



Luther Speight & Company
Certified Public Accountants and Consultants

**CRIMINAL DISTRICT COURT
FOR THE PARISH OF ORLEANS**

NEW ORLEANS, LOUISIANA

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

New Orleans Office: 1100 Poydras Street, Suite 1225/New Orleans, LA 70163/(504)561-8600

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**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

Our discussion and analysis of Criminal District Court for the Parish of Orleans financial performance provides an overview of the financial activities for the year. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government Financial Statements – The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statements of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than Government Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental Information is providing varying degrees of assurance. 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 in the Financial Section.

GOVERNMENTAL WIDE FINANCIAL STATEMENTS

One of the most important questions asked about the finances is, "Is the Criminal District Court as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the entity as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The Fund Financial Statements provide detailed information about the most significant funds not the operations as a whole. Some funds are required to be established by State laws. Other funds are established to help control and manage money for a particular purpose while others are to show that it is meeting legal responsibilities for using certain appropriations, grants, and other money.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

Continued,

The Criminal District Court utilizes the governmental type of funds with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationships (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.

FINANCIAL HIGHLIGHTS

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

- As a result of this year's operations, total net position for the Court was (\$6,929,372). Net position reflected a slight decline of \$571,486 representing an addition to the deficit as compared to the previous year's balance.
- Total Court program revenues decreased by \$1.0 million, reporting \$10.3 million in 2020 compared to \$11.3 million in the previous year.

Total net position was comprised of the following:

- Invested in capital assets of \$560,621, the net book value of property and equipment.
- Restricted Net Position recorded at \$4.8 million.
- *Unrestricted net position remained relatively constant between years at a balance of (\$12.3) million. This balance represents the net position balance available to maintain continuing obligations to citizens and creditors for the unrestricted fund. The deficit is primarily caused by pension obligations in accordance with GASB 68.*

FINANCIAL ANALYSIS OF THE CRIMINAL DISTRICT COURT AS A WHOLE

The Statement of Net Position and the Statement of Activities reports only one type of government activity. Our analysis below focuses on the net position of the governmental-type activities:

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020 and 2019**

Condensed Statement of Net Position

ASSETS	2020	2019
Cash and cash equivalents	\$ 5,611,204	\$ 4,514,519
Grants receivable	869,320	532,124
Furniture, fixtures and equipment	560,621	598,224
Total Assets	7,041,145	5,644,867
Deferred Outflows:		
Pension Related	3,201,724	1,497,096
Total Assets and Deferred Outflows	10,242,869	7,141,963
 LIABILITIES		
Accounts Payables	125,107	240,384
Benefits Payable	589,441	385,541
Compensated Abscenses	174,396	189,526
Due to Other Governments	759,532	-
Net Pension Liability	15,373,306	12,658,095
Total Liabilities	17,021,782	13,473,546
Deferred Inflows:		
Pension Related	150,459	26,303
Total Liabilities and Deferred Inflows	17,172,241	13,499,849
 NET POSITION		
Investment in Capital Assets, Net	560,621	598,224
Restricted Net Position	4,832,048	4,231,192
Total Restricted Net Position	5,392,669	4,829,416
Unrestricted Net Position	(12,322,041)	(11,187,302)
Total Unrestricted Net Position	(12,322,041)	(11,187,302)
Total Net Position	\$ (6,929,372)	\$ (6,357,886)

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

Continued,

As a result of this year's operations, net position declined by \$571,486. The total balance in net position, (\$6,929,372) represents the accumulated results of the current and all past years' operations as of December 31, 2020.

Our analysis below focuses on the changes in net position of the governmental – type activities:

Condensed Statement of Activities

	2020	2019	Change
Total Program Revenues	\$ 10,271,333	\$ 11,295,415	\$ (1,024,082)
Total Program Expenses	(11,099,586)	(8,950,598)	(2,148,988)
Net Program Income	(828,253)	2,344,817	(3,173,070)
Total General Revenues	885,299	63,880	821,419
Change in Net Position	\$ 57,046	\$ 2,408,697	\$ (2,351,651)

The total program revenues for the year in governmental activities were \$10.3 million. The components of the revenues were \$473,488 in charges for services and \$9.8 million in operating and grant revenues. Total program expenses reflected an increase of \$2.1 million primarily due to increases in pension expense. The resulting change in net position for the year ended December 31, 2020 was \$57,046.

BUDGETARY HIGHLIGHTS

The total of unrestricted fund budgeted revenues was \$5.6 million with actual revenues reported at \$6.2 million. The total of restricted fund budgeted revenues was \$4.5 million with actual revenues reported at \$4.2 million. Total unrestricted fund budgeted expenses were \$5.7 million with actual expenses reported at \$5.4 million. Total restricted fund budgeted expenses were \$4.0 million with actual expenses reported at \$3.7 million. Salaries and benefits accounted for a substantial portion of the budgeted and actual expenses for both unrestricted and restricted funds reflecting total actual expense reported at \$4.6 million and \$2.4 million respectively.

CAPITAL ASSETS

The investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2020 and 2019 was \$560,621 and \$598,224 respectively. The decrease in capital assets were primarily due to depreciation expense and adjustments to the accumulated depreciation accounts.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

This financial report is designed to provide a general overview of the Criminal District Court finances and to show the Criminal District Court accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Mr. Robert Kazik , Judicial Administrator
Criminal District Court For the Parish of Orleans
2700 Tulane Avenue Room 201
New Orleans, LA 70119
Phone (504) 658-9100



Luther Speight & Company
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Karen Herman, Chief Judge
Criminal District Court for the Parish of Orleans

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Criminal District Court for the Parish of Orleans (the Court) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Continued,

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1-5 and 33-34, schedule of proportionate share of the net pension liability and schedule of contributions and the related notes to required supplemental information on pages on pages 35 and 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Court's basic financial statements. The schedule of compensation, benefits, and other payments to agency head (the schedule) is presented to comply with the Act 706 of the 2014 Louisiana Legislative Session and is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Continued,

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Court's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2021, on our consideration of the Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Court's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Court's internal control over financial reporting and compliance.



Luther Speight & Company CPAs

New Orleans, Louisiana

September 15, 2021

BASIC FINANCIAL STATEMENTS

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020**

ASSETS

Cash and cash equivalents	\$ 5,611,204
Grants receivable	869,320
Furniture, fixtures and equipment	560,621
Deferred Outflows:	
Pension Related	<u>3,201,724</u>
Total Assets and Deferred Outflows	<u><u>10,242,869</u></u>

LIABILITIES

Accounts Payable	125,107
Benefits Payable	589,441
Compensated Absences	174,396
Due to other governments	759,532
Net Pension Liability	15,373,306
Deferred Inflows:	
Pension Related	<u>150,459</u>
Total Liabilities and Deferred Inflows	<u><u>17,172,241</u></u>

NET POSITION

Investment in Capital Assets	560,621
Restricted Net Position	<u>4,832,048</u>
Total Restricted Net Position	<u><u>5,392,669</u></u>
Unrestricted Net Position	(12,322,041)
TOTAL NET POSITION	<u><u>\$ (6,929,372)</u></u>

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

		Program Revenues			
	Expenses	Charges for Services	Grants & Intergovernmental Support	Net (Expenses)/Revenues	
Governmental activities:					
General government	\$ 11,099,586	\$ 473,488	\$ 9,797,845	\$ (828,253)	
Total governmental activities:				(828,253)	
General revenues:					
Interest income				23,901	
Other income				861,398	
Total general revenues				885,299	
Changes in net position				57,046	
Net position - beginning				(6,357,886)	
Net position adjustment				(628,532)	
Net position - ending				\$ (6,929,372)	

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2020**

	Unrestricted Fund	Restricted Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,737,129	\$ 2,874,075	\$ 5,611,204
Grants receivable	317,949	551,371	869,320
Due from other funds	2,171,526	-	2,171,526
Total Assets	<u>5,226,604</u>	<u>3,425,446</u>	<u>8,652,050</u>
LIABILITIES			
Accounts Payables	68,452	56,655	125,107
Benefits Payable	589,441	-	589,441
Due to other governments	759,532	-	759,532
Due to other funds	-	2,171,526	2,171,526
Total Liabilities	<u>1,417,425</u>	<u>2,228,181</u>	<u>3,645,606</u>
FUND BALANCE			
Assigned:			
Restricted Funds	-	1,197,265	1,197,265
Total Assigned Fund Balances	<u>-</u>	<u>1,197,265</u>	<u>1,197,265</u>
Unassigned:			
General Fund	3,809,179	-	3,809,179
Total Fund Balances	<u>3,809,179</u>	<u>1,197,265</u>	<u>5,006,444</u>
Total Liabilities and Fund Balances	<u>\$ 5,226,604</u>	<u>\$ 3,425,446</u>	<u>\$ 8,652,050</u>

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

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Unrestricted Fund	Restricted Fund	Total Governmental Funds
Revenues			
Charges for Services	\$ 106,331	\$ 367,157	\$ 473,488
Grants and Intergovernmental Funds	5,941,694	3,856,151	9,797,845
Interest	15,815	8,086	23,901
Total Revenues	<u>6,063,840</u>	<u>4,231,394</u>	<u>10,295,234</u>
Expenditures			
Salaries	3,401,845	1,727,439	5,129,284
Fringe Benefits	1,277,346	747,469	2,024,815
Travel-Transportation	492	503	995
Travel-Lodging	-	870	870
Travel-Per Diem	649	2,344	2,993
Conference Registration	2,389	7,560	9,949
Meetings - Internal/Local	5,417	-	5,417
Ceremonies	1,001	-	1,001
Office Supplies	45,589	3,355	48,944
Cleaning Supplies	83	-	83
Bottle Water	900	2,541	3,441
Jury Expenses	-	23,623	23,623
Telephone	35,625	4,979	40,604
Postage	3,132	6,851	9,983
Pest Control	214	90	304
Dues and Subscriptions	7,677	-	7,677
Paper Supplies	8,892	3,441	12,333
Advertising	3,864	-	3,864
Building Maintenance & Repairs	38,192	1,435	39,627
Cleaning Services	70	800	870
Capital Outlay	180,536	270	180,806
Equipment Maint & Repairs	1,120	11,330	12,450
Lease Payment	11,376	246,556	257,932
Equipment Rentals	3,920	-	3,920
Professional & Contractual	64,507	857,030	921,537
Coffee	541	1,937	2,478
Drug Testing Supplies	77,892	-	77,892
Law Books	74,262	-	74,262
Miscellaneous	1,196	8,114	9,310
Insurance - Professional Liability	73,716	-	73,716
COVID-19 Expenses	99,149	847	99,996
Total Expenditures	<u>5,421,592</u>	<u>3,659,384</u>	<u>9,080,976</u>
Net Change in Fund Balances	<u>642,248</u>	<u>572,010</u>	<u>1,214,258</u>
Fund Transfers (In/(Out))	384,146	(384,146)	-
Fund Balance Beginning of Year	3,411,317	1,009,401	4,420,718
Fund Balance Adjustments	(628,532)	-	(628,532)
Fund Balance End of Year	<u>\$ 3,809,179</u>	<u>\$ 1,197,265</u>	<u>\$ 5,006,444</u>

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNATAL FUNDS TO THE STATEMENT OF
ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Total Governmental Fund Balance \$ 5,006,444

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

Deferred Outflows - Pension Related 3,201,724

Capital assets used in the governmental activities are
not financial resources and therefore are not reported
in the funds. 560,621

*Long-term liabilities are not due and payable in the current
period and therefore are not reported in Governmental
Fund Balance Sheet*

Net Pension Liability (15,373,306)

Compensated absences liability (174,396)

Deferred Inflows - Pension related (150,459)

Net Position of Governmental Activities \$ (6,929,372)

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
RECONCILIATION OF CHANGE IN GOVERNMENTAL FUND BALANCE AND
CHANGE IN GOVERNMENTAL NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balances - total governmental funds \$ 1,214,258
(fund financial statements)

Amount reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures in the
individual fund.

Governmental activities report depreciation expense to allocate
the cost of those capital assets over the estimated
estimated useful lives of the asset.

Depreciation expense	51,479	
Capital outlay	(13,876)	37,603

Long-term liabilities do not require the use of current financial
resources and therefore are not reported as expenditures
in the Governmental Funds.

Change in compensated absence expense		15,130
Non-employer contributions to cost sharing pension plan		861,398
Pension expense		(2,018,609)
Other adjustments		(52,734)
Change in net position of governmental activities		\$ 57,046

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

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
AS OF DECEMBER 31, 2020

ASSETS

Cash and cash equivalents	\$ 727,699
Accounts receivable	7,492
Due from defendants	1,300
Total Assets	<u>736,491</u>

LIABILITIES

Accounts payable	8,991
Due to victims	727,500
Total Liabilities	<u>\$ 736,491</u>

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF CHANGES IN FIDUCIARY FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020**

ADDITIONS:

Deposits on behalf of Victims	\$ 247,482
Other adjustments	37,312
Total Additions	<u>284,794</u>

DEDUCTIONS:

Disbursements to Victims	266,943
Other adjustments	31,567
Total Deductions	<u>298,510</u>
Change in Fiduciary Fund Balance	<u>(13,716)</u>

FIDUCIARY FUND BALANCE:

Beginning of Year	729,643
Fund Balance Adjustments	11,573
Ending of Year	<u>\$ 727,500</u>

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

NOTES TO FINANCIAL STATEMENTS

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Louisiana Revised Statute 13:1335 established the Criminal District Court for the Parish of Orleans (Criminal Court). The Criminal Court is composed of judges serving six-year terms. The Criminal Court has exclusive jurisdiction over the trial and punishment of all crimes, misdemeanors, and offenses committed within the Parish of Orleans. The Criminal Court has appellate jurisdiction for all cases tried before the Municipal Court of New Orleans and the Traffic Court of New Orleans.

In addition, Louisiana Revised Statute 13:1346 established the Magistrate Section of the Criminal District Court for the Parish of Orleans. The Magistrate Section is composed of one elected judge and four commissioners who are appointed by the judges sitting en banc, each serving six-year terms. The Magistrate Section has jurisdiction to act as committing magistrate in felony and misdemeanor charges and to hold preliminary examinations, with the authority to bail or discharge, or to hold for trial, in all cases before the Criminal District Court for the Parish of Orleans.

The Criminal District Court for the Parish of Orleans includes all funds that are controlled by the judges en banc as independently elected officials with oversight responsibility. Oversight responsibility is determined on the basis of the following criteria:

1. Appointment of governing boards
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public service

A. FUND ACCOUNTING

The accounts of the Criminal Court are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the general purpose financial statements are described as follows:

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Continued,

GOVERNMENTAL FUNDS

Unrestricted Fund

The General Fund is the general operating fund of the Criminal Court. It accounts for all financial resources, except those that are required to be accounted for in other funds.

Restricted Fund

Grant Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In addition, the Board of Jury Commissioners is reported as a specific program within the Restricted Fund.

FIDUCIARY FUNDS

Probation Assessment, Restitution and Court Cost Agency Funds

The Probation Assessment, Restitution and Court Cost Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

B. Basic Financial Statements – Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). All of the judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net positions are reported in three parts 1.) invested in capital assets, net of related debt; 2.) restricted net position; and 3.) unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities. These functions are also supported by general government revenues (interest earned and other miscellaneous revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and grants.

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The net costs (by function) are normally covered by general revenue (interest earned, etc.). This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

FUND FINANCIAL STATEMENTS

The financial transactions are reported within individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund balance, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The governmental fund type is the only type reported. The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

C. Measurement Focus and Basis of Accounting

Accrual Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenue, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Program revenue included in the Statement of Activities is derived directly from the program itself and reduce the cost of the function to be financed from the general revenues.

Modified Accrual Basis of Accounting

The fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period or within 60 days after year-end. Expenditures are generally recorded when the related fund liability is incurred. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses). Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

D. Budgets

The Criminal District Court adopts an annual budget for the Unrestricted Fund and the Restricted Funds on a modified accrual basis of accounting. The original proposed budget is made available for public inspection and adopted no later than December of the previous year.

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E. SALARIES, OFFICE SUPPLIES AND TRAVEL OF JUDGES

Salaries, office supplies, and travel of the judges that are paid directly by warrants drawn on the Louisiana Supreme Court are not included in the expenditures on the accompanying financial statements.

F. COMPENSATED ABSENCES

Employees of the Criminal District Court for the Parish of Orleans and the Board of Jury Commissioners earn from one to four weeks of vacation leave each year, depending upon their years of service. This vacation leave does not accumulate or vest. Sick leave is not earned, but is granted as needed. Paternity leave is granted for up to five days paid. Additionally, maternity leave is provided for as follows:

Number of weeks absent	Percent of compensation paid
6 or less	100%
7	75%
8	50%
9	25%
10 or more	0%

The liability for unused vacation leave payable at December 31, 2020 was \$174,396.

G. RISK MANAGEMENT

The Criminal District Court for the Parish of Orleans participates in an insurance risk pool sponsored by the State of Louisiana, Office of Risk Management. Annual premiums are paid to the Office of Risk Management to obtain coverage for comprehensive general liability, worker's compensation, faithful performance blanket bond, building and property, automobile liability, automobile physical damage, crime and miscellaneous tort. Premiums are based on two factors: The exposure of the agency to various kinds of claims, and the amount of those claims. Additionally, the risk pool through commercial insurance carriers provides excess coverage.

H. NET POSITION AND FUND BALANCE ADJUSTMENTS

The Court did not record certain audit adjustments from prior year audits. As a result the Court recorded net position and fund balance adjustments to properly reflect the respective ending balances.

I. TOTAL COLUMNS OF GENERAL PURPOSE FINANCIAL STATEMENTS

The total columns on the general-purpose financial statements are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
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J. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. INCOME TAXES

Criminal Court is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

NOTE 2: CHANGES IN CAPITAL ASSET BALANCES

A summary of changes in property and equipment is detailed below:

CAPITAL ASSET ACTIVITY	<u>Amounts</u>
Net Fixed Asset beginning balance January 1, 2020	\$598,224
Additions	13,876
Disposals	<u>-</u>
Subtotal	<u>612,100</u>
Less: Current year depreciation	<u>(51,479)</u>
Ending balance, December 31, 2020	<u>\$560,621</u>

Depreciation expense is computed on a straight-line basis and is recorded at \$51,479 for the year ended December 31, 2020.

NOTE 3: SUBSEQUENT EVENTS

In December 2020, an outbreak of a novel strain of coronavirus (COVID-19) spread across multiple countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the United States have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions in operations and ability for employees to perform their job functions. Subsequent events have been evaluated through September 15, 2021 and advised us that no other reportable matters existed.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
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NOTE 4: LEASES

The Criminal District Court for the Parish of Orleans records items under capital leases as assets and obligations in the accompanying financial statements. Capital leases at December 31, 2020, consist of office equipment such as copiers, which are included in the fixed assets. No additional leases were acquired in the year 2020. The lease agreements provide for renewal and purchase options at the end of the lease term. The Court exercised its purchase option on capital leases at the end of the lease term. Accordingly, there were no future minimum lease payments due.

NOTE 5: CHANGES IN DUE TO VICTIM CASH BALANCE

A summary of changes in amounts Due to Victims cash balance are as follows:

ADDITIONS:

Deposits on behalf of Victims	\$ 247,482
Other adjustments	37,312
Total Additions	<u>\$ 284,794</u>

DEDUCTIONS:

Disbursements to Victims	266,943
Other adjustments	31,567
Total Deductions	<u>298,510</u>
Change in Fiduciary Fund Balance	<u>(13,716)</u>

FIDUCIARY FUND BALANCE:

Beginning of Year	729,643
Fund Balance Adjustments	11,573
Ending of Year	<u><u>\$ 727,500</u></u>

NOTE 7: COLLATERALIZATION OF DEPOSITS

At December 31, 2020, the Criminal Court had cash balances totaling \$5,611,204. These deposits were secured from risk by federal deposit insurance at two financial institutions. Balances in excess of FDIC insurance limits were collateralized by the depository institution with pledged securities of the respective depository institutions. The pledged securities are held by the depository institution, in the name of the Criminal District Court.

NOTE 8: PROBATION ASSESSMENT, RESTITUTION AND COURT COST

The Probation Assessment and Restitution Fund accounts for the amount a defendant is ordered to pay at the discretion of the court when the court has suspended the imposition or execution of a sentence and has placed the defendant on probation. Payments are made to victims for restitution of their losses as ordered by the court. Probation assessments are paid upon collection to the Criminal District Court for Orleans Parish as provided by Louisiana Revised Statute 15:571.11 (D). The Court Cost Fund collects all costs assessed against defendant pursuant to Louisiana Revised Statute 13:1377 (B) effective September 1, 1991. Payments are distributed monthly to other agencies, which participate in the amount of court costs assessed.

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NOTE 9: PENSIONS

During the prior years the Court adopted the requirements of GASB Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68*. Substantially all of the employees of the Court participate in the Louisiana State Employees' Retirement System (LASERS or the System). The Plan is a cost-sharing multiple-employer defined benefit pension plan established by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) to provide retirement allowances and other benefits to eligible state officers, employees, and their beneficiaries.

A. Plan Description

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

1. Retirement Benefits

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

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

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The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with 12 years of creditable service at age 55, 25 years of creditable service at any age, or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

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

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

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

2. Deferred Benefits

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

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

3. Disability Benefits

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

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

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4. Survivor's Benefits

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

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

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

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

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

The Experience Account Reserve is used to fund permanent benefit increases for retirees. The benefit increase granted must be funded at 100% of the actuarial cost. The account accumulates 50% of the excess investment gain relative to the actuarial valuation rate of 7.60% after such excess return exceeded \$100,000,000 (indexed to positive changes in the actuarial value of assets beginning June 30, 2015).

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If the System is at least 80% funded, the balance of the Experience Account maintains a reserve for two permanent benefit increases. However, if the System is less than 80% funded, the reserve is restricted to one permanent benefit increase, based on the current allowable percentage granted for the permanent benefit increase. Excess investment gains that would have otherwise gone to the Experience Account, if not for the restrictions, will be applied to the System's net pension liability. Beginning June 30, 2016, allocations to the Experience Account will be amortized over ten years. At June 30, 2020 and 2019, the balance of the Experience Account Reserve was \$12,289,990 and \$11,824,506, respectively.

B. Optional Retirement Plan

In 1999, an Optional Retirement Plan (ORP) was established as a defined contribution component of LASERS for certain unclassified employees who otherwise would have been eligible to become members of the defined benefit plan. The ORP provides portability of assets and full and immediate vesting of all contributions submitted on behalf of members. The ORP is administered by a third-party provider with oversight from LASERS Board of Trustees. Monthly employer and employee contributions are invested as directed by the member to provide the member with future retirement benefits. The amount of these benefits is entirely dependent upon the total contributions and investment returns accumulated during the member's working lifetime. ORP balances are held by the provider in each participant's name. These balances are included in LASERS total investments on the Statements of Fiduciary Net Position. The ORP was closed to new members on December 7, 2007. However, members in the ORP as of December 31, 2007 were granted the option by Act 718 of the 2012 Louisiana Regular Legislative Session to regain membership in the defined benefit plan.

At June 30, 2020, and 2019, membership consisted of:

	<u>2020</u>	<u>2019</u>
Number of Members	45	48
Employee Contributions	\$75,086	\$82,173
Employer Contributions	\$399,671	\$407,439

The ORP Reserve consists of reserves for all members who elected to participate in the ORP, and is credited with contributions made by the employee and the normal employer matching contributions for services rendered. When a member terminates his service, or upon his death before qualifying for a benefit, the refund of his contributions is made from this reserve. Also, when a member retires, his benefits are paid from this reserve. The balance of the ORP Reserve as of June 30, 2020 and 2019 was \$5,420,453 and \$5,500,164, respectively.

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C. Contributions

1. Member Contributions

Member contribution rates for the System are established by La. R.S. 11:62. Member contributions are deducted from a member's salary and remitted to the System by participating employers. If a member leaves covered employment or dies before any benefits become payable on their behalf, the accumulated contributions may be refunded to the member or their designated beneficiary. Similarly, accumulated contributions in excess of any benefits paid to members or their survivors are refunded to the member's beneficiaries or their estates upon cessation of any survivor's benefits.

2. Employer Contributions

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership.

The member and employer rates in effect during the years ended June 30, 2020 for the various plans are as follows:

Plan	Plan Status	Employer Contribution Rate	Employee Rate
Judges hired before 1/1/2011	Closed	42.40%	11.50%
Judges hired after 12/31/2010	Closed	42.00%	13.00%
Judges hired on or after 7/1/2015	Open	42.00%	13.00%
Optional Retirement Plan (ORP) before 7/1/2006	Closed	40.70%	7.50%
Optional Retirement Plan (ORP) on or after 7/1/2006	Closed	40.70%	8.00%
Regular employees hired before 7/1/2006	Closed	40.70%	7.50%
Regular employees hired on or after 7/1/2006	Closed	40.70%	8.00%
Regular employees hired on or after 1/1/2011	Closed	40.70%	8.00%
Regular employees hired on or after 7/1/2015	Open	40.70%	8.00%

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For the year ended June 30, 2020 the Court reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ (150,459)
Changes in assumptions	50,129	-
Net difference between projected and actual earnings on pension plan investments	2,290,197	-
Employer contributions subsequent to the measurement date	<u>861,398</u>	<u>\$ (150,459)</u>
	<u>\$ 3,201,724</u>	<u>\$ (150,459)</u>

The deferred outflows related to employer contributions subsequent to the measurement date reported at \$861,398 will be recognized as a reduction of the net pension liability in the Court's fiscal year ended December 31, 2020 financial statements.

Other amounts reported as deferred outflows of resources and deferred inflows of resources, including the remaining Plan's amortization, related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount of Amortization</u>
2021	\$ 291,676
2022	660,449
2023	707,729
2024	<u>530,003</u>
	<u>\$ 2,189,867</u>

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D. Schedule of Employer Allocations

The schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required projected employer contributions are the basis used to determine the proportionate relationship of each employer to all employers of Louisiana State Employees' Retirement System. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for 2020 as compared to the total of all employers' projected contribution effort to the plan for 2020.

The employers' projected contribution effort was calculated by multiplying the eligible base compensation of active members in the System on June 30, 2020 by 2020 employers' actuarially required contribution rates. Generally, eligible base compensation was based on the reported base salary from each employer's July contribution report multiplied by twelve. For active members who did not have a July 2020 contribution report or where the July base salary was greater than 115% of the prior fiscal year's annualized earnings, the annualized earnings for the prior fiscal year were used. Annualized earnings are derived using the total earnings for the prior fiscal year and dividing by the portion of the year for which the member was employed by the employer. The portion of the year employed is determined by dividing the actual days employed in the fiscal year by the days in the fiscal year.

E. Actuarial Methods and Assumptions

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

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A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2020 are as follows:

Valuation Date	6/30/2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	2 Years
Rate of Investment Return	7.55%
Inflation Rate	2.3%
Mortality	<p>Non-disabled members - The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>
Termination, Disability and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members for 2019.

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Salary Increases

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

Member Type	Lower Range	Upper Range
Regular	3.0%	12.8%
Judges	2.6%	5.1%

F. 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.

G. Long-Term Expected Rate of Return

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

Expected Long Term Real Rates of Return

Asset Class	2020
Cash	-.59%
Domestic Equity	4.79%
International Equity	5.83%
Domestic Fixed Income	1.76%
International Fixed Income	3.98%
Alternative Investments	6.69%
Risk Parity	4.20%
Total Fund	5.81%

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H. Discount Rate

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

I. Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.55%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	Changes in Discount Rate		
	1% Decrease	Current	1% Increase
	-6.55%	-7.55%	-8.55%
2020 Net pension liability	\$ 19,252,156	\$ 15,666,878	\$ 12,624,375

J. Change in Net Pension Liability

The changes in the net pension liability for the year ended December 31, 2020 were recognized as pension expense or benefit in the current reporting period except as follows:

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources in the amount of (\$150,459) for the year ended December 31, 2020.

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings on pension plan investments were recognize in pension expense using the straight-line amortization method over a closed five year period. The difference between projected and actual investment earnings resulted in a net deferred outflow of resources as of December 31, 2020 of \$2,290,197.

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Changes in Actuarial Assumptions

Changes in actuarial assumptions related to inflation and salary factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes in actuarial assumptions resulted in a deferred outflow of resources as of December 31, 2020 of \$50,129.

K. Contributions – Proportionate Share/Change in Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date are recognized in employer's pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the Schedule of Pension Amounts by Employer.

NOTE 10: FINES AND FEES RESTRICTIONS

During 2020, a federal appeals court ruled that certain fines and fees assessed and collected by the Court represented a conflict of interests and were accordingly unconstitutional. In anticipation of a final ruling, the Court restricted the bond fees in question that were collected by setting the funds aside in a restricted bank account. These funds are segregated in a separate bank account and are not disbursed for any operations of the Court. As of December 31, 2020, the account reflected a balance of \$759,532. This balance is also recorded on the Court's financial statements as Due to Other Government consistent with the enacted State legislation.

REQUIRED SUPPLEMENTARY INFORMATION

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
BUDGET COMPARISON SCHEDULE - UNRESTRICTED FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Unrestricted Budget	Unrestricted Actual	Difference
Revenues			
Charges for Services	\$ 115,000	106,331	8,669
Grants and Intergovernmental Funds	5,575,715	5,941,694	(365,979)
Interest	10,300	15,815	(5,515)
Total Revenues	5,701,015	6,063,840	(362,825)
EXPENDITURES			
Salaries & Benefits	4,833,279	4,679,191	154,088
Professional & Contractual	209,236	64,507	144,729
Conferences & Legal Education	65,000	2,389	62,611
Travel	1,000	1,141	(141)
Internal Conference	8,000	5,417	2,583
Office Supplies	70,000	45,589	24,411
Law Books	90,000	74,262	15,738
Coffee & Water	4,000	1,441	2,559
Telecommunications	50,000	35,625	14,375
Postage	7,000	3,132	3,868
Dues Subscriptions	9,000	7,677	1,323
Paper Supplies & Printing	30,000	8,892	21,108
Building & Equipment Maintenance	76,000	39,312	36,688
Lease Payments	38,000	11,376	26,624
Equipment Rentals	5,000	3,920	1,080
Drug Testing Supplies	90,000	77,892	12,108
Ceremonies	2,000	1,001	999
Advertising	2,000	3,864	(1,864)
Cleaning Service & Supplies	1,000	153	847
Capital Outlay	-	180,536	(180,536)
Miscellaneous	-	1,410	(1,410)
Insurance - Professional Liability	110,500	73,716	36,784
COVID19 Expense	-	99,149	(99,149)
TOTAL EXPENDITURES	\$ 5,701,015	\$ 5,421,592	\$ 279,423

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

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
BUDGET COMPARISON SCHEDULE - RESTRICTED FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Restricted Budget</u>	<u>Restricted Actual</u>	<u>Difference</u>
Revenue	\$ 4,343,731	\$ 4,231,394	\$ 112,337
Expenditures			
Salaries and Related Benefits	2,200,000	2,474,908	(274,908)
Adult Learning Center	577,053	-	577,053
Travel	15,000	3,717	11,283
Conferences and Legal Ed.	25,000	7,560	17,440
Office Supplies	20,000	3,355	16,645
Bottle Water	12,000	2,541	9,459
Jury Expenses	389,478	23,623	365,855
Telephone	8,000	4,979	3,021
Postage	15,000	6,851	8,149
Pest Control	1,200	90	1,110
Dues and subscriptions	500	-	500
Paper Supplies	12,000	3,441	8,559
Advertising	1,000	-	1,000
Building Maintenance & Repairs	5,000	1,435	3,565
Cleaning Services	-	800	(800)
Capital Outlay	5,000	270	4,730
Equipment Maintenance/Repairs	500	11,330	(10,830)
Lease Payments	160,000	246,556	(86,556)
Professional & Contractual	810,000	857,030	(47,030)
Drug Testing Supplies	80,000	-	80,000
Coffee	7,000	1,937	5,063
Miscellaneous	-	8,114	(8,114)
COVID-19 Expenses	-	847	(847)
TOTAL EXPENDITURES	<u>\$ 4,343,731</u>	<u>\$ 3,659,384</u>	<u>\$ 684,347</u>

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

**CRIMINAL COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Criminal Court's Proportion of the Net Pension Liability	0.18943%	0.17472%	0.15407%	0.168810%	0.141830%	0.13801%
Criminal Court's Proportionate Share of the Net Pension Liability	\$ 14,805,480	\$ 12,658,095	\$ 10,507,121	\$ 11,882,248	\$ 11,137,196	\$ 9,386,491
Criminal Court's Covered-Employee Payroll	5,138,283	4,883,722	\$ 4,181,282	\$ 5,054,157	\$ 5,099,260	\$ 5,487,217
Criminal Court's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	288%	259%	251%	235%	218%	171%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	37.84%	50.23%	80.51%	64.79%	60.63%	27.52%

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

**CRIMINAL COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Contractually Required Contribution	\$ 1,593,197	\$ 1,414,457	\$ 1,123,873	1,019,192	1,140,453	1,002,859
<i>Contributions in Relation to the Contractually Required Contribution</i>	1,490,975	1,490,975	\$ 1,181,347	\$ 1,072,833	\$ 1,200,476	\$ 1,055,641
Contribution Deficiency/(Excess)	\$ 102,222	\$ (76,518)	\$ (57,474)	\$ (53,641)	\$ (60,023)	\$ (52,782)
Covered-Employee Payroll	\$ 5,138,283	\$ 4,833,722	\$ 4,181,282	\$ 5,054,157	\$ 5,099,260	\$ 5,487,217
Contributions a a Percentage of Covered-Employee Payroll	29.02%	30.85%	28.25%	21.23%	23.54%	19.24%

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

CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
Summary of Auditors' Results
For the Year Ended December 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

An unqualified opinion was issued on the financial statements of the auditee.

Internal control over financial reporting:

Material weakness (es) identified?	<u> X </u> yes	<u> </u> no
Significant deficiency(s) identified not considered to be material weaknesses?	<u> X </u> yes	<u> </u> no

Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no
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Federal Awards

Internal control over major programs:

Material weakness (es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(s) identified not considered to be material weaknesses?	<u> </u> yes	<u> X </u> no

An unqualified opinion was issued on compliance.

Any audit findings disclosed that are required to be Reported in accordance with <i>Uniform Guidance</i>	<u> </u> yes	<u> X </u> no
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The major program for the year ended December 31, 2020 was as follows:

- a. Temporary Assistance to Needy Families (TANF) - CFDA 93.558

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee did not qualify as a low-risk auditee.



Luther Speight & Company
Certified Public Accountants and Consultants

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 Honorable Karen Herman, Chief Judge
Criminal District Court for the Parish of Orleans

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Criminal District Court for the Parish of Orleans (the Court), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Court's basic financial statements and have issued our report thereon dated July 31, 2021.

Internal Control over Financial Reporting

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

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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-01 and 2020-03 to be material weaknesses.

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. We consider the deficiencies described in the accompany schedule of findings and questioned costs as items 2020-02 and 2020-04 to be significant deficiencies.

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Continued,

Compliance and Other Matters

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

Management's Response to Findings

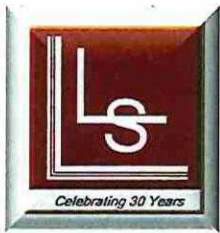
The Court's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Luther Speight & Company CPAs
New Orleans, Louisiana
September 15, 2021



Luther Speight & Company
Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE

To the Honorable Karen Herman, Chief Judge
Criminal District Court for the Parish of Orleans

Report on Compliance for Each Major Federal Program

We have audited the Criminal District Court for the Parish of Orleans' (the Court) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Court's major federal programs for the year ended December 31, 2020. The Court's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Court's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Court's compliance.

Opinion on Each Major Federal Program

In our opinion, the Court, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Continued,

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control over Compliance

Management of the Court is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Court's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Court's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Luther Speight & Company CPAs

New Orleans, Louisiana

September 15, 2021

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass through Grantor	CFDA No.	Name of Program	Grant No.	Name of Grant	Total Awards Expended
U.S. DEPARTMENT OF JUSTICE					
Direct	93.558	Supreme Court Drug Court	N/A	Temporary Assistance to Needy Families (TANF)	\$ 1,333,506
Passed through: State of Louisiana - Louisiana Commission on Law Enforcement and Administration					
Victim Assistance Program	16.738	Edward Byrne Memorial Justice Assistance Grant Program	2017-DJ-02-4649	Drug Court - Mental Health 9	5,175
Victim Assistance Program	16.575	VOCA via LCLE	2019-VA-02-5456	Domestic Violence Program 9	163,576
Passed through the City of New Orleans					
Office of Criminal Justice	16.738	Edward Byrne Memorial Justice Assistance Grant Program	2018-DJ-BX-0745	Comprehensive Law Enforcement Strategies	10,208
TOTAL					\$ 1,512,465

The accompanying notes are an integral part of this statement.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
DECEMBER 31, 2020**

NOTE 1 – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recorded when the related grant liability is incurred.

NOTE 2 – PRESENTATION

The accompanying schedule of expenditures of federal awards covers the fiscal year ended December 31, 2020.

NOTE 3 – INDIRECT COST RATE

The Court has not elected to use the ten percent (10%) indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – LOAN AND LOAN GUARANTEES

The Court did not expend federal awards related to loans or loan guarantees during the year ended December 31, 2020. The Court had no loans outstanding at the year ended December 31, 2020.

NOTE 5 – FEDERALLY FUNDED INSURANCE

The Court has no federally funded insurance.

NOTE 6 – NONCASH ASSISTANCE

The Court did not receive any federal noncash assistance for the year ended December 31, 2020

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FINDING #2020-01 AGING RESTITUTION FUNDS NOT RECONCILED AND
UNABLE TO BE DISBURSED TO UNLOCATED VICTIMS

CRITERIA:

Fiduciary fund accounting requires that financial resources held by governmental entities for other parties be properly accounted for and identified by the party that the funds are due to.

CONDITION:

As of December 31, 2020 the Court reported cash on hand that represented amounts “Due to Victims” totaling \$727,500. The Court maintains a computerized database that includes the funds that have been ordered by the Judges as “Due to Victims”. The software program was outdated and did not have adequate capabilities to allow for proper reconciliation of the cash on hand to the total of the amounts due to victims.

In addition, we noted many instances where the victim was specifically identified, however updated address information was unavailable for the victim. We also noted numerous amounts, which were due to victims that were not individually identified to a specific victim. Due to the limitations of the database reporting, we were unable to accurately quantify the applicable total.

CAUSE:

The software, procedures and controls in effect were not adequate to identify and record the victims related to each deposit ordered by the Court.

EFFECT:

Funds remain on deposit and significantly age without return to the intended victims or other proper disposition.

RECOMMENDATION:

We recommend that the Court develop and implement a plan to identify the intended disbursement of funds as provided by the orders of the Court or seek approval for alternative disposition from the proper authority.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

MANAGEMENT RESPONSE:

Orleans Parish Criminal District Court relies solely upon information from several agencies in identifying victims who are owed restitution. A large number of the unidentified defendants and funds have dated back over two decades and have been a challenge and nearly impossible to identify. The Court, on its own action, over the past several years has attempted and continues to actively locate victims in an effort to disburse any and all funds available and due. The Court has engaged the services of a research company to assist in identifying victims' current information therefore reducing the "Unidentified Victims List".

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FINDING #2020-02 TIMESHEETS NOT MAINTAINED FOR EMPLOYEES ASSIGNED TO SECTIONS OF COURT

CRITERIA:

Best practices related to payroll source documentation requires that governmental entities establish policies and procedures requiring employees to prepare detailed timesheets that document hours worked and leave time taken.

CONDITION:

The employees assigned to the various Sections of the Court did not prepare timesheets indicating their time and attendance. These employees work under the supervision of the respective Judges. We examined a sample of 40 payroll transactions during the audit and noted no timesheets were maintained.

CAUSE:

The Court did not have a policy that required timesheet preparation by employees assigned to the various Sections of Court.

EFFECT:

Time and attendance documentation for the employees assigned to the various Sections of Court is not adequate to fully document human resource maintenance reporting.

RECOMMENDATION:

We recommend that the Court implement policies requiring timesheet preparation and approval for all employees assigned to the Sections of Court.

MANAGEMENT'S RESPONSE:

At the end of each month, Orleans Parish Criminal District Court submits the required documentation to the Louisiana Supreme Court certifying that all of its employees have worked the requisite hours.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FINDING #2020-03 CONTROLS OVER CAPITAL ASSET INVENTORY NOT ADEQUATE

CRITERIA:

Best practices related to internal controls over capital assets include maintaining a capital asset subsidiary ledger that is an integrated part of the financial management system. Proper controls over capital assets should also include periodic physical inventory to assure the accuracy and completeness of the reports.

CONDITION:

The Court implemented a new general ledger software program during 2018, however the capital asset module was not implemented. We were provided capital asset subsidiary records, however the Court did not perform a capital asset inventory to determine the accuracy and completeness of the inventory reports.

CAUSE:

The Court had not completed its implementation of the financial management software to include the capital asset module. The Court's administrative procedures did not include periodic physical inventory of capital assets.

EFFECT:

Capital asset balances and the related accumulated depreciation balances did not roll-forward from year-to-year without the need for adjustments. The accuracy and existence of movable capital assets were not adequately confirmed.

RECOMMENDATION:

We recommend that the Court update its accounting software to include a capital asset module. The Court's administrative procedures should include periodic physical inventory of capital assets and proper adjustments to the inventory reports.

MANAGEMENT'S RESPONSE:

The Court purchased a new accounting system which will include a capital asset module. We are currently working with the vendor to transition our current data over to the new system. The installment and implementation will allow proper adjustments to the inventory reports upon conclusion of periodic physical inventory procedures.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FINDING NO. 2020-04: IMPROPER BANK RECONCILIATION PROCEDURES

CRITERIA:

Generally accepted accounting principles and accounting best practices require that bank reconciliations be performed monthly for all cash accounts. Proper bank reconciliation preparation requires outstanding transactions to be researched and resolved on a timely basis.

CONDITION:

During our review of the entity's bank reconciliations, we noted the Juror's Fund account included in excess of 200 checks for relatively small amounts that remained outstanding in excess of one (1) year.

CAUSE:

The entity's bank reconciliation procedures did not provide for adequate review, research and resolution of aged outstanding transactions.

EFFECT:

The financial statement balances may be misstated as a result of adjustments required to resolve the aged outstanding checks. In addition, the high volume of aged outstanding checks increases the risk of errors in monthly bank reconciliation.

RECOMMENDATION:

We recommend that the entity research and resolve bank reconciling items that have not cleared on a timely basis.

MANAGEMENT RESPONSE:

The Court will void all checks that have aged more than 90 days.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
 UPDATE OF PRIOR YEAR FINDINGS
 FOR THE YEAR ENDED DECEMBER 31, 2020**

Finding #	Description	Resolved/Unresolved
2019-01	Aging Restitution Funds Not Reconciled and Unable to be Disbursed to Unlocated Victims	Unresolved
2019-02	Timesheets Not Maintained for Employees Assigned to Sections of Court	Unresolved
2019-03	Controls Over Capital Asset Inventory Not Adequate	Unresolved
2019-04	Improper Bank Reconciliation Procedures	Unresolved

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2020**

Purpose	Judge White	Judge Flemings-Daviller	Judge Willard	Judge Bonin	Judge Landrum-Johnson	Judge Pittman	Judge Williams	Judge Buras	Judge Herman	Judge Derbigny	Judge Hunter	Judge Ziblich	Judge Cantrell
Salary	\$ 154,646	\$ 154,646	\$ 154,646	\$ 154,646	\$ 83,885	\$ 154,646	\$ 18,043	\$ 154,645	\$ 154,646	\$ 154,655	\$ 13,081	\$ 154,646	\$ 154,646
Benefits- Medical	6,415	11,717	11,717	6,666	2,706	11,717	-	11,717	12,192	8,415	20,410	6,669	8,415
Benefits - Life (OGB)	-	-	-	-	-	-	39	276	-	575	-	-	-
Benefits- Retirement	54,338	65,647	65,647	65,647	35,574	65,647	16,240	65,647	65,647	65,647	5,546	66,194	65,647
Benefits-Liability Ins.	11,451	4,415	3,271	3,270	3,270	10,519	-	8,383	3,270	14,421	-	3,270	10,747
Medicare	2,213	2,135	2,135	2,210	1,203	2,121	261	2,095	2,130	2,164	180	2,210	2,211
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
Car Allowance	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-
Registration Fees & Continuing Education Travel	1,065	225	932	-	-	225	-	475	225	-	-	-	279
Cell Phones	2,767	625	-	531	596	1,176	-	440	526	1,487	-	570	2,419
Special Meals	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues	655	1,175	-	410	395	665	-	100	300	220	-	305	155
	\$ 233,549	\$ 240,585	\$ 238,348	\$ 233,382	\$ 127,630	\$ 246,716	\$ 34,582	\$ 243,779	\$ 238,927	\$ 245,584	\$ 39,218	\$ 233,863	\$ 242,519

Judge are elected officials and are employees of the Louisiana Supreme Court. The salaries and benefits reported on this schedule are paid directly by the Louisiana Supreme Court.

**CRIMINAL DISTRICT COURT FOR THE PARISH OF ORLEANS
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY - CASH BASIS PRESENTATION
FOR THE YEAR ENDED DECEMBER 31, 2020**

	First Six Month Period Ended 06/30/20	Second Six Month Period Ended 12/31/20
Beginning Balance of Amounts Collected	-	230,059
Add: Collections		
Orleans Parish Criminal Court - Indigent Transcript	-	-
Orleans Parish Criminal Court - Fines	10,179	3,355
Orleans Parish Criminal Court - OPD	3,163	3,907
Orleans Parish Criminal Court - MJEF	5,253	3,121
Orleans Parish Criminal Court - Drug Testing	48,970	29,911
Orleans Parish Criminal Court - Court Cost	12,960	9,735
Orleans Parish Criminal Court - Intensive Probation	10,682	5,509
Orleans Parish Criminal Court - Restitution	1,375	1,040
Orleans Parish Criminal Court - Judicial Expense	152,411	78,223
Orleans Parish Criminal Court	508	226
Subtotal Collections	245,501	135,027
Less: Disbursements To Governments & Nonprofits:		
Orleans Parish Criminal Court - OPD	5,040	3,011
Orleans Parish Criminal Court - Court Justice Fund	47	20
Orleans Parish Criminal Court - LCLE-DATF	1,861	746
Orleans Parish Criminal Court - LCLE-Law Enforcement	197	83
Orleans Parish Criminal Court - LCLE-Victim Reparation	2,699	1,352
Orleans Parish Criminal Court - Crime Stopper	195	83
Orleans Parish Criminal Court - Clerk's Office	978	442
Orleans Parish Criminal Court - District Attorney	1,931	915
Orleans Parish Criminal Court - Sheriff	1,256	882
Orleans Parish Criminal Court - Coroner's Office	951	432
Orleans Parish Criminal Court - Supreme Court	287	124
Less: Amounts Retained by Collecting Agency	-	-
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies	-	-
Subtotal Disbursements/Retainage	15,442	8,090
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	230,059	356,996
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period	-	-

See independent auditor's report