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**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**FOR THE PARISH OF JEFFERSON, LOUISIANA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
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**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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## **INDEPENDENT AUDITORS' REPORT**

To the Honorable Rebecca M. Olivier, Judge, Division "A"  
To the Honorable John J. Lee, Jr., Judge, Division "B"  
First Parish Court for the Parish of Jefferson  
Metairie, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and the major fund of the First Parish Court Judicial Expense Fund (the Fund) of the Parish of Jefferson, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise of the Fund'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.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk 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 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the First Parish Court Judicial Expense Fund, 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 3 through 8 and 21, respectively, 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 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 purposes of forming opinions on the financial statements that collectively comprise the Fund's basic financial statements. The schedule of compensation, benefits, and other payments to agency heads and the judicial system funding schedule on pages 22 and 23 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund'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 Fund's internal control over financial reporting and compliance.

*Postlethwaite & Netterville*

Metairie, Louisiana  
June 29, 2021

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

The Management's Discussion and Analysis (MD&A) of the First Parish Court Judicial Expense Fund's (the Fund) annual financial report provides important background information and management's analysis of the Fund's financial performance during the fiscal year that ended on December 31, 2020. Please read this section in conjunction with the basic financial statements and the notes to the basic financial statements beginning on page 15 of this report.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Codification. Certain comparative information between the current year (2020) and the prior year (2019) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

The total government-wide assets of the Fund at the close of 2020 and 2019 were \$798,432 and \$780,996, respectively, representing an increase of \$17,436 in 2020. Of the total assets amounts, \$53,014 and \$64,129 respectively, were invested in capital assets. The remainder is considered unrestricted and may be used for any lawful purpose.

Total government-wide expenses of the Fund's programs in 2020 and 2019 were \$193,705 and \$211,104, respectively, representing a decrease of \$17,399. Total government-wide revenues in 2020 and 2019 were \$200,770 and \$273,393, respectively, representing a decrease of \$72,623. The unrestricted net position in 2020 and 2019 was \$729,606 and \$711,426, respectively representing an increase of \$18,180 in 2020.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and supplementary information. The basic financial statements include two kinds of statements that present different views of the Fund:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Fund's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the Fund's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services were financed in the short-term, as well as what remains for future spending.

The financial statements also include notes that further explain the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Fund's financial statements, including the portion of the Fund's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

**Figure A-1**

	<b>Government-wide Statements</b>	<b>Governmental Funds</b>
Scope	Entire Judicial Expense Fund	The activities of the Fund
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments is due during the year or soon thereafter

**Government-wide Statements**

The government-wide statements report information about the Fund as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Fund's net position and change in net position. Net position – the difference between the Fund's assets and liabilities – is one way to measure the Fund's financial health, or position.

- Over time, increases or decreases in the Fund's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the Fund include:

Governmental activities – most of the Fund's basic services are included here, such as operating activities. Fund fees, fines and charges finance most of these activities.

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

**Fund Financial Statements**

The fund financial statements provide more detailed information about the Fund's most significant funds – not the Fund as a whole. Funds are accounting devices that the Fund uses to keep track of specific sources of funding and spending for particular purposes.

The Fund has only one fund type as described below:

- Governmental fund – Most of the Fund's basic services are included in the governmental fund, which focuses on (1) cash and other financial assets that are readily converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spend in the near future to finance the Fund's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the subsequent page of each statement that explains the relationship (or differences) between them.

**FINANCIAL ANALYSIS OF THE FUND AS A WHOLE**

**Governmental Activities**

**Net Position.** A summary of the Fund's Statements of Net Position is presented in the table below:

**Table A-1**  
**Governmental Activities**

	<u>2020</u>		<u>2019</u>		<u>Change</u>
Current assets	\$ 745,418	\$	716,867	\$	28,551
Noncurrent assets:					
Capital assets-net	<u>53,014</u>		<u>64,129</u>		<u>(11,115)</u>
Total Assets	<u>798,432</u>		<u>780,996</u>		<u>17,436</u>
Current liabilities	<u>15,812</u>		<u>5,441</u>		<u>10,371</u>
Total liabilities	<u>15,812</u>		<u>5,441</u>		<u>10,371</u>
Net position:					
Net invested in capital assets	53,014		64,129		(11,115)
Unrestricted	<u>729,606</u>		<u>711,426</u>		<u>18,180</u>
Total net position	\$ <u><u>782,620</u></u>	\$	\$ <u><u>775,555</u></u>	\$	\$ <u><u>7,065</u></u>

The Fund's current assets increased \$28,551 to \$745,418 in fiscal year 2020, from \$716,867 at the end of fiscal year 2019. The change in current assets is primarily due to the increase in cash and cash equivalents. The Fund's net position increased \$7,065 to \$782,620 in fiscal year 2020, from \$775,555 at the end of fiscal year 2019. The change in net position is primarily due to the results of 2020 operations described in more detail on the following page.

Capital assets decreased by \$11,115 during the current fiscal period. The decrease is due to depreciation expense. Note 3 to the financial statements summarizes activity in capital assets during the year.

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

**Governmental Activities**

**Changes in net position.** A summary of the Fund's Statements of Activities is presented in the table below:

**Table A-2**  
**Changes in Net Position**

For the years ended December 31,	<u>2020</u>	<u>2019</u>	<u>Change</u>
<b>Revenues</b>			
Program Revenues:			
Charges for services	\$ 184,965	\$ 273,393	\$ (88,428)
Grants and contributions	10,800	-	10,800
General revenues	<u>5,005</u>	<u>-</u>	<u>5,005</u>
Total revenues	200,770	273,393	(72,623)
<b>Expenses</b>			
Governmental activities	<u>193,705</u>	<u>211,104</u>	<u>(17,399)</u>
<b>Increase (decrease) in net position</b>	7,065	62,289	(55,224)
Total net position, beginning of year	<u>775,555</u>	<u>713,266</u>	<u>62,289</u>
Total net position, end of year	\$ <u><u>782,620</u></u>	\$ <u><u>775,555</u></u>	\$ <u><u>7,065</u></u>

The Fund's revenues decreased \$72,623 to \$200,770 in 2020 compared to 2019, due to a decrease in court fees, fines, and forfeitures of \$88,428, primarily caused from the negative impacts of the Covid-19 pandemic as described in Note 5 of the financial statements. The Fund's expenses decreased \$17,399 to \$193,705 in 2020 compared to 2019 due to a decrease in depreciation and payroll expenses of approximately \$20,000. The Fund's net position increased \$7,065 to \$782,620 in fiscal year 2020, from \$775,555 at the end of fiscal year 2019. The change in net position is primarily due to the decrease in revenues.

**Governmental Fund**

The Fund's General Fund revenues decreased \$72,623 in 2020 compared to 2019, primarily due to a decrease in charges for services caused from the negative impacts of the Covid-19 pandemic as described in Note 5 of the financial statements. The Fund's General Fund expenses decreased by \$8,953 in 2020 compared to 2019 primarily due to the decrease in payroll expenses.

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

**CAPITAL ASSETS**

At the end of 2020, the Fund had investments in capital assets, as reflected in Table A-3:

**Table A-3**  
**Capital Assets**  
(net of accumulated depreciation)

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Equipment	\$ 47,483	\$ 47,914
Vehicles	-	9,993
Leasehold improvements	5,531	6,222
Total	<u>\$ 53,014</u>	<u>\$ 64,129</u>

The decrease in total net book value was due to depreciation expense recorded for the year.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the Fund amended its general fund budget to reflect changes in estimated revenues and expenditures. An analysis of the original budget compared to the final amended general fund budget results is reflected in Table A-4:

**Table A-4**  
**Original and Final Amended Budget Comparison**  
**General Fund**

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Difference</u>
Revenues	\$ 203,000	\$ 194,237	\$ (8,763)
Expenditures	176,400	167,251	(9,149)
Net (expenditures) revenues	<u>\$ 26,600</u>	<u>\$ 26,986</u>	<u>\$ (386)</u>

A comparison of the actual results to the final budget is reflected in Table A-5:

**Table A-5**  
**Final Budget Comparison**  
**General Fund**

	<u>Final Budget</u>	<u>Actual Results</u>	<u>Difference</u>
Revenues	\$ 194,237	\$ 200,770	\$ 6,533
Expenditures	167,251	182,590	15,339
Net revenues (expenditures)	<u>\$ 26,986</u>	<u>\$ 18,180</u>	<u>\$ (8,806)</u>

**JEFFERSON PARISH, LOUISIANA**  
**FIRSH PARISH COURT JUDICIAL EXPENSE FUND**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2020**

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

Management does not expect any significant changes to the operations of the 1<sup>st</sup> Parish Fund of Jefferson Parish's Judicial Expense Fund for the year ended December 31, 2021. The Fund is dependent on Fund fees for approximately 92% of its revenues. The economy is not expected to generate any significant growth. Therefore, the Fund's future revenues are expected to be consistent with current years. However, worldwide issues related to the Covid-19 pandemic could have effects which are undeterminable at the date of the financial statements. See subsequent events Note 5 for further details.

**CONTACTING THE FUND'S FINANCIAL MANAGEMENT**

This financial report is designed to provide all interested parties with a general overview of the Fund's finances and to demonstrate the Fund's accountability for money it receives. If you have questions about this report or need additional financial information, contact management of the First Parish Court of Jefferson Parish's Judicial Expense Fund at (504) 736-8900.

## **BASIC FINANCIAL STATEMENTS**

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ 731,424
Due from other governments	13,994
Capital assets (net of accumulated depreciation)	<u>53,014</u>
TOTAL ASSETS	<u><u>\$ 798,432</u></u>
<b><u>LIABILITIES</u></b>	
Accounts payable	<u>\$ 15,812</u>
TOTAL LIABILITIES	<u><u>\$ 15,812</u></u>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	\$ 53,014
Unrestricted	<u>729,606</u>
TOTAL NET POSITION	<u><u>\$ 782,620</u></u>

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Governmental Unit	
<b><u>FUNCTIONS/PROGRAMS</u></b>				
Governmental activities:				
Judicial expense fund	\$ 193,705	\$ 184,965	\$ 10,800	\$ 2,060
Total governmental activities	\$ 193,705	\$ 184,965	\$ 10,800	2,060
		General Revenues:		
			Intergovernmental, unrestricted	5,005
			Total general revenues	5,005
			Change in net position	7,065
			Net position, beginning of year	775,555
			Net position, end of year	\$ 782,620

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**GOVERNMENTAL FUND**  
**BALANCE SHEET**  
**DECEMBER 31, 2020**

	<u>Judicial Expense Fund</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	S 731,424
Due from other governments	<u>13,994</u>
 TOTAL ASSETS	 <u>S 745,418</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>LIABILITIES</u></b>	
Accounts payable	S <u>15,812</u>
 TOTAL LIABILITIES	 <u>15,812</u>
 <b><u>FUND BALANCE</u></b>	
Unassigned	<u>729,606</u>
 TOTAL FUND BALANCE	 <u>729,606</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>S 745,418</u>

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITON**  
**DECEMBER 31, 2020**

Total fund balance - Governmental Funds S 729,606

Amounts reported in the statement of net position are different due to:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported in fixed assets. This is the amount of capital assets, net of accumulated depreciation, in the current period.

Cost of capital assets at December 31, 2020	611,250	
Less: accumulated depreciation at December 31, 2020	<u>(558,236)</u>	<u>53,014</u>

Total net position for the year ended December 31, 2020 S 782,620

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Judicial Expense Fund</u>
<b><u>REVENUES</u></b>	
Charges for services	
Fines and forfeitures	\$ 168,690
Court cost assessments	16,275
Intergovernmental	15,805
TOTAL REVENUES	<u>200,770</u>
<b><u>EXPENDITURES</u></b>	
Current operating:	
General government:	
Salaries & benefits	40,397
Outside services	59,615
Supplies & office expense	16,197
Equipment expenses	8,646
Dues & subscriptions	27,316
Professional liability insurance	13,380
Professional services	2,653
Training & travel costs	1,468
Capital outlay	12,918
TOTAL EXPENDITURES	<u>182,590</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>18,180</u>
NET CHANGE IN FUND BALANCE	18,180
Fund balance - Beginning of year	<u>711,426</u>
Fund balance - End of year	<u>\$ 729,606</u>

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**RECONCILIATION OF THE GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balance - Governmental Funds \$ 18,180

Amounts reported in the statement of activities are different due to:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and asset disposals exceed capital outlay in the current period.

Capital outlay included in expenditures	12,918	
Depreciation expense for the year	<u>(24,033)</u>	<u>(11,115)</u>

Total change in net position for the year ended December 31, 2020 \$ 7,065

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

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the First Parish Court Judicial Expense Fund (the Fund) for the Parish of Jefferson conform to U. S. generally accepted accounting principles (GAAP) as applicable to governments. The expense fund was established for the purpose of paying expenses for the Fund deemed necessary by the judges for efficient operations of the Fund. The following is a summary of the more significant policies.

**A. Basis of Presentation**

The Fund's basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*.

**B. Financial Reporting Entity**

The First Parish Court Judicial Expense Fund for the Parish of Jefferson was established July 18, 1982, under the provisions of Louisiana R.S. 13:2562.22. This statute provides for this expense fund to operate under the sole and exclusive authority of the First Parish Court judges.

GASB Codification Section 2100, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. As such, the Jefferson Parish Council is not financially accountable for these funds.

As required by U.S. generally accepted accounting principles, this report includes all funds and account groups of the First Parish Court Judicial Expense Fund (the primary government) that are controlled or dependent on the judges of the First Parish Court. No other organization was determined to be a component unit of the Fund. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements. The Fund's expense fund reports as an independent reporting entity.

**C. Basis of Accounting**

*Government Wide Financial Statements (GWFS)*

The statement of net position and the statement of activities display information about the reporting government (the Fund). These statements include the financial activities for the overall government, except for fiduciary activities. Governmental activities are generally financed through Fund fees, intergovernmental revenues and other non-exchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**C. Basis of Accounting** (continued)

*Government Wide Financial Statements (GWFS)* (continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Fund's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

The GWFS are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs regardless of when cash is received or disbursed. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Codification Section N50, *Non-Exchange Transactions*.

*Fund Financial Statements (FFS)*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. 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 financial sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Fund considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Fund fees and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Transfers between funds that are not expected to be repaid are accounted for as other financing sources.

The Fund uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are typically classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and certificates of deposit. Under state law, the Fund may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

All of the Fund's deposits, including cash, money market accounts, and certificates of deposit are carried at cost. The Fund's bank deposits are held at the same financial institutions as the other funds of Jefferson Parish (the Parish), thus sharing in the maximum amount of federal depository insurance of that institution. At year-end, the carrying amount of these deposits was \$731,424. All of the bank balance was covered by federal depository insurance or by collateral held by the pledging financial institutions trust department or agent in the Parish's name.

**E. Capital Assets and Depreciation**

Capital assets are recorded at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Fund maintains a minimum capitalization threshold level of \$5,000 or more. The Fund does not have any infrastructure assets. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are recorded on the GWFS in the statement of net position. For fund financial statements, capital acquisitions are reflected as expenditures in the governmental fund at the time of purchase.

Capital assets are depreciated using the straight-line method over their estimated useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Leasehold improvements	20-39 years
Equipment	10 years
Vehicles	5 years

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**F. Net Position**

For the government-wide statement of net position, net position amount is classified and displayed in three components:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the entity.

When both restricted and unrestricted resources are available for use, it is the Fund's policy to use restricted resources first, then unrestricted resources as they are needed.

**G. Governmental Fund Balances**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Spendable

Restricted – represents balances that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by granters, creditors, or citizens.

Committed – represents balances that can be used only for specific purposes determined by a formal action by the Judges of the Fund.

Assigned – represents balances that are constrained by the Fund's intent that they will be used for specific purposes, not neither restricted or committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes within the general fund.

The Fund considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Fund also considers committed then assigned fund balances to be spent first when other unrestricted fund balance classifications are available for use. There were no non-spendable, restricted, committed, or assigned fund balances as of December 31, 2020.

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**H. Budgets and Budgetary Accounting**

Budgetary procedures applicable to the Fund are defined in state law, Revised Statutes 39:1301-15. The major requirements of the Local Government Budget Act (LGBA) are summarized as follows:

- Prior to December 15, The Fund completes and submits an operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing those expenditures. Copies of the adopted budget are kept on file for public inspection.
- The Fund adopts a budget each year for the general fund. The budget for this fund is adopted on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Formal budgetary integration is not employed. Budgeted amounts included in the accompanying financial statements include originally adopted budget amounts.
- The general fund budget may be revised during the year as estimates regarding revenues and expenditures change.
- All annual appropriations lapse at fiscal year-end.

**I. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**J. Current Accounting Standards Scheduled to be Implemented**

The following is a summary of accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Fund's financial report:

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The Fund will include the requirements of this standard, as applicable, in its December 31, 2022 financial statement. All of the Fund's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Fund is unknown at this time.

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**2. DUE FROM OTHER GOVERNMENTS**

This amount represents the fines and fees due from the Jefferson Parish Sheriff's Office for collections made through December 31, 2020 and not yet remitted to the Fund.

**3. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2020 are as follows:

<u>Governmental Activities</u>	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31</u>
Cost of capital assets				
Equipment	\$ 468,382	\$ 12,918	\$ -	\$ 481,300
Vehicles	107,545	-	-	107,545
Leasehold improvements	<u>22,405</u>	<u>-</u>	<u>-</u>	<u>22,405</u>
Total cost of capital assets	<u>598,332</u>	<u>12,918</u>	<u>-</u>	<u>611,250</u>
Accumulated Depreciation				
Equipment	(420,468)	(13,349)	-	(433,817)
Vehicles	(97,552)	(9,993)	-	(107,545)
Leasehold improvements	<u>(16,183)</u>	<u>(691)</u>	<u>-</u>	<u>(16,874)</u>
Total accumulated depreciation	<u>(534,203)</u>	<u>(24,033)</u>	<u>-</u>	<u>(558,236)</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 64,129</u>	<u>\$ (11,115)</u>	<u>\$ -</u>	<u>\$ 53,014</u>

Depreciation expense for the year ended December 31, 2020 was \$24,033.

**4. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The statutes which created the Fund's expense fund place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is in compliance with all significant limitations and restrictions for 2020.

**5. CONTINGENCIES**

In March, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread throughout the United States. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic on the Fund's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on the Parish of Jefferson and other governmental entities, vendors and employees, all of which are uncertain and cannot be predicted. The extent to which the COVID-19 pandemic may directly or indirectly impact the Fund's financial condition or results of operations cannot be reasonably estimated at this time.

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

**GENERAL FUND BUDGETARY COMPARISON SCHEDULE**

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
Charges for Services				
Fines & forfeitures	\$ 190,000	\$ 168,004	\$ 168,690	\$ 686
Court cost assessments	13,000	15,433	16,275	842
Intergovernmental	-	10,800	15,805	5,005
<b>Total Revenues</b>	<u>203,000</u>	<u>194,237</u>	<u>200,770</u>	<u>6,533</u>
<b><u>EXPENDITURES</u></b>				
Current				
General Government				
Salaries & benefits	45,300	42,645	40,397	2,248
Outside services	7,500	45,636	59,615	(13,979)
Supplies & office expense	14,000	10,316	16,197	(5,881)
Equipment expenses	11,500	9,673	8,646	1,027
Advertising	100	-	-	-
Dues & subscriptions	45,000	29,296	27,316	1,980
Professional liability insurance	14,000	13,380	13,380	-
Professional services	3,000	1,253	2,653	(1,400)
Training & travel costs	8,500	1,222	1,468	(246)
Uniform	2,500	-	-	-
Capital outlay	25,000	13,830	12,918	912
<b>Total Expenditures</b>	<u>176,400</u>	<u>167,251</u>	<u>182,590</u>	<u>(15,339)</u>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u></b>				
	<u>26,600</u>	<u>26,986</u>	<u>18,180</u>	<u>(8,806)</u>
<b><u>NET CHANGE IN FUND BALANCE</u></b>				
	<u>26,600</u>	<u>26,986</u>	<u>18,180</u>	<u>(8,806)</u>
<b><u>FUND BALANCE</u></b>				
Beginning of year	<u>711,426</u>	<u>711,426</u>	<u>711,426</u>	<u>-</u>
End of year	<u>\$ 738,026</u>	<u>\$ 738,412</u>	<u>\$ 729,606</u>	<u>\$ (8,806)</u>

See independent auditors' report.

**SUPPLEMENTARY INFORMATION**

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**SCHEDULE OF COMPENSATION, BENEFITS,**  
**AND OTHER PAYMENTS TO AGENCY HEADS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Agency Heads:**

Honorable Rebecca M. Olivier, Judge, Division "A"  
Honorable Johnny Lee, Judge, Division "B"

	Amount	
Purpose:	Judge Olivier	Judge Lee
Benefits - insurance	\$ 4,415	\$ 8,965
Car allowance	8,625	8,625
Dues	1,447	1,475
Reimbursements	252	41
Registration fees	350	525
	\$ 15,089	\$ 19,631

See independent auditors' report.

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY**  
**AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION**  
**CASH BASIS PRESENTATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Year Ended</u> <u>December 31, 2020</u>	
<b>Receipts From:</b>		
<i>Jefferson Parish Sheriff Criminal Court Costs/Fees</i>	\$ 168,690	
<b>Subtotal Receipts</b>	<u>\$ 168,690</u>	
<b>Ending Balance of Amounts Assessed but Not Received</b>	<table border="1"><tr><td>\$ -</td></tr></table>	\$ -
\$ -		

See independent auditors' report.

**OTHER REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

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

To the Honorable Rebecca M. Olivier, Judge, Division “A”  
To the Honorable John J. Lee, Jr., Judge, Division “B”  
First Parish Court for the Parish of Jefferson  
Metairie, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the First Parish Court Judicial Expense Fund (the Fund) of the Parish of Jefferson as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Fund’s basic financial statements, and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Fund’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing out opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund’s internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 an instance of noncompliance or other matters that is required to be reported under *Governmental Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2020-001.

### **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.

*Postlethwaite & Netterville*

Metairie, Louisiana  
June 29, 2021

**JEFFERSON PARISH, LOUISIANA**  
**FIRST PARISH COURT JUDICIAL EXPENSE FUND**

**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expressed an unmodified opinion on the basic financial statements of the First Parish Court Judicial Expense Fund for the Parish of Jefferson.
2. No significant deficiencies or material weaknesses in internal control over financial reporting were identified for the year ended December 31, 2020.
3. An instance of noncompliance material to the financial statements of the First Parish Court Judicial Expense Fund for the Parish of Jefferson was disclosed during the audit for the year ended December 31, 2020.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**C. COMPLIANCE WITH STATE LAWS AND REGULATIONS**

**2020-001: Louisiana's Local Government Budget Act (LGBA)**

*Criteria:* Louisiana Revised Statute (R.S.) 39:1311 requires that the governing authority must adopt a budget amendment when: (1) total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by 5% or more and/or (2) total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by 5% or more.

*Condition:* The Fund's General Fund had an unfavorable variance of approximately 8% of total actual expenditures compared to total budgeted expenditures.

*Cause:* The General Fund budget was not properly amended at year-end as required by the LGBA.

*Effect:* The unfavorable variance noted in the above *Condition* section resulted in a budget violation for the Fund.

*Recommendation:* We recommend that the Fund should evaluate the budgets for the General Fund throughout the fiscal year, monitor actual revenues and expenditures diligently, and amend the budget when necessary in a timely manner and in accordance with the LGBA.

*Management's Response:*

*In reference to the proposed budget finding, the First Parish Court Judicial Expense Fund was not amended appropriately due to unexpected Covid-19 pandemic expenses in 2020. Moving forward, the First Parish Court Administration will review expenses during the year to make necessary amendments to our Judicial Expense Fund Budget.*