenditures, and Changes in Fund Balance lists *revenues followed by the detailed list of expenditures* (separated into direct and indirect) and ends with the change in fund balance. This familiar statement answers the question: did this year's operations increase or decrease fund balance? (Available financial resources). The L-shaped government-wide Statement of Activities, which is read across then down, answers the question how much did it cost to provide this service? So it *begins with the expenses* of each function, followed by *program revenues* (the specific revenues provided by users of the services, divided into charges for services and operating grants), to derive at *Net Program Revenue* (the difference between program revenues and expenses). Reading down the net column, general revenues are added to calculate the change in net assets, which is reconciled to net assets at the end of the year. The four functions of the Judicial Expense Fund are (1) the fourteen divisions of Civil District Court; (2) three sections of First City Court; (3) Second City Court, and (4) Domestic Support. General and administrative costs are allocated to the four functions based on that function's percentage of total revenues derived from filing fees.

Using this Annual Report

The Judicial Expense Fund's annual report consists of financial statements that show information about the Judicial Expense Fund's General Fund and Assistive Outpatient Treatment at the fund level, and Statement of Net Position (Deficit) and Statement of Activities at the government-wide level.

Our auditor has provided assurance in their independent auditor's report located immediately preceding this Management Discussion and Analysis. Varying degrees of assurances are being provided by the auditor regarding the information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

How 2024 Compares with 2023 Statement of Net Position (Deficit)

The following table shows condensed information from the Statement of Net Position (Deficit) for 2024 and 2023.

Statements of Net Position (Deficit) Comparative

	2024	2023	Variance Increase (Decrease) Amounts	Variance Increase (Decrease) %
Assets				
Capital assets, net	\$ 400,944	\$ 309,816	\$ 91,128	29.41%
Other assets	11,626,670	11,907,397	(280,727)	-2.36%
Total assets	12,027,614	12,217,213	(189,599)	-1.55%
Deferred outflows of resources	2,411,375	3,391,246	(979,871)	-28.89%
Total assets and deferred outflows of resources	14,438,989	15,608,459	(1,169,470)	-7.49%
Liabilities				
Current liabilities	1,279,917	1,213,017	66,900	5.52%
Noncurrent liabilities	18,546,194	21,544,844	(2,998,650)	-13.92%
Total liabilities	19,826,111	22,757,861	(2,931,750)	-12.88%
Deferred inflows of resources	3,387,866	3,795,679	(407,813)	-10.74%
Total liabilities and deferred outflows of resources	23,213,977	26,553,540	(3,339,563)	-12.58%
Total net position (deficit)	\$ (8,774,988)	\$ (10,945,081)	\$ 2,170,093	-19.83%

Capital assets increased from 2023 to 2024 because the \$216,495 purchase price of capital assets was greater than the depreciation expense of \$125,367. Notes 2 and 5 include details on all of the Judicial Expense Fund's capital assets. The main components of Other Assets are cash and accounts receivable. Cash decreased by \$31,217, accounts receivable decreased by \$37,645 and interest receivable decreased by \$215,434.

How 2024 Compares with 2023 Statement of Net Position (Deficit) (Continued)

Current Liabilities increased due to increases in Accounts Payable and Salaries Payable. The adoption of the provisions of Governmental Accounting Standards Board (GASB) 67 and 75, however, has had the greatest impact on the Statement of Net Assets. The provisions of 67 and 75 require that the Judicial Expense Fund report its prorated portion of the Net Pension Liability for employees who are participating in the pension plans and OPEB liability for employees participating in the OPEB Plan. See Notes 9 and 10. Although the pension liability and majority of the OPEB liability is long-term debt and does not affect the current operations of the Judicial Expense Fund, it has resulted in a net deficit of \$8,774,988.

How 2024 Compares with 2023 Statement of Activities

The following table show comparative data from the Statement of Activities for the fiscal years ending December 31, 2024 and 2023.

Statements of Activities Comparative

	<u>2024</u>	<u>2023</u>	<u>Variance Increase (Decrease) Amounts</u>	<u>Variance Increase (Decrease) %</u>
Revenues:				
Program revenues	\$ 9,224,254	\$ 10,265,085	\$ (1,040,831)	-10.14%
General revenues	<u>2,213,657</u>	<u>2,156,922</u>	<u>56,735</u>	<u>2.63%</u>
Total revenues	<u>11,437,911</u>	<u>12,422,007</u>	<u>(984,096)</u>	<u>-7.92%</u>
Expenses:				
Civil District Court	4,565,164	6,780,966	(2,215,802)	-32.68%
First City Court	2,881,297	3,105,787	(224,490)	-7.23%
Second City Court	693,966	747,975	(54,009)	-7.22%
AOT Program	146,040	113,912	32,128	28.20%
Domestic support	<u>981,351</u>	<u>795,878</u>	<u>185,473</u>	<u>23.30%</u>
Total expenses	<u>9,267,818</u>	<u>11,544,518</u>	<u>(2,276,700)</u>	<u>-19.72%</u>
Change in net position (deficit)	2,170,093	877,489	1,292,604	147.31%
Net Deficit:				
Beginning of year	<u>(10,945,081)</u>	<u>(11,822,570)</u>	<u>877,489</u>	<u>-7.42%</u>
End of year	<u>\$ (8,774,988)</u>	<u>\$ (10,945,081)</u>	<u>\$ 2,170,093</u>	<u>-19.83%</u>

Budgetary Comparison

The table below gives comparative data from the amounts for the original budget, final budget, and actual results for 2024 and 2023:

Budgetary Comparative Data

	2024		
	Original Budget	Amended Budget	Actual
Revenues	\$ 13,070,000	\$ 11,592,023	\$ 11,437,911
Operating expenditures	11,366,066	11,075,061	11,669,252
Capital expenditures	500,000	500,000	216,495
Total expenditures	11,866,066	11,575,061	11,885,747
Net change in fund balance	\$ 1,203,934	\$ 16,962	\$ (447,836)
	2023		
	Original Budget	Amended Budget	Actual
Revenues	\$ 11,755,000	\$ 12,056,951	\$ 12,422,008
Operating expenditures	11,511,022	11,568,919	11,432,433
Capital expenditures	225,000	300,000	150,879
Total expenditures	11,736,022	11,868,919	11,583,312
Net change in fund balance	\$ 18,978	\$ 188,032	\$ 838,696

Budget revenues decreased \$1,477,977 because the volume of case filings did not meet original expectations.

Requests For Information

This financial report is designed to provide a general overview of the Judicial Expense Fund's finances for all those with an interest in the Judicial Expense Fund's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Judicial Expense Fund 421 Loyola Avenue, Room 320, New Orleans, LA 70112.

STATEMENT OF NET POSITION (DEFICIT)

Judicial Expense Fund For the Civil District Court For the Parish of Orleans New Orleans, Louisiana

December 31, 2024

ASSETS

Current Assets

Cash and cash equivalents	\$ 10,826,964
Accounts receivable, net	664,845
Interest receivable	70,906
Prepaid expense	<u>63,955</u>
Total current assets	11,626,670

Noncurrent Assets

Capital assets, net of accumulated depreciation	<u>400,944</u>
Total assets	<u>12,027,614</u>

Deferred Outflows of Resources

Deferred amounts related to pensions	1,230,386
Deferred amounts related to OPEB	<u>1,180,989</u>
Total deferred outflows of resources	<u>2,411,375</u>

Total assets and deferred outflows of resources	<u><u>\$ 14,438,989</u></u>
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The accompanying notes are an integral part of the financial statements.

LIABILITIES**Current Liabilities**

Accounts payable and accrued expenses	\$ 847,413
Salaries and benefits payable	163,954
Total OPEB liability due within one year	<u>268,550</u>

Total current liabilities	<u>1,279,917</u>
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Noncurrent Liabilities

Net pension liability	11,353,945
OPEB liability	6,521,286
Other noncurrent liabilities	<u>670,963</u>

Total noncurrent liabilities	<u>18,546,194</u>
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Total liabilities	<u>19,826,111</u>
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Deferred Inflows of Resources

Unearned revenue	7,562
Deferred amounts related to OPEB	1,918,261
Deferred amounts related to pension	<u>1,462,043</u>

Total deferred inflows of resources	<u>3,387,866</u>
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Total liabilities and deferred inflows of resources	<u>23,213,977</u>
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NET DEFICIT

Net investment in capital assets	400,944
Unrestricted	<u>(9,175,932)</u>
Total net deficit	<u><u>\$ (8,774,988)</u></u>

STATEMENT OF ACTIVITIES

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	<u>Expenses</u>	<u>Charges for Services and Fines</u>	<u>Operating Grants</u>	<u>Net (Expenses) Revenue Change in Net Deficit</u>
Government Activities:				
Program:				
Civil District Court	\$4,565,164	\$6,724,392	\$ -	\$ 2,159,228
First City Court	2,881,297	1,942,326	-	(938,971)
Second City Court	693,966	269,945	-	(424,021)
AOT Program	146,040	-	146,040	-
Domestic support	981,351	141,551	-	(839,800)
Total governmental activities	<u>\$9,267,818</u>	<u>\$9,078,214</u>	<u>\$ 146,040</u>	<u>(43,564)</u>
General revenues:				
Interest income				708,565
Other income				<u>1,505,092</u>
Total general revenue				<u>2,213,657</u>
Change in Net Deficit				2,170,093
Net Deficit				
Beginning of year				<u>(10,945,081)</u>
End of year				<u>\$(8,774,988)</u>

The accompanying notes are an integral part of the financial statements.

BALANCE SHEET - GOVERNMENTAL FUND

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	Judicial Expense Fund (General Fund)	Assistive Outpatient Treatment Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 10,800,821	\$ 26,143	\$ 10,826,964
Accounts receivable	65,410	-	65,410
Interest receivable	70,906	-	70,906
Prepaid expense	63,955	-	63,955
Due from Clerk of Civil District Court:			
Salary fund	599,435	-	599,435
Total assets	<u>\$ 11,600,527</u>	<u>\$ 26,143</u>	<u>\$ 11,626,670</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 847,326	\$ 87	\$ 847,413
Salaries payable	163,954	-	163,954
Unearned revenues	-	7,562	7,562
Total liabilities	<u>1,011,280</u>	<u>7,649</u>	<u>1,018,929</u>
FUND BALANCE			
Nonspendable fund balance	63,955	-	63,955
Unassigned fund balance	10,525,292	18,494	10,543,786
Total fund balance	<u>10,589,247</u>	<u>18,494</u>	<u>10,607,741</u>
Total liabilities and fund balance	<u>\$ 11,600,527</u>	<u>\$ 26,143</u>	<u>\$ 11,626,670</u>

The accompanying notes are an integral part of the financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)

Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana

For the year ended December 31, 2024

Fund balance - governmental fund		<u>\$10,607,741</u>
Amounts reported for governmental activities in the Statement of Net Position (Deficit) are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds		
Governmental capital assets	\$ 1,680,742	
Less: accumulated depreciation and amortization	<u>(1,279,798)</u>	<u>400,944</u>
Deferred outflows and inflows of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position (deficit) under full accrual accounting.		
Deferred outflows related to pension	1,230,386	
Deferred inflows related to pension	<u>(1,462,043)</u>	<u>(231,657)</u>
Deferred outflows and inflows of resources related to OPEB earnings are not recognized in governmental funds; however, they are recorded in the statement of net position (deficit) under full accrual accounting.		
Deferred outflows related to OPEB	1,180,989	
Deferred inflows related to OPEB	<u>(1,918,261)</u>	<u>(737,272)</u>
Long-term liabilities, including total OPEB liability, net pension liabilities and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Other noncurrent liabilities	(670,963)	
Net pension liabilities	(11,353,945)	
Total OPEB liability	<u>(6,789,836)</u>	<u>(18,814,744)</u>
Net position (deficit) of governmental activities		<u><u>\$ (8,774,988)</u></u>

The accompanying notes are an integral part of the financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND**

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	Judicial Expense Fund (General Fund)	Assistive Outpatient Treatment	Total Governmental Funds
Revenues			
Filing fees, net	\$ 8,936,663	\$ -	\$ 8,936,663
Interest income	708,565	-	708,565
Domestic support	141,551	-	141,551
AOT program	-	146,040	146,040
Other income	1,505,092	-	1,505,092
Total revenues	<u>11,291,871</u>	<u>146,040</u>	<u>11,437,911</u>
Direct Expenditures			
Salaries	6,487,369	-	6,487,369
Employee benefits	3,325,109	-	3,325,109
Court reporters and interpreters	27,795	-	27,795
Jury meals and transportation	66,176	-	66,176
Total direct expenditures	<u>9,906,449</u>	<u>-</u>	<u>9,906,449</u>
Indirect Expenditures			
Books, printing and copying	150,287	627	150,914
Building and personnel security	118,656	20,994	139,650
Capital expenditures	216,495	-	216,495
Communication	248,786	1,039	249,825
Facilities	38,040	-	38,040
Furniture, equipment, and maintenance	426,839	2,638	429,477
Insurance	210,658	-	210,658
Office supplies and expenditures	109,371	-	109,371
Other expenditures	31,055	35	31,090
Postage and couriers	37,341	-	37,341
Professional education and dues	87,927	-	87,927
Professional services	157,803	120,707	278,510
Total indirect expenditures	<u>1,833,258</u>	<u>146,040</u>	<u>1,979,298</u>
Total expenditures	<u>11,739,707</u>	<u>146,040</u>	<u>11,885,747</u>
Net change in fund balance	(447,836)	-	(447,836)
Fund Balance			
Beginning of year	<u>11,055,577</u>	<u>-</u>	<u>11,055,577</u>
End of year	<u>\$10,607,741</u>	<u>\$ -</u>	<u>\$10,607,741</u>

The accompanying notes are an integral part of the financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES**

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

Net change in fund balance	\$ (447,836)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Depreciation	(125,367)
Capital expenditures	216,495
Net pension expense is reported in governmental funds as expenditures as they are paid, however, in the Statement of Activities the net pension expense is reported according to estimates required by GASB 68:	
Change in deferred outflows of resources	(906,462)
Change in deferred inflows of resources	(1,308,957)
Change in net pension liability	3,229,166
Long-term liabilities:	
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund:	
Change in deferred outflows of resources	(73,409)
Change in deferred inflows of resources	1,720,198
Net change in other postemployment benefit obligations	(206,915)
Net change in other noncurrent liabilities not due or payable in the current period	73,180
Change in net deficit	<u>\$2,170,093</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

December 31, 2024

Note 1 - REPORTING ENTITY

The Judicial Expense Fund for the Civil District Court for the Parish of Orleans (the "Judicial Expense Fund") is designated by the LSA-R.S. 13:1312 as the managing entity for fiscal operations of the Civil District Court and the Clerks of the First and Second City Courts of the City of New Orleans.

The Judges of the Civil District Court for the Parish of Orleans and the judges of the First and Second City Courts of the City of New Orleans, sitting En Banc, as set forth in LSA-RS. 13:1312 have sole responsibility and oversight for the Judicial Expense Fund. The responsibility and oversight includes control overall revenues deposited into the Judicial Expense Fund by the aforementioned courts and offices, all disbursements made by the Judicial Expense Fund, the setting of all fees charged by the courts and offices comprising the Judicial Expense Fund, and the determination of expenditures related to the operations of such courts and offices.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Judicial Expense Fund conform to accounting principles generally accepted in the United States of America as applicable to governmental agencies. The following is a summary of the more significant accounting policies.

a. Financial Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as subsequently amended by GASB Statement No. 39, The Financial Reporting Entity, established standards for defining and reporting on the financial entity. GASB Statement No. 14 indicates the focal point for identifying the financial reporting entity is the primary government, which is considered any state government or general purpose local government, or a special purpose government that meets all of the following criteria: a) has a separately elected governing body; b) is legally separate; and c) is fiscally independent of other state and local governments.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Financial Reporting Entity (Continued)

On June 23, 2006, the Louisiana State Legislature enacted Act 621 of the Louisiana 2006 regular session (the "Act") to create the 41st Judicial District Court. Included in the provisions for the Act was the collection and allocation of fees to the Judicial Expense Fund and the Clerk of Civil District Court's Salary Fund. Specifically, the Act provides for the collection of fees and the deposit of a minimum of 50% of those funds in the Clerk of the Civil District Court (the Clerk) and the balance with the Judicial Expense Fund.

As previously discussed, state statute established the Judicial Expense Fund as the managing entity for fiscal operations of the Judicial Expense Fund which is separate and independent of any other governmental reporting entity as defined by GASB Statement Nos. 14 and 39.

In addition, the Judicial Expense Fund is financially independent of other governments. Although the Judicial Expense Fund conducts its business from a building provided by the City of New Orleans, as discussed in Note 5, this support is considered incidental in relation to the Judicial Expense Fund's total revenues and expenditures, and in view of the additions and improvements made to this building by the Judicial Expense Fund from its operating revenues over the term of its occupancy.

Management of the Judicial Expense Fund has determined that the Clerk of Civil District Court's Salary Fund and the Fiduciary Funds of the Clerk of Civil District Court, Clerk of First City Court and Clerk of Second City Court are not component units of the Judicial Expense Fund because in management's opinion, they are governed by separately elected officials; are legally separate; and are fiscally independent of the Judicial Expense Fund.

Accordingly, management has concluded that the Judicial Expense Fund is the financial reporting entity and has no component units within the provisions of GASB Statement Nos. 14 and 39.

b. Measurement Focus and Basis of Accounting Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position (Deficit) and the Statement of Activities) report information on all activities of the Judicial Expense Fund. The Judicial Expense Fund is considered to be a governmental activity of a special-purpose government.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Measurement Focus and Basis of Accounting Government-Wide and Fund Financial Statements (Continued)

The Judicial Expense Fund's Statement of Activities demonstrates the degree to which the expenses of a given function are offset by function revenues. Direct expenses are those that are clearly identifiable With a specific function. Indirect costs are included in expenses reported by function. Program revenues include filing fees and operating grants.

The Judicial Expense Fund's government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Separate financial statements are provided for the Judicial Expense Fund's governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Judicial Expense Fund considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The Judicial Expense Fund reports its governmental funds as follows:

General Fund

The General Fund is used to account for all financial resources of the Judicial Expense Fund except those accounted for in the Assistive Outpatient Treatment (AOT) fund.

The operations of the General Fund are comprised of the General Fund's assets, liabilities, fund balance, revenues and expenditures, as related to the fiscal operations of the Clerks of Civil District Court, First City Court, and Second City Court.

Pursuant to the requirements of GASB Statement No, 54, Fund Balance Reporting and Governmental Fund Type Definitions, fund balance is reported as non-spendable and unassigned. The non-spendable classification is associated with amounts considered non-spendable such as prepaid assets. The unassigned classification represents amounts not restricted, committed, or assigned.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Measurement Focus and Basis of Accounting Government-Wide and Fund Financial Statements (Continued)

General Fund (Continued)

Salaries of the judges of the Civil District Court, which are paid directly by the Supreme Court of Louisiana, are not included in the financial statements presented herein since such salaries are earned by the respective judges for serving in their capacities as state judges and not for compensation in their roles as management of the Judicial Expense Fund.

The judges receive no compensation for serving in their capacity as Judges En Banc of the Judicial Expense Fund for the Parish of Orleans.

Additionally, the Judicial Expense Fund has no authority in the determination of these salary amounts or the duties of these individuals in their capacities as state judges. For the same reasons, certain expenditures which are incurred by these judges and paid directly by the Supreme Court of Louisiana are also excluded from these financial statements. Also, salaries of the judges of the First and Second City Courts are paid jointly by the Supreme Court of Louisiana and the Judicial Expense Fund (pursuant to LSA-R.S. 13-2152). For the year ended December 31, 2024, the total paid by the Judicial Expense Fund for all City Court Judges' salaries was \$518,214.

c. Assistive Outpatient Treatment Fund

The AOT fund accounts for appropriation of funds to Division L for Assistive Outpatient Treatment program. The AOT fund was established by the Louisiana Revised Statute 28:66 in fiscal year 2021.

d. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to depreciation expense, OPEB liability and net pension liability.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Budgets and Budgetary Accounting

As required by the Louisiana Revised Statutes 39:1303, the Judicial Expense Fund adopted a budget for its General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and public hearings of the budget prior to adoption. The budget was amended once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

For the year ended December 31, 2024, for the Judicial Expense Fund, the proposed original budget was advertised on October 30, 2023 through November 1, 2023, available for public inspection and comment, and was legally adopted at an open meeting of the Judges En Banc on December 5, 2023. On November 25-27, 2024, the amended 2024 budget was advertised. It was available for public inspection and comment, a public hearing was held on December 6, 2024, and the amended budget was legally adopted at an open meeting of the Judges En Banc on December 6, 2024.

f. Receivables

The financial statements of the Judicial Expense Fund contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available, which would indicate the uncollectability of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the fund.

g. Prepaid Expense

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

h. Additional Operating Expenses

It is the Judicial Expense Fund's policy to limit expenditures by each division of the Civil District Court for additional operating expenditures. Such expenditures may be made at the discretion of each presiding judge in accordance with specific guidelines established by the Judicial Expense Fund as to the purpose for which these expenditures may be used and only for such expenditures supported by proper documentation.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Additional Operating Expenses (Continued)

The specific guidelines established by the Judicial Expense Fund permit use of such amounts for expenditures directly associated with or incidental to legal or judicial matters and functions. These expenditures are included in the General Fund of the accompanying financial statements of the Judicial Expense Fund.

i. Capital Assets

Capital assets which include computer equipment and software, office equipment, furniture and fixtures and leasehold improvements are reported in governmental activities in the government-wide financial statements.

The Judicial Expense Fund's capitalization policy requires that all single assets costing \$1,500 or greater to be capitalized and depreciated over their useful lives. Single assets costing less than \$1,500 are expensed. All assets, regardless of cost, are tracked. The straight-line method of depreciation is used for all classes of capital assets, and the allocation of depreciation expense begins on the first day of the quarter in which the capital asset is placed into service. Leasehold improvements are amortized over the lesser of their useful lives or lease period.

Based on its own experience, the Judicial Expense Fund established the following useful lives for each asset class:

<u>Asset Class</u>	<u>Estimated Useful Lives in Years</u>
Computer equipment	5
Computer software	5
Office equipment	5
Furniture and fixtures	5
Leasehold improvements	5

All capital assets acquired or donated are valued at historical cost or estimated historical cost if actual historical cost is not available. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets useful life are not capitalized.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position (Deficit) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Judicial Expense Fund reports deferred outflows of resources related to other postemployment benefits and pensions.

In addition to liabilities, the Statement of Net Position (Deficit) will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The Judicial Expense Fund reports deferred inflows of resources related to other postemployment benefits and pensions.

k. Pensions

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Judicial Expense Fund's Pension Funds, (the Pension Funds) and additions to/deductions from the Pension funds fiduciary net position have been determined on the same basis as they are reported by the Pension Funds. 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.

l. Fund Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation reduced by the balance of outstanding debt attributable to the acquisition of those assets.

Restricted Net Position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Fund Equity (Continued)

Unrestricted Net Position - All other net position that do not meet the definition of "restricted" or "invested in capital assets".

When both restricted and unrestricted resources are available for use, it is the Judicial Expense Fund's policy to use restricted resources first, then unrestricted resources as they are needed. As of December 31, 2024 and for the year then ended, the Judicial Expense Fund did not have or receive restricted net assets.

Fund Financial Statements

In the fund financial statements, governmental fund equity is classified as fund balance. fund balance is further classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for a specific purpose because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, granters, contributions, or the laws or regulations of other governments. There was no restricted fund balance as of December 31, 2024.

Committed - amounts that can be used only for specific purposes determined by a formal decision of the Judicial Expense Fund. There was no committed fund balance as of December 31, 2024.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for a specific purposes. There was no assigned fund balance as of December 31, 2024.

Unassigned - all other amounts not included in other spendable classifications.

For classification of governmental fund balances, the Judicial Expense Fund considers an expenditure to be made from the most restrictive first when more than one classification is available. The Judicial Expense Fund's fund balance as of December 31, 2024 totaled \$10,589,247, of which \$10,525,292 was classified as unassigned and \$63,955 was classified as non-spendable as this balance related to prepaid expenses.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Recently Issued and Implemented Accounting Pronouncements

During the year ended December 31, 2024, the Judicial Expense Fund implemented the following GASB Statements:

Statement No. 99, "*Omnibus 2022*" provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 100, "*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*" provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 101, "*Compensated Absences*" provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement did not have a material effect on the financial statements for the year ended December 31, 2024.

n. New Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 102, "*Certain Risk Disclosures*" defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Management has yet to determine the effect of this Statement on the financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. New Pronouncements (Continued)

Statement No. 103, *“Financial Reporting Model Improvements”* provides guidance to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The Statement establishes new or modifies existing requirements related to Management’s Discussion and Analysis (MD&A), unusual or infrequent items, presentation of proprietary fund statement of revenues, expenses, and changes in fund net position, information about major component units in basic financial statements, and budgetary comparison information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 104, *“Disclosure of Certain Capital Assets”* provides guidance on the requirements of certain types of capital assets disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosure. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has yet to determine the effect of this Statement on the financial statements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued June 13, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 3 - CASH

Cash includes amounts in demand deposit accounts.

State Law requires that all deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the entity or with an unaffiliated bank or trust company for the account of the entity. Deposits in excess of FDIC insurance are collateralized by the securities previously described.

The year-end balances of deposits are as follows:

	Bank Balances	Reported Amount
Cash	\$ 3,822,382	\$ 3,646,792
Certificates of deposit	7,180,172	7,180,172
Totals	<u>\$ 11,002,554</u>	<u>\$ 10,826,964</u>

Custodial credit risk is the risk that, in the event of a failure by the financial institution, the Judicial Expense Fund's deposits may not be returned to it. The Judicial Expense Fund has a written deposit policy for custodial credit risk. As of December 31, 2024, \$3,189,947 of the Judicial Expense Fund's bank balance of \$11,002,554 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent and by state statute are deemed to be held in the Judicial Expense Fund's name.

Louisiana state law allows for the investment of excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana, or any other federally insured investment.

Note 4 - ACCOUNTS RECEIVABLE AND INTEREST RECEIVABLE

As of December 31, 2024, accounts receivable and interest receivable is as follows:

Clerk's Salary Fund receivable, net	\$ 599,435
Interest receivable	70,906
Other	<u>65,410</u>
Total	<u><u>\$ 735,751</u></u>

Note 5 - CAPITAL ASSETS

The following is a summary of capital assets for the year ended December 31, 2024:

	Balance January 1, 2024	Additions	Retirements	Balance December 31, 2024
Computer equipment	\$ 373,680	\$ 123,412	\$ -	\$ 497,092
Computer software	228,920	-	-	228,920
Office equipment	286,624	73,779	-	360,403
Furniture and fixtures	163,385	-	-	163,385
Leasehold improvements	411,638	19,304	-	430,942
Right-to-use leased equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	1,464,247	216,495	-	1,680,742
Less: accumulated depreciation	<u>(1,154,431)</u>	<u>(125,367)</u>	<u>-</u>	<u>(1,279,798)</u>
Capital assets, net	<u><u>\$ 309,816</u></u>	<u><u>\$ 91,128</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 400,944</u></u>

Depreciation and amortization expense charged to each function for the year ended December 31, 2024 is as follows:

Civil District Court	\$ 94,276
First City Court	27,330
Second City Court	<u>3,761</u>
Total	<u><u>\$ 125,367</u></u>

Note 5 - CAPITAL ASSETS (Continued)

An analysis of changes in accumulated depreciation and amortization by asset classification for the year ended December 31, 2024 is as follows:

	Balance January 1, 2024	Additions	Retirements	Balance December 31, 2024
Computer equipment	\$ 273,296	\$ 38,426	\$ -	\$ 311,722
Computer software	163,574	14,656	-	178,230
Office equipment	200,567	48,413	-	248,980
Furniture and fixtures	150,519	11,000	-	161,519
Leasehold improvements	366,475	12,872	-	379,347
Totals	<u>\$ 1,154,431</u>	<u>\$ 125,367</u>	<u>\$ -</u>	<u>\$ 1,279,798</u>

The building, which the Judicial Expense Fund occupies and uses to conduct its operations, is owned by the City of New Orleans. Although the Judicial Expense Fund does not pay rent to the City of New Orleans, the Judicial Expense Fund has made additions and improvements to the building during its term of occupancy. These additions and improvements are not included in the capital assets since the Judicial Expense Fund does not own the building. Such building additions and improvements funded from operations of the Judicial Expense Fund over its term of occupancy amount to \$4,337,447 through December 31, 2024. There were no building additions and improvements made for the year ended December 31, 2024.

Note 6 - REGISTRY OF COURT FUNDS

The Clerks of Civil District Court, First City Court and Second City Court each maintain a Registry of the Court Fund. Parties to litigation in these courts may deposit or be ordered to deposit cash or property into these funds in connection with the related litigation. Cash or property so deposited is the property of the litigants and is to be returned or disbursed to such other parties as the court may direct upon the conclusion of the litigation.

The Clerk of Civil District Court, the Clerk of First City Court and the Clerk of Second City Court are the custodians of the Registry of Court Fund for each respective court. The clerks generally may only accept deposits into or disburse funds from the Registry of Court Fund by order of the respective court.

Note 6 - REGISTRY OF COURT FUNDS (Continued)

With respect to the Registry of Court Fund of the Civil District Court, LSA-R.S. 13:1305 authorizes the investment of these funds into interest-bearing accounts. The state also provides that one-half of the interest earned shall be credited to the litigants' deposits and one-half shall be remitted to the Judicial Expense Fund as reimbursement for administrative costs associated with the Registry of Court Fund. Interest earned to the Judicial Expense Fund as of December 31, 2024 amounted to \$455,737 and is included in the accompanying Statement of Activities. As of December 31, 2024, \$70,906 was due from the Registry of the Court.

Since these funds are subject to an annual audit by independent auditors, who issue a separate report thereon, and management has determined that they are not component units of the Judicial Expense Fund as described in Note 2, the 2024 financial statements for the fiduciary funds of the Clerk of Civil District Court, the Clerk of First City Court, and the Clerk of Second City Court are not included in the financial statements of the Judicial Expense Fund.

Note 7 - CHANGES IN NONCURRENT LIABILITIES

The following is a summary of changes in noncurrent liabilities for the year ended December 31, 2024.

	Other Noncurrent Liabilities	Net Pension Liability	Total OPEB Liability	Totals
Beginning of year	\$ 744,143	\$14,583,111	\$6,582,921	\$ 21,910,175
Additions	-	-	206,915	206,915
Retirements	(73,180)	(3,229,166)	-	(3,302,346)
End of year	<u>\$ 670,963</u>	<u>\$11,353,945</u>	<u>\$6,789,836</u>	<u>\$ 18,814,744</u>
Due within one year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268,550</u>	<u>\$ 268,550</u>

Note 8 - INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING

On May 1, 2012, the Judicial Expense Fund and the Clerk of Civil District Court executed an agreement acknowledging that a net sum of \$1,435,540 representing sums collected by the Offices of Mortgages and Conveyances prior to January 1, 2009, should be transferred to the Clerk.

Note 8 - INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING (Continued)

It was further agreed that the Judicial Expense Fund will repay the amount due to the Clerk at a rate of 1% of the filing fee revenue received from the Clerk each month until the amount is paid in full. The Judges En Banc and the Clerk agreed that this agreement shall continue herein unless compliance with the law or a judicial order or judgment requires a different result.

The balance of this liability as of December 31, 2024 was \$670,963 and is included in other long-term liabilities.

Note 9 - OTHER POSTEMPLOYMENT RETIREMENT BENEFITS

General Information About the OPEB Plan

Plan Description - Employees of the Judicial Expense Fund may voluntarily participate in the State of Louisiana's health insurance plan which was established and may be amended by LSA R.S. 17:1223 and which is administered by the Office of Group Benefits (OGB). The State of Louisiana's other Postemployment Benefit Plan (OPEB Plan) is an agent multiple-employer defined benefit OPEB Plan. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

The OGB does not issue a publicly available financial report of the OPEB Plan; however it is included in the State of Louisiana Annual Comprehensive Financial Report (ACFR). A copy of the ACFR may be obtained from the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

Benefits Provided - Those employees of the Judicial Expense Fund who are plan members become eligible for postemployment medical and life insurance benefits if they reach normal retirement age while working for the Judicial Expense Fund. Currently, the Judicial Expense Fund provides postemployment benefits for retired employees.

Note 9 - OTHER POSTEMPLOYMENT RETIREMENT BENEFITS (Continued)

Employees Covered By Benefit Terms - At July 1, 2023, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	47
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>81</u>
Total	<u><u>128</u></u>

Contributions - The contribution requirements of plan members and the employers are established and may be amended by LSA-R.S. 42:801-883. Active employees do not contribute to their postemployment benefit cost until they become retirees and begin receiving postemployment benefits. The retirees contribute to the cost of their postemployment benefits based on qualified years of service. The plan is currently financed on a pay-as-you-go method. Contribution amounts vary depending on what healthcare provider is selected from the plan and whether the member has Medicare coverage. For the year ended December 31, 2024, the Judicial Expense Fund contributed \$358,870 to the OPEB Plan.

Total OPEB Liability

The Judicial Expense Fund's proportionate share of the total OPEB liability of \$6,789,836 was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023. The Judicial Expense Fund's proportion of the total OPEB was based on a projection of payments as benefits come due over the long term. As of June 30, 2024, the Judicial Expense Fund's proportional share of the total OPEB liability was 0.1449%, which was not significantly different than its proportion as of June 30, 2023.

Note 9 - OTHER POSTEMPLOYMENT RETIREMENT BENEFITS (Continued)

Total OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs - The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date:	July 1, 2023
Actuarial cost method:	Entry Age Normal
Actuarial assumptions:	
Inflation	2.40%
Salary Increases	Consistent with the pension valuation assumptions.
Discount Rate	4.13% based on the S&P 20-Year municipal bond index as of July 1, 2023.
Healthcare Cost Trend Rates	4.5%-7.0% as of July 1, 2023.
Mortality Rates	<p>For active lives: the RP-2014 Blue Collar Employee Table, adjusted by 0.978 for males and 1.144 for females, and then projected on a fully generational basis by Mortality improvement Scale MP-2018.</p> <p>For healthy retiree lives: the RP-2014 Blue Collar Healthy Annuitant Table, adjusted by 1.280 for males and RP-2014 White Collar Healthy Annuitant Table, adjusted by 1.417 for females, projected from 2014 on a fully generational basis by Mortality Improvement Scale MP-2018.</p> <p>For disabled retiree lives: the RP-2000 Disabled Retiree Mortality Table, adjusted by 1.009 for males and 1.043 for females; not projected with mortality improvement.</p>

Note 9 - OTHER POSTEMPLOYMENT RETIREMENT BENEFITS (Continued)

Changes in the Total OPEB Liability

Balances at December 31, 2023	<u>\$ 6,582,921</u>
Changes for the year:	
Service cost	197,887
Interest	272,254
Difference between expected and actual	(321,322)
Changes in assumptions	309,077
Benefit payments	<u>(250,981)</u>
Net change	<u>206,915</u>
Balances as of December 31, 2024	<u><u>\$ 6,789,836</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Judicial Expense Fund, as well as what the Judicial Expense Fund's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current discount rate:

	1.0% Decrease (3.13%)	Current Discount Rate (4.13%)	1.0% Increase (5.13%)
Total OPEB liability	<u>\$ 7,777,494</u>	<u>\$ 6,789,836</u>	<u>\$ 5,988,414</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Judicial Expense Fund, as well as what the Judicial Expense Fund's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1.0% Decrease	Current Trend Rate	1.0% Increase
Total OPEB liability	<u>\$ 5,987,154</u>	<u>\$ 6,789,836</u>	<u>\$ 7,789,996</u>

Note 9 - OTHER POSTEMPLOYMENT RETIREMENT BENEFITS (Continued)

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

For the year ended December 31, 2024, the Judicial Expense Fund recognized OPEB expense of \$1,070,547. As of December 31, 2024, the Judicial Expense Fund reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 589,399	\$ (413,182)
Changes in assumptions	420,241	(1,505,079)
Benefit payments subsequent the measurement date	<u>171,349</u>	<u>-</u>
Totals	<u>\$ 1,180,989</u>	<u>\$ (1,918,261)</u>

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (370,118)
2026	(293,677)
2027	(242,785)
2028	<u>(2,041)</u>
Total	<u>\$ (908,621)</u>

Note 10 - PENSION PLANS

Descriptions of Plans

The Judicial Expense Fund does not maintain a separate pension plan for its employees. However, its employees are eligible to participate in various multiple-employer (cost sharing) defined benefit plans provided by the state, government, and substantially all of the Judicial Expense Fund's Employees are covered by one of the available plans.

Note 10 - PENSION PLANS (Continued)

Descriptions of Plans (Continued)

The respective plan benefits provisions are established and amended under the following statutes:

<u>Plan</u>	<u>Louisiana Revised Statute</u>
Louisiana State Employees' Retirement System (LASERS) - Employees	11:401-542 Employees
Louisiana State Employees' Retirement System (LASERS) - Judges	11:401-571 Judges
Louisiana Clerks' of Court Retirement and Relief Fund (LCCRRF)	11:1501-1578
Louisiana Sheriffs' Pension and Relief Fund (LSPRF)	11:2171-2184

Benefits Provided

Generally, eligibility to participate in one of the plans commences with full-time permanent employment and in some instances, is subject to certain age and earning requirements. Vesting of full benefits is subject to various years of required service, generally ranging from twelve to thirty years and, in some instances, may require attainment of a minimum age. Annual retirement benefits under the plans are generally stipulated as a percentage of the participant's defined annual compensation for each year of service. In certain instances, the resulting amount may be increased by a fixed amount. In most cases, annual retirement benefits may not exceed 100% of the participant's defined annual compensation.

LASERS, LCCRRF, and LSPRF each issue publicly available audited financial reports that can be obtained at www.lasersonline.org, laclerkofcourt.org, and lsprf.com, respectively.

Note 10 - PENSION PLANS (Continued)

Contributions

Under the terms of the various plans, employees contribute a specified percentage of their gross earnings, and the Judicial Expense Fund also contributes a specified percentage. The plans in which the employees of the Judicial Expense Fund participate and the specified contribution percentages at December 31, 2024 are as follows:

Pension Plans	Period	Employer Contribution Percentage	Employee Contribution Percentage
LASERS (Regular Employees)			
Pre Act 75 (hired before 7/1/2006)	1/1 - 6/30	40.10%	7.50%
Pre Act 75 (hired before 7/1/2006)	7/1 - 12/31	40.40%	7.50%
Post Act75 (hired on or after 7/1/2006)	1/1 - 6/30	40.10%	8.00%
Post Act75 (hired on or after 7/1/2006)	7/1 - 12/31	40.40%	8.00%
LASERS (Judges)			
Judges & Judicial Employees (hired before 1/1/2011)	1/1 - 6/30	42.50%	11.50%
Judges & Judicial Employees (hired before 1/1/2011)	7/1 - 12/31	44.80%	11.50%
Elected Judges (hired on or after 1/1/2011)	1/1 - 6/30	43.60%	13.00%
Elected Judges (hired on or after 1/1/2011)	7/1 - 12/31	43.80%	13.00%
LCCRRF			
Clerks of Court Employees	1/1 - 6/30	19.00%	8.25%
Clerks of Court Employees	7/1 - 12/31	19.00%	8.25%
LSPRF			
Sheriff's Office Employees	1/1 - 6/30	12.25%	10.25%
Sheriff's Office Employees	7/1 - 12/31	12.25%	10.25%

Note 10 - PENSION PLANS (Continued)

The amounts of the most recently actuarially determined employer contribution as a percentage of covered compensation for each plan for the year ended 2024 amount to:

<u>Plan</u>	<u>Actuarially Determined Employer Contribution Rate</u>
LASERS Judges (hired before 1/1/2011)	44.80%
LASERS Judges (hired on or after 1/1/2011)	43.80%
LASERS All Others	40.40%
LCCRRF	19.00%
LSPRF	12.25%

Benefits granted by the retirement systems are guaranteed by the State of Louisiana. The Judicial Expense Fund does not guarantee the benefits granted by the retirement systems. In accordance with LSA-R.S. 11:1563, if at any time monies in the State Fund are not sufficient to pay each retiree and beneficiary the full amount to which he/she is entitled, equal percentages of the full amount shall be paid to each retiree and beneficiary until the fund is replenished so as to warrant resumption of the payment of the full amount to each retiree and beneficiary.

In accordance with State statute, LCCRRF and LSPRF receive ad valorem taxes, insurance premium 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. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2024.

Contributions to the plans for the year ended December 31, 2024 were as follows:

<u>Pension Plans</u>	<u>Contributions</u>
LASERS	\$ 1,472,690
LCCRRF	273,612
LSPRF	97,668
	<u>\$ 1,843,970</u>

Note 10 - PENSION PLANS (Continued)

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

The net pension liabilities were measured as of June 30, 2024 and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Judicial Expense Fund's proportion of the net pension liability for LASERS was based on a projection of the Judicial Expense Fund's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Judicial Expense Fund's proportion of the net pension liabilities of LASERS, LCCRRF and LSPRF were based on the Judicial Expense Fund's historical contributions.

The following table reflects the Judicial Expense Fund's proportionate share of the Net Pension Liabilities for each of the pension plans, the proportion at June 30, 2024 and the change compared to the June 30, 2023 proportion.

Pension Plans	Net Pension Liability as of June 30, 2024	Proportion as of June 30, 2024	Decrease as of June 30, 2024 Proportion
LASERS	\$ 9,370,923	0.172310%	-0.004800%
LCCRRF	1,385,047	0.832446%	-0.008670%
LSPRF	597,975	0.099900%	-0.004640%
	<u>\$ 11,353,945</u>		

The following table reflects the Judicial Expense Fund's recognized pension expense for each of the pension plans for the year ended December 31, 2024.

Pension Plans	Pension Expense	Amortization	Totals
LASERS	\$ 1,472,690	\$ (987,827)	\$ 484,863
LCCRRF	273,612	6,240	279,852
LSPRF	97,668	(32,160)	65,508
	<u>\$ 1,843,970</u>	<u>\$ (1,013,747)</u>	<u>\$ 830,223</u>

Note 10 - PENSION PLANS (Continued)

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

As of December 31, 2024, the Judicial Expense Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>LASERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 65,506	\$ (41,445)
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(1,117,286)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	<u>734,857</u>	<u>-</u>
Total LASERS	<u>\$ 800,363</u>	<u>\$ (1,158,731)</u>
<u>LCCRRF</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,835	\$ (35,081)
Changes in assumptions	30,487	-
Net difference between projected and actual earnings on pension plan investments	-	(113,007)
Changes in proportion and differences between employer contributions and proportionate share of contributions	21,212	(61,635)
Employer contributions subsequent to the measurement date	<u>136,091</u>	<u>-</u>
Total LCCRRF	<u>\$ 192,625</u>	<u>\$ (209,723)</u>

Note 10 - PENSION PLANS (Continued)

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

<u>LSPRF</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 118,735	\$ (13,580)
Changes in assumptions	30,319	-
Net difference between projected and actual earnings on pension plan investments	-	(56,418)
Changes in proportion and differences between employer contributions and proportionate share of contributions	37,789	(23,591)
Employer contributions subsequent to the measurement date	<u>50,555</u>	<u>-</u>
Total LSPRF	<u>\$ 237,398</u>	<u>\$ (93,589)</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

<u>Pension Plans</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
LASERS	\$ 800,363	\$ (1,158,731)
LCCRRF	192,625	(209,723)
LSPRF	<u>237,398</u>	<u>(93,589)</u>
	<u>\$ 1,230,386</u>	<u>\$ (1,462,043)</u>

Note 10 - PENSION PLANS (Continued)

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

Deferred outflows of resources related to pensions resulting from the Judicial Expense Fund's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending December 31, 2024. The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

<u>Pension Plans</u>	<u>Subsequent Contributions</u>
LASERS	\$ 734,858
LCCRRF	136,091
LSPRF	<u>50,555</u>
	<u>\$ 921,504</u>

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

<u>Years Ending December 31,</u>	<u>Amount of Amortization</u>			
	<u>Pension Plans</u>			<u>Totals</u>
	<u>LASERS</u>	<u>LCCRRF</u>	<u>LSPRF</u>	
2025	\$ (671,880)	\$ (66,410)	\$ 7,450	\$ (730,840)
2026	288,678	90,069	155,722	534,469
2027	(430,617)	(105,512)	(27,842)	(563,971)
2028	<u>(279,408)</u>	<u>(71,336)</u>	<u>(42,078)</u>	<u>(392,822)</u>
	<u>\$ (1,093,227)</u>	<u>\$ (153,189)</u>	<u>\$ 93,252</u>	<u>\$ (1,153,164)</u>

Note 10 - PENSION PLANS (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024 are as follows:

	LASERS	LCCRRF	LSPRF
Valuation Date:	June 30, 2024	June 30, 2024	June 30, 2024
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Expected Remaining Service Lives	2 years	5 years	5 years
Investment Rate of Return:	7.25% per annum	6.55% net of investment expense	6.85% per annum
Inflation Rate:	2.40% per annum	2.40% per annum	2.50% per annum
Salary Increases	2.4% - 4.8%	5.00% - 6.2%	5.00% (2.50% inflation, 2.50% merit)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.	The present value of future retirement benefits is based on benefits currently being paid by the Fund 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 as they were deemed not to be substantively automatic.	The present value of future retirement benefits is based on benefits currently being paid by the Fund 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 as they were deemed not to be substantively automatic.

Note 10 - PENSION PLANS (Continued)

Actuarial Assumptions (Continued)

	LASERS	LCRRF	LSPRF
Mortality Rates:	Non-disabled members - The PubG-2010 Healthy Retiree on a fully generational basis by Mortality Improvement Scale MP-2021 Disabled members - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.	Pub-2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale.	Non-disabled members - Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 120% for males and 115% for females for active members, each with full generational projection using the appropriate MP2019 scale. Disabled members - Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale
Termination, Disability, and Retirement:	Termination, disability, and retirement assumptions were projected based on a five-year (2019-2023) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2015-2019) experience study of the System's members.	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2019) experience study of the System's members.

Note 10 - PENSION PLANS (Continued)

Actuarial Assumptions (Continued)

The following table lists the methods used by each of the pension plans in determining the long term rate of return on pension plan investments:

LASERS	LCCRRF	LSPRF
<p>The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.15% for 2024.</p>	<p>The long-term expected real 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 investments expense and inflation) are developed for each major asset class. These ranges were 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. The long term expected rate of return was 5.81%, for the year ended June 30, 2024.</p>	<p>The long-term expected real 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 were 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.</p>

Note 10 - PENSION PLANS (Continued)

Actuarial Assumptions (Continued)

The following table provides a summary of the best estimates of arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocation as of December 31, 2024:

Asset Class	Target Allocation			Long Term Expected Rate of Return		
	<u>LASERS</u>	<u>LCCRRF</u>	<u>LSPRF</u>	<u>LASERS</u>	<u>LCCRRF</u>	<u>LSPRF</u>
Cash	0.0%	0.0%	0.0%	0.76%	0.00%	0.00%
Domestic equity	34.0%	35.0%	62.0%	4.29%	2.62%	4.29%
International equity	17.0%	20.0%	0.0%	5.22%	1.70%	0.00%
Domestic fixed income	3.0%	30.0%	25.0%	2.04%	0.59%	1.33%
International fixed income	19.0%	0.0%	0.0%	5.24%	0.22%	0.00%
Alternative investments	27.0%	0.0%	13.0%	8.19%	0.00%	0.82%
Global asset allocation	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%
Real estate	0.0%	15.0%	0.0%	0.00%	0.68%	0.00%
Totals	<u>100%</u>	<u>100%</u>	<u>100%</u>		<u>5.81%</u>	<u>6.44%</u>
Inflation					<u>2.50%</u>	<u>2.51%</u>
Expected arithmetic nominal return					<u>8.31%</u>	<u>8.95%</u>

Discount Rate

The discount rates used to measure the total pension liabilities for LASERS, LCCRRF; and LSPRF were 7.25%, 6.55%, and 6.85% respectively; for both the years ended December 31, 2024 and 2023.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rate. Based on those assumptions, each of the pension plans' fiduciary net positions were 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.

Note 10 - PENSION PLANS (Continued)

Sensitivity of the Judicial Expense Fund's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate

The following table presents the Judicial Expense Fund's proportionate share of the Net Pension Liabilities (NPL) using the discount rate of each pension plan as well as what the Judicial Expense Fund's proportionate share of the Net Pension Liabilities would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
LASERS			
Discount Rate	6.25%	7.25%	8.25%
Share of NPL	<u>\$12,940,995</u>	<u>\$9,370,923</u>	<u>\$6,337,179</u>
LCCRRF			
Discount Rate	5.55%	6.55%	7.55%
Share of NPL	<u>\$2,283,731</u>	<u>\$1,385,047</u>	<u>\$626,998</u>
LSPRF			
Discount Rate	5.85%	6.85%	7.85%
Share of NPL	<u>\$1,294,978</u>	<u>\$597,975</u>	<u>\$16,893</u>

Support of Non-Employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Judicial Expense Fund recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2024, the Judicial Expense Fund did not recognize revenue as a result of support received from non-employer contributing entities for its participation in LCCRRF and LSPRF. LASERS does not receive support from non-employer contributing entities and, as a result, no revenue was recorded for LASERS for the year ended December 31, 2024.

Pension Plans Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued financial reports for LASERS, LCCRRF, and LSPRF and can be obtained on the pension plans' respective websites or on the Louisiana Legislative Auditor's website: www.la.la.gov.

Note 11 - CIVIL DISTRICT COURT FILING FEE REVENUE

Act 621 passed by the State of Louisiana Legislature and signed by the Governor of the State of Louisiana on June 23, 2006 requires the deposit of no less than fifty percent of the filing fees collect pursuant to LSA-R.S. 13:1213 into the Clerk's Salary Fund. The remaining filing fees collected by the Clerk are remitted to the Judicial Expense Fund.

Note 12 - RISK MANAGEMENT

The Judicial Expense Fund is exposed to various risks of loss related to torts, theft, or damage to and destruction of assets for which the Judicial Expense Fund carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred, and the amount of loss can be reasonably estimated.

For the year ended December 31, 2024, no insurance settlements exceeded the amount of insurance coverage.

Note 13 - CONCENTRATION OF CREDIT RISK

The Judicial Expense Fund's principal source of revenues consists of filing fees. If the amount of fees received falls below budgeted levels, the Judicial Expense Fund's operating results could be adversely effected.

Note 14 - OTHER INCOME

For the year ended December 31, 2024, other income in the governmental fund consisted of the following:

Land records revenue	\$ 858,114
Remote access fees	420,905
Jury bond rebate revenue	220,810
IT rental	<u>5,263</u>
Total	<u>\$ 1,505,092</u>

Note 15 - NET DEFICIT

For the year ended December 31, 2024, the Judicial Expense Fund had a decrease in the net deficit of \$2,170,093. The impact of generally accepted accounting standards related to pension and OPEB has resulted in a total net deficit of \$8,774,988.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUES AND
EXPENDITURES BUDGETED AND ACTUAL**

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

December 31, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues				
Filing fees, net	\$8,135,000	\$9,277,866	\$8,936,663	\$(341,203)
Interest income	300,000	693,999	708,565	14,566
Other income	4,635,000	1,620,158	1,792,683	172,525
Total revenues	13,070,000	11,592,023	11,437,911	(154,112)
Expenditures				
Direct expenses:				
Salaries	6,384,582	6,384,582	6,487,369	(102,787)
Employee benefits	3,272,823	3,080,794	3,325,109	(244,315)
Court reporters and interpreters	70,500	70,500	27,795	42,705
Jury meals and transportation	71,352	71,352	66,176	5,176
Total direct expenses	9,799,257	9,607,228	9,906,449	(299,221)
Indirect expenses:				
Books, printing, and copying	142,200	144,073	150,914	(6,841)
Building and personnel security	138,535	137,473	139,650	(2,177)
Capital expenditures	500,000	500,000	216,495	283,505
Communication	204,100	239,859	249,825	(9,966)
Facilities	39,000	27,682	38,040	(10,358)
Furniture, equipment, and maintenance	327,000	316,214	429,477	(113,263)
Insurance	196,500	181,393	210,658	(29,265)
Office supplies and expenses	104,700	121,005	109,371	11,634
Other expenditures	21,200	17,353	31,090	(13,737)
Postage and couriers	17,500	30,949	37,341	(6,392)
Professional education and dues	71,574	103,777	87,927	15,850
Professional services	304,500	148,055	278,510	(130,455)
Total indirect expenses	2,066,809	1,967,833	1,979,298	(11,465)
Total expenditures	11,866,066	11,575,061	11,885,747	(310,686)
Excess of Revenues Over Expenditures	<u>\$1,203,934</u>	<u>\$ 16,962</u>	<u>\$ (447,836)</u>	<u>\$(464,798)</u>

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION -
BUDGETARY REPORTING

Judicial Expense Fund of the Civil District Court
for the Parish of Orleans
New Orleans, Louisiana

December 31, 2024

The Judicial Expense Fund adheres to the following procedures in establishing the budgetary data reflected in the financial statements.

Budgetary Information

Preparation of the adopted budget begins in the Fiscal Administration Office of the Judicial Administrator. The Chief Accountant compiles actual financial information from the previous year for each department of the Judicial Expense Fund. Department heads and judges provide their input, and a proposed budget is prepared on the accrual basis of accounting. The budget adopted is consistent with accounting principles generally accepted in the United States of America.

Once the preliminary budget is prepared, it is presented and discussed by the Finance Committee. Once the Finance Committee approves the budget, the Judicial Expense Fund publishes notice of the budget in the Times-Picayune, the official journal of New Orleans. The public is invited to inspect and comment on the proposed budget. The budget is subsequently adopted by the Judges En Banc at a meeting open to the public.

Once the budget is adopted, the Fiscal Administration Office compares actual revenue and expenditures to the budget throughout the year. When circumstances warrant it, the Chief Accountant and Judicial Administrator will prepare an amended budget and present it to the Finance Committee. If the Finance Committee approves their amended budget, it will recommend it to the Judges En Banc. There will be a public announcement, public inspection period and an amended budget will be adopted at an open meeting.

For the year ended December 31, 2024, for the Judicial Expense Fund, the proposed original budget was advertised on October 30, 2023 through November 1, 2023, available for public inspection and comment, and was legally adopted at an open meeting of the Judges En Banc on December 5, 2023. On November 25 through November 27, 2024, the amended 2024 budget was advertised. It was available for public inspection and comment, a public hearing was held on December 6, 2024, and the amended budget was legally adopted at an open meeting of the Judges En Banc on December 6, 2024.

**SCHEDULE OF EMPLOYER'S PROPORTIONATE
SHARE OF NET PENSION LIABILITIES (ASSETS)**

**Judicial Expense Fund For the
Civil District Court For the Parish of Orleans
New Orleans, Louisiana**

For the ten years ended December 31, 2024

<u>For the Year Ended December 31,</u>	<u>Agency's Proportion of the Net Pension Liability (Asset)</u>	<u>Agency's Proportionate Share of the Net Pension</u>	<u>Agency's Covered Payroll</u>	<u>Agency's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
Louisiana State Employees' Retirement System					
2024	0.172310 %	\$9,370,923	\$4,037,241	232.11 %	74.60 %
2023	0.177110 %	\$11,854,841	\$4,044,115	293.14 %	68.40 %
2022	0.188630 %	\$14,260,017	\$3,953,962	360.65 %	63.70 %
2021	0.178678 %	\$9,834,394	\$3,970,977	247.66 %	72.80 %
2020	0.183575 %	\$15,182,879	\$3,846,079	394.76 %	58.00 %
2019	0.191250 %	\$13,880,093	\$3,670,602	378.14 %	62.90 %
2018	0.189020 %	\$12,911,946	\$3,409,854	378.67 %	64.30 %
2017	0.180800 %	\$12,725,570	\$3,151,074	403.85 %	62.50 %
2016	0.174930 %	\$13,736,312	\$3,177,285	432.33 %	57.70 %
2015	0.169740 %	\$11,544,912	\$3,149,042	366.62 %	62.70 %
Louisiana Sheriffs' Pension and Relief Fund					
2024	0.099900 %	\$597,975	\$823,900	72.58 %	89.40 %
2023	0.104543 %	\$918,881	\$826,651	111.15 %	83.94 %
2022	0.109064 %	\$886,456	\$820,865	107.99 %	83.90 %
2021	0.114421 %	-\$56,701	\$804,298	7.05 %	101.04 %
2020	0.108230 %	\$749,076	\$799,819	93.66 %	83.77 %
2019	0.107660 %	\$509,255	\$754,309	67.51 %	88.91 %
2018	0.111912 %	\$429,143	\$755,071	56.83 %	90.41 %
2017	0.112793 %	\$485,711	\$781,266	62.17 %	88.49 %
2016	0.838820 %	\$5,323,905	\$787,702	675.88 %	82.10 %
2015	0.716730 %	\$497,458	\$677,097	136.11 %	86.61 %
Louisiana Clerks of Court Retirement and Relief Fund					
2024	0.832446 %	\$1,385,047	\$1,203,890	115.05 %	83.09 %
2023	0.841112 %	\$1,809,439	\$1,218,684	148.48 %	77.56 %
2022	0.860320 %	\$2,085,207	\$1,288,551	161.83 %	74.09 %
2021	0.901000 %	\$1,198,554	\$1,411,832	84.89 %	85.40 %
2020	0.846240 %	\$2,035,939	\$1,334,340	152.58 %	72.09 %
2019	0.785070 %	\$1,425,676	\$1,332,081	107.03 %	77.93 %
2018	0.817010 %	\$1,358,936	\$1,398,212	97.19 %	79.07 %
2017	0.803560 %	\$1,219,024	\$1,372,459	88.82 %	79.69 %
2016	0.784260 %	\$1,450,857	\$1,359,593	106.71 %	74.17 %
2015	0.891525 %	\$1,222,893	\$1,486,554	121.56 %	78.13 %

*Amounts presented were determined as of the measurement date.

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

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the ten years ended December 31, 2024

For the Year Ended December 31,	(a) Statutorily Required Contribution	(b) Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	Agency's Covered Payroll	Contributions Statutorily Required Contribution
Louisiana State Employees' Retirement System					
2024	\$1,472,690	\$1,472,690	\$ -	\$4,195,769	35.10 %
2023	\$1,651,612	\$1,651,612	\$ -	\$3,977,367	41.50 %
2022	\$1,615,028	\$1,615,028	\$ -	\$3,992,045	40.50 %
2021	\$1,542,674	\$1,542,674	\$ -	\$3,838,232	40.20 %
2020	\$1,627,321	\$1,627,321	\$ -	\$4,008,132	40.60 %
2019	\$1,398,245	\$1,398,245	\$ -	\$3,788,102	36.90 %
2018	\$1,300,405	\$1,300,405	\$ -	\$3,507,755	37.10 %
2017	\$1,134,441	\$1,134,441	\$ -	\$3,228,346	35.10 %
2016	\$1,185,999	\$1,185,999	\$ -	\$3,193,674	37.10 %
2015	\$1,171,627	\$1,171,627	\$ -	\$3,180,512	36.80 %
Louisiana Sheriffs' Pension and Relief Fund					
2024	\$97,668	\$97,668	\$ -	\$863,119	11.32 %
2023	\$93,337	\$93,337	\$ -	\$811,977	11.50 %
2022	\$97,692	\$97,692	\$ -	\$821,844	11.90 %
2021	\$102,912	\$102,912	\$ -	\$811,089	12.74 %
2020	\$99,940	\$99,940	\$ -	\$813,800	12.30 %
2019	\$92,157	\$92,157	\$ -	\$772,543	11.90 %
2018	\$98,208	\$98,208	\$ -	\$751,920	13.10 %
2017	\$103,517	\$103,517	\$ -	\$755,072	13.70 %
2016	\$109,494	\$109,494	\$ -	\$796,312	13.58 %
2015	\$96,487	\$96,487	\$ -	\$755,335	12.58 %
Louisiana Clerks of Court Retirement and Relief Fund					
2024	\$273,612	\$273,612	\$ -	\$1,190,554	23.00 %
2023	\$277,526	\$277,526	\$ -	\$1,226,650	22.60 %
2022	\$278,871	\$278,871	\$ -	\$1,252,336	22.30 %
2021	\$284,616	\$284,616	\$ -	\$1,315,923	21.60 %
2020	\$283,910	\$283,910	\$ -	\$1,416,676	20.00 %
2019	\$252,869	\$252,869	\$ -	\$1,315,065	19.20 %
2018	\$246,832	\$246,832	\$ -	\$1,361,160	18.10 %
2017	\$261,089	\$261,089	\$ -	\$1,397,173	18.70 %
2016	\$258,323	\$258,323	\$ -	\$1,366,760	18.90 %
2015	\$281,821	\$281,821	\$ -	\$1,366,562	20.60 %

*Amounts presented were determined as of the measurement date.

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

**NOTES TO REQUIRED PENSION
SUPPLEMENTARY INFORMATION**

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

Note 1 - CHANGES OF BENEFIT TERMS

LASERS - Changes of benefit terms include a 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.

Note 2 - CHANGES OF ASSUMPTIONS

LASERS

For the years ended June 30, 2024 and 2023, the investment rate of return remained 7.25%. For the valuation year ended June 30, 2022, the investment rate of return was decreased from 7.40% to 7.25%. For the valuation year ended June 30, 2021, the investment rate of return was decreased from 7.55% to 7.40%. For the valuation year ended June 30, 2020, the investment rate of return was decreased from 7.60% to 7.55%, the inflation rate was decreased from 2.50% to 2.30%, the salary increases changed for the lower range from 2.8%-3.8% to 2.6%-3.6% and the upper range from 5.3%-14.0% to 5.1% to 13.8%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.65% to 7.60%, the inflation rate was decreased from 2.75% to 2.50%, the average remaining services lives decreased from 3 years to 2 years, and the mortality table for non-disabled members changed to the RP-2014 Healthy Mortality Table. For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.70% to 7.65%. For the valuation year ended June 30, 2017, the investment rate of return was decreased from 7.75% to 7.70% and the inflation rate was decreased from 3.00% to 2.75%.

LCCRRF

For the years ended June 30, 2024 and 2023 and 2022, the investment rate of return remained 6.55%. For the valuation year ended June 30, 2021, the discount rate was reduced from 6.75% to 6.55%. There were no changes of assumptions for the valuation years ended June 30, 2019 and 2020. For the valuation year ended June 30, 2018, the discount rate was reduced from 7.0% to 6.75%. For the valuation year ended June 20, 2014, the discount rate was reduced from 7.25% to 7.00% and the Projected Salary Increase was reduced from 5.75% to 5.00%.

Note 2 - CHANGES OF ASSUMPTIONS (Continued)

LSPRF

For the years ended June 30, 2024 and 2023, the investment rate of return remained 6.85%. For the valuation year ended June 30, 2022, the discount rate was reduced from 6.90% to 6.85%. For the valuation year ended June 30, 2021, the discount rate was reduced from 7.00% to 6.90%. For the valuation year ended June 30, 2020, the discount rate was reduced from 7.10% to 7.00%, and the projected merit increase rate was decreased from 3.00% to 2.50%. For the valuation year ended June 30, 2019, the discount rate was reduced from 7.25% to 7.10%, the inflation was reduced from 2.60% to 2.50%, and the projected merit increase rate was increased from 2.90% to 3.00%. For the valuation year ended June 30, 2018, the discount rate was reduced from 7.4% to 7.25%, the inflation was reduced from 2.775% to 2.60%, and the projected merit increase rate was increased from 2.725% to 2.90%. For the valuation year ended June 30, 2017, the discount rate was reduced from 7.5% to 7.4%, the inflation was reduced from 2.875% to 2.775%, and the projected merit increase rate was increased from 2.625% to 2.725%. For the valuation year ended June 30, 2016, the remaining service life of employees was increased from 6 years to 7 years, and the discount rate was reduced from 7.6% to 7.5%. For the valuation year ended June 30, 2015, the discount rate was reduced from 7.7% to 7.6%, the salary increase assumption was reduced from 6% to 5.5%, and the inflation assumption was reduced from 3% to 2.875%.

**SCHEDULE OF CHANGES IN TOTAL
OPEB LIABILITY AND RELATED RATIOS**

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:							
Service cost	\$ 197,887	\$ 360,716	\$ 291,357	\$ 278,981	\$1,011,692	\$ 499,722	\$ 549,356
Interest	272,254	174,868	205,490	222,819	454,275	244,614	216,683
Change of benefit term	-	-	-	-	-	-	-
Differences between expected and actual experience	(321,322)	1,010,399	(413,156)	(23,208)	770,791	(494,139)	-
Changes in assumptions and other inputs	309,077	(2,451,797)	468,146	(449,184)	(1,396,151)	(276,969)	(568,325)
Benefit payments, including refunds of member contributions	<u>(250,981)</u>	<u>(342,230)</u>	<u>(307,422)</u>	<u>(298,411)</u>	<u>(331,651)</u>	<u>(178,860)</u>	<u>(182,456)</u>
Net change in total OPEB liability	206,915	(1,248,044)	244,415	(269,003)	508,956	(205,632)	15,258
Total OPEB liability - beginning	<u>6,582,921</u>	<u>7,830,965</u>	<u>7,586,550</u>	<u>7,855,553</u>	<u>7,346,597</u>	<u>7,552,229</u>	<u>7,536,971</u>
Total OPEB liability - ending	<u>\$6,789,836</u>	<u>\$6,582,921</u>	<u>\$7,830,965</u>	<u>\$7,586,550</u>	<u>\$7,855,553</u>	<u>\$7,346,597</u>	<u>\$7,552,229</u>
Covered payroll - employee	<u>\$4,112,774</u>	<u>\$5,041,132</u>	<u>\$4,354,255</u>	<u>\$4,354,255</u>	<u>\$4,677,214</u>	<u>\$4,189,701</u>	<u>\$4,182,519</u>
Total OPEB liability as a percentage of covered employee payroll	<u>165.09%</u>	<u>130.58%</u>	<u>179.85%</u>	<u>174.23%</u>	<u>167.95%</u>	<u>175.35%</u>	<u>180.57%</u>

Note:

Changes of Assumptions and Other Inputs. The discount rate was 3.13% as of July 1, 2017, 2.98% as of July 1, 2018, 2.79% as of July 1, 2019, 2.66% as of June 1, 2020, 2.18% as of July 1, 2021, 4.09% as of July 1, 2022, and 4.13% as of July 1, 2023. The mortality tables used beginning with July 1, 2018 were updated to the RP-2014 tables.

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

SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND EXPENSES - BY LEDGER

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	Civil District Court	First City Court	Second City Court	Domestic Support	AOT Program	Totals
Revenues						
Filing fees, net	\$6,724,392	\$1,942,326	\$ 269,945	\$ -	\$ -	\$8,936,663
Interest income	624,455	73,935	10,175	-	-	708,565
Grant income	-	-	-	-	146,040	146,040
Other income	1,189,050	277,814	38,228	141,551	-	1,646,643
Total revenues	8,537,897	2,294,075	318,348	141,551	146,040	11,437,911
Expenses						
Direct expenses:						
Salaries	3,341,704	2,043,330	446,246	656,089	-	6,487,369
Employee benefits	2,511,428	387,858	134,363	291,460	-	3,325,109
Jury meals and transportation	66,176	-	-	-	-	66,176
Court reporters and interpreters	8,603	3,395	3,011	12,786	-	27,795
Total direct expenses	5,927,911	2,434,583	583,620	960,335	-	9,906,449
Indirect expenses:						
Books, printing, and copying	82,031	47,651	15,570	5,035	627	150,914
Building and personnel security	84,022	30,444	4,190	-	20,994	139,650
Communication	212,584	28,629	7,573	-	1,039	249,825
Depreciation and amortization	94,276	27,330	3,761	-	-	125,367
Facilities	4,251	30,147	3,642	-	-	38,040
Furniture, equipment, and maintenance	266,908	122,122	37,358	451	2,638	429,477
Insurance	155,625	36,317	3,905	14,811	-	210,658
Office supplies and expenses	69,808	29,898	8,946	719	-	109,371
Postage and couriers	28,751	6,613	1,977	-	-	37,341
Professional education and dues	53,312	24,804	9,811	-	-	87,927
Professional services	112,062	32,473	13,268	-	120,707	278,510
Other expenses	425	30,286	345	-	35	31,091
Total indirect expenses	1,164,055	446,714	110,346	21,016	146,040	1,888,171
Total expenses	7,091,966	2,881,297	693,966	981,351	146,040	11,794,620
Excess of Revenues Over Expenses (Expenses Over Revenues)	<u>\$1,445,931</u>	<u>\$ (587,222)</u>	<u>\$(375,618)</u>	<u>\$(839,800)</u>	<u>\$ -</u>	<u>\$ (356,709)</u>

JUSTICE SYSTEM FUNDING SCHEDULE -
COLLECTING/DISBURSING ENTITY

Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
 New Orleans, Louisiana

For the year ended December 31, 2024

	First Six Month Period Ended June 30, 2024	Second Six Month Period Ended December 31, 2024
Beginning Balance of Amounts Collected	\$ -	\$ -
Collections:		
Civil fees	5,663,882	5,222,554
Bond fees	118,166	102,644
Probation/parole/supervision fees	67,619	73,440
Interest earnings on collected balances	223,762	484,803
Subtotal collections	6,073,429	5,883,441
Disbursements to Governments and Nonprofits:		
Judges supplemental comp, civil fees	163,440	164,073
Louisiana Supreme Court, civil fees	2,760	2,789
Pro Bono Project, civil fees	39,113	32,419
Southeast Louisiana Legal Aid, civil fees	59,263	55,102
Subtotal disbursements	264,576	254,383
Amounts Retained by Collecting Agency:		
Collection fee for collecting/disbursing to others based on fixed amount		
Civil fees	5,399,306	4,968,171
Bond fees	118,166	102,644
Probation/parole/supervision fees	67,619	73,440
Interest earned on collected balances	223,762	484,803
Subtotal retainage	5,808,853	5,629,058
Ending balance of amounts collected but not disbursed/retained	\$ -	\$ -

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

	First Six Month Period Ended June 30, 2024	Second Six Month Period Ended December 31, 2024
Receipts from:		
Clerk of Orleans Parish Civil District Court, civil fees	<u>\$3,927,990</u>	<u>\$4,046,579</u>

**SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO CHIEF JUDGE**

**Judicial Expense Fund for the
Civil District Court for the Parish of Orleans
New Orleans, Louisiana**

For the year ended December 31, 2024

Chief Judge Name: Monique Barial

Purpose:

Salary	\$0
Benefits - insurance	0
Benefits - retirement	0
Benefits - other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
	<hr/>
	\$0
	<hr/> <hr/>

* The salary and related benefits for the Chief Judge is paid directly by the Supreme Court. As such, the judge receives no compensation for serving in her capacity on the En Banc.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Judges En Banc,
Civil District Court Parish of Orleans
Judicial Expense Fund,
New Orleans, Louisiana.

We have audited, 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, the accompanying financial statements of the governmental activities and the major fund of the for the Parish of Orleans Judicial Expense Fund (the "Judicial Expense Fund") as of and for the year ended December 31, 2024, and the related notes to the financial statements which collectively comprise the Judicial Expense Fund's basic financial statements, and have issued our report thereon dated June 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Judicial Expense Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Judicial Expense Fund'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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

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 Judicial Expense Fund'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.



Certified Public Accountants.

New Orleans, Louisiana,
June 13, 2025.

SCHEDULE OF FINDINGS AND RESPONSES

Judicial Expense Fund of the Civil District Court for the Parish of Orleans New Orleans, Louisiana

For the year ended December 31, 2024

Section I - Summary of Auditor's Report

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(as) identified? ☐ Yes ☒ No
- Significant deficiency(is) identified that are not considered to be a material weakness? ☐ Yes ☒ None reported

Non-compliance material to financial statements noted? ☐ Yes ☒ No

b) Federal Awards

Judicial Expense Fund for the Judicial Expense Fund of the Civil District Court for the Parish of Orleans did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section II - Financial Statement Findings

No financial statement findings were reported during the audit for the year ended December 31, 2024.

Section III - Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Judicial Expense Fund of the Civil District Court for the Parish of Orleans New Orleans, Louisiana

For the year ended December 31, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2023.

No significant deficiencies were reported during the audit for the year ended December 31, 2023.

Compliance

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

Judicial Expense Fund of the Civil District Court for the Parish of Orleans did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2023.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Judicial Expense Fund of the Civil District Court for the Parish of Orleans New Orleans, Louisiana

For the year ended December 31, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2024.

No significant deficiencies were reported during the audit for the year ended December 31, 2024.

Compliance

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2024.

Section II - Internal Control and Compliance Material to Federal Awards

Judicial Expense Fund of the Civil District Court for the Parish of Orleans did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024 and therefore is exempt from the audit requirements under the *Uniform Guidance*.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2024.