

**TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana**

Financial Report

Year Ended June 30, 2021

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INDEPENDENT AUDITORS' REPORT

Mr. Richard Tompson, District Defender
Twenty-Fourth Judicial District Public Defender Office
Jefferson Parish, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Twenty-Fourth Judicial District Public Defender Office as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Public Defender Office'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 the 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 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 auditors' 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, we consider 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.

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 Twenty-Fourth Judicial District Public Defender Office, as of June 30, 2021, and the respective changes in financial position thereof 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 budgetary comparison information, schedule of employer's share of net pension liability, schedule of employer contributions, and notes to the required supplementary information on pages 37 through 40 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Twenty-Fourth Judicial District Public Defender Office's basic financial statements. The Justice System Funding Reporting Schedule (reporting schedule) was created by Act 87 of the Louisiana 2020 Regular Legislative Session. This reporting schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The reporting schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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, this reporting schedule 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 December 10, 2021, on our consideration of the Twenty-Fourth Judicial District Public Defender Office'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 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 Twenty-Fourth Judicial District Public Defender Office's internal control over financial reporting and compliance.

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
December 10, 2021

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

TWENTY-FOURTH JUDICIAL DISTRICT
 PUBLIC DEFENDER OFFICE
 Jefferson Parish, Louisiana

Statement of Net Position
 June 30, 2021

ASSETS	
Current assets:	
Cash and interest bearing deposits	\$ 1,564,284
Due from other governmental units	5,881
Prepaid items	<u>17,538</u>
Total current assets	<u>1,587,703</u>
Noncurrent assets:	
Capital assets, net of depreciation	5,670
Net pension asset	<u>29,743</u>
Total noncurrent assets	<u>35,413</u>
Total assets	<u>1,623,116</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>30,960</u>
LIABILITIES	
Current Liabilities:	
Accounts payable and other payables	<u>14,809</u>
Noncurrent liabilities:	
Accrued annual and sick leave payable	<u>23,516</u>
Total liabilities	<u>38,325</u>
DEFERRED INFLOWS OF RESOURCES	<u>63,887</u>
NET POSITION	
Net investment in capital assets	5,670
Unrestricted	<u>1,546,194</u>
Total net position	<u>\$ 1,551,864</u>

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Statement of Activities
For the Year Ended June 30, 2021

Expenses	
General Government	
Attorney Fees	\$ 2,964,039
Salaries and related benefits	125,640
Other professional services	114,005
Operating services	167,013
Office supplies and expenses	<u>26,958</u>
Total program expenses	<u>3,397,655</u>
Program Revenues	
Charges for services - court costs, fines, forfeitures, etc	2,120,212
Operating grants and contributions	<u>1,585,585</u>
Total program revenues	<u>3,705,797</u>
Net program revenue	<u>308,142</u>
General Revenues	
Nonemployer contributions	1,426
Interest earnings	2,329
Other	<u>40,815</u>
Total general revenues	<u>44,570</u>
Change in net position	352,712
Beginning net position	<u>1,199,152</u>
Ending net position	<u>\$ 1,551,864</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTION - MAJOR FUND

MAJOR FUND

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Balance Sheet - Governmental Fund
General Fund
June 30, 2021

ASSETS

Current Assets:	
Cash and interest bearing deposits	\$ 1,564,284
Due from other governmental units	5,881
Prepaid items	<u>17,538</u>
 Total assets	 <u>\$ 1,587,703</u>

LIABILITIES AND FUND BALANCE

Current Liabilities:	
Accounts payable	\$ 4,175
Payroll liabilities	<u>10,634</u>
 Total liabilities	 <u>14,809</u>
Fund balance:	
Nonspendable	17,538
Restricted	-
Committed	-
Assigned	-
Unassigned	<u>1,555,356</u>
 Total fund balance	 <u>1,572,894</u>
 Total liabilities and fund balance	 <u>\$ 1,587,703</u>

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balance for the governmental fund		\$ 1,572,894
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Equipment, net of \$104,444 of accumulated depreciation		5,670
The deferred outflows of expenditures are not a use of current resources, and are therefore not reported in the funds:		
Pension plan		30,960
General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. This debt is:		
Compensated absences	(23,516)	
Net pension asset	<u>29,743</u>	6,227
The deferred inflows of contributions are not available resources, and are therefore not reported in the funds:		
Pension plan		<u>(63,887)</u>
Total net position of governmental activities at June 30, 2021		<u>\$ 1,551,864</u>

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2021

Revenues:

Fees, charges, and commissions for services -	
Court costs	\$ 1,587,367
Bail bond forfeitures and license fees	490,217
Application fees	24,990
Criminal justice bond fee	17,638
Intergovernmental revenues -	
Louisiana Public Defender Board	1,536,543
Drug, DWI and Veterans court programs	49,042
Interest earnings	2,329
Miscellaneous	<u>40,815</u>
Total revenues	<u>3,748,941</u>

Expenditures:

Current -	
General government	
Attorney fees	2,964,039
Salaries and related benefits	130,460
Other professional services	114,005
Operating services	165,614
Office supplies and expenses	26,958
Capital Outlay	<u>1,380</u>
Total expenditures	<u>3,402,456</u>
Net change in fund balance	346,485

Beginning fund balance	<u>1,226,409</u>
Ending fund balance	<u>\$ 1,572,894</u>

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2021

Total net change in fund balance at June 30, 2021 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 346,485
The change in net position reported for governmental activities in the statement of activities is different because:		
<p style="margin-left: 40px;">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.</p>		
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances		1,380
Depreciation expense		(1,399)
Expenses not requiring the use of current financial resources and, therefore, not reported as expenditures in the governmental funds		
Net change in compensated absences payable	(6,283)	
Net change in net pension liability and related deferreds	<u>12,529</u>	<u>6,246</u>
Total change in net position at June 30, 2021 per Statement of Activities		<u>\$ 352,712</u>

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying basic financial statements of the Twenty-Fourth Judicial District Public Defender Office (Public Defender Office) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed below.

The accounting and reporting policies of the Public Defender Office conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

On August 15, 2007, Act 307 of the 2007 Louisiana Legislative Session transferred all the duties, functions, and powers of state Indigent Defender Boards to separate and individual District Public Defenders and their offices. District public defenders provide counsel to represent indigents in criminal cases at the district court level. The judicial district encompasses Jefferson Parish, Louisiana.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the public defender office is part of the district court system of the State of Louisiana. However, the state statutes that create the public defender office also give each district defender control over all of their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for funding deficits and operating deficiencies, and fiscal management for controlling the collection and disbursement of funds. Therefore, the public defender's office reports as an independent reporting entity and the financial statements include only the transactions of the Twenty-Fourth Judicial District Public Defender Office as authorized by Louisiana statutes and administrative regulations. The Public Defender Office has no component units.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the only fund of the reporting entity which is the General Fund. The Public Defender Office has no business-type activities.

The statement of activities presents a comparison between program revenues of the Public Defender Office and the cost of the function. Direct expenses are those

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for 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.

Fund Financial Statements

The accounts of the Public Defender Office are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistently with legal and managerial requirements.

The only fund of the Public Defender Office is classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Public Defender Office or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The fund of the Public Defender Office which is considered to be a major fund is described below:

Governmental Fund –

General Fund

The General Fund is the only fund of the Public Defender Office's office and accounts for the operations of the Public Defender Office's office. The Public Defender Office's primary source of revenue is court costs on fines imposed by the various courts within the district. Other sources of revenue include forfeitures, operating grants from the Louisiana Public Defender Board and other court programs. General operating expenditures are paid from this fund.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

In the fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Nonexchange Transactions.”

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized as soon as they are both “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. When both restricted and unrestricted resources are available for use, it is the Public Defender Office’s policy to use restricted resources first, then unrestricted resources as they are needed.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

Cash includes amounts in an interest-bearing demand deposit account. Under state law, funds may be deposited into demand deposit accounts, interest bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are recorded at either historical cost or estimated historical cost if historical cost is not available and are depreciated over their estimated useful lives (excluding salvage value). Any donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add value to the asset or materially extend assets lives are not capitalized. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives: 5 years on office furniture, equipment and computers; 10 years on telephone system. Depreciation is an allocated expense in the Statement of Activities, with Accumulated Depreciation reflected in the Statement of Net Position. The Defender's threshold for capitalization is \$500. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated Absences (Vacation and Sick Leave)

Full-time employees of the public defender's office earn and accumulate vacation and sick leave at various rates, depending on their length of service. All full-time employees may carry a maximum of 90 days of unused vacation leave from one calendar year to another. Upon separation from employment, and provided that certain conditions have been met as set forth in policy adopted by the public defender's office, employees are paid for all unused vacation leave at the hourly rates in effect at the time of separation from employment for each applicable employee.

All full-time employees earn one-half day of sick leave each biweekly pay period worked. There is no limit on the amount of sick leave that may be accumulated and carried forward from one year to the next. Upon separation from employment, employees who were hired before April 26, 1986, receive compensation for one-half of all unused sick leave remaining at the time of separation. Employees hired on or after April 26, 1986, receive compensation for no more than 40 days (280 hours) of unused sick leave.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as an expense in the current year.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenue, respectively.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position: consists of assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position: Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

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

Nonspendable: These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: These are amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed: These are amounts that can be used only for specific purposes determined by a formal action of the public defender's office. The public defender's office is the highest level of decision making authority for the public defender's office. Commitments may be established, modified, or rescinded by the public defender's office.

Assigned: These are amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Under its adopted policy, only the Public Defender may assign amounts for specific purposes.

Unassigned: These are all other spendable amounts.

	General Fund
Nonspendable	\$ 17,538
Restricted	-
Committed	-
Assigned	-
Unassigned	1,555,356
 Total	 \$ 1,572,894

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Public Defender's office considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Public Defender's office considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Public Defender's office has provided otherwise in his commitment or assignment actions.

E. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021 are recorded as prepaid items. The prepaid items that existed at June 30, 2021 were prepaid insurance.

F. Use of 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.

(2) Cash and Interest-Bearing Deposits

Under state law, the Public Defender's Office may deposit funds within a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Public Defender's Office may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2021, the Public Defender's Office has cash (book balances) totaling \$1,564,284.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Custodial credit risk is the risk that in the event of a bank failure, the Public Defender's Office's deposits may not be returned to it. The Public Defender's Office's policy, by state law, is that all deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2021 are secured as follows:

Bank balances	\$ <u>1,727,420</u>
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At June 30, 2021 the deposits are secured as follows:

Federal deposit insurance	\$ <u>1,727,420</u>
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As of June 30, 2021, no deposits were exposed to custodial credit risk as they were fully insured by federal deposit insurance. The Public Defender Office does not have a formal policy for custodial credit risk.

(3) Changes in Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
Equipment	\$ 108,334	\$ 1,380	\$ -	\$ 109,714
Less: accumulated depreciation	<u>(102,645)</u>	<u>(1,399)</u>	<u>-</u>	<u>(104,044)</u>
Capital assets, net	<u>\$ 5,689</u>	<u>\$ (19)</u>	<u>\$ -</u>	<u>\$ 5,670</u>

Depreciation expense for the year ended June 30, 2021 of \$1,399 was charged to general government in the statement of activities.

(4) Leases

Operating leases are all leases that do not meet the criteria of capital leases.

There are two operating leases for two copier machines:

- (a) dated August 30, 2017 with a term of 39 months at \$435 per month
- (b) dated September 30, 2020 with a term of 39 months at \$348 per month.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

The total minimum annual commitments under non-cancelable operating leases are as follows:

Year Ended	Amount
June 30, 2022	4,176
June 30, 2023	4,176
June 30, 2024	2,088

The office building occupied by the Public Defender is leased from a third party. The original term of this lease is from January 1, 2019 to December 31, 2024. The Public Defender has agreed to pay monthly rental expense in the amount of \$4,675 payable in advance on or before the first day of the month beginning January 1, 2019. At the end of the original term of this lease, if certain requirements are met, the Public Defender shall have the right to renew this lease for an additional term of five years at a rate of \$5,100 per month. Rent expense for the year ended June 30, 2021 was \$58,200.

(5) Changes in Compensated Absences

At June 30, 2021, employees of the office had accumulated and vested vacation and sick leave benefits, which were computed in accordance with GASB standards. Payments are made from the General Fund.

Balance, June 30, 2020	\$ 17,233
Additions	11,906
Deletions	<u>(5,623)</u>
Balance, June 30, 2021	<u>\$ 23,516</u>

(6) Risk Management

The Public Defender's Office is exposed to risks of loss in the areas of general liability, professional liability and workers compensation. These risks are handled by purchasing insurance. There have been no reductions in insurance coverage during the current year, nor have settlements exceeded coverage during the current year or preceding two years.

(7) Office Costs Not Included in the Financial Statements

The accompanying financial statements do not include the costs for office space and utilities for the office on the east bank of the Mississippi River in Jefferson Parish's First Parish Court, nor for the office on the west bank in the Parish's Juvenile Court because neither court charges the District Defender for office space or utilities.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

(8) Litigation and Claims

As of June 30, 2021, the Public Defender's Office is involved in four lawsuits. Liability has not been accrued in the financial statements, as management believes this suit will not adversely affect the financial statements. If a monetary judgement is rendered, it is expected to be covered by professional liability insurance maintained by the Public Defender's Office.

(9) Pension Plan / GASB 68

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Parochial Employees Retirement System of Louisiana and additions to / deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Summary of Significant Accounting Policies:

The Parochial Employees' Retirement System of Louisiana (the System) prepares its employer pension schedules in accordance with Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 establishes standards for measuring and recognizing liabilities (asset), deferred outflows or resources, deferred inflows of resources and expenses / expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability (asset), deferred inflows, deferred outflows, pension expense, and amortization periods for deferred inflows and deferred outflows.

Basis of Accounting:

The System's employer pension schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of December 31, 2020.

The System complies with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans*, which included specifying the approach of contributing entities to measure pension liabilities for benefits provided through the pension plan.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

System Employees:

The System is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the System's employees is allocated to the remaining employers based on their respective employer allocation percentage.

Plan Fiduciary Net Position:

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

Plan Description:

The Parochial Employees' Retirement System of Louisiana (System) is the administrator of a cost-sharing, multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the State of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

The System is governed by LA Revised Statutes, Title 11, Sections 1901-2025, specifically, and other general laws of the State of Louisiana.

Benefits Provided:

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.

Eligibility Requirements:

All permanent parish government employees (except those employed by Orleans, Lafourche, and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Retirement Benefits:

Any member of Plan A can retire providing he / she meets one of the following criteria.

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service
2. Age 62 with 10 years of service
3. Age 67 with 7 years of service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return, or at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007 and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty for those members who are enrolled prior to January 1, 2017 and to age sixty-two for those members who are enrolled January 1, 2007 and later.

Cost of Living Increases:

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Employer Contributions:

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actuarially determined contribution rate was 11.11% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2020 was 12.25% for Plan A.

According to state statute, the System also receives one-fourth of one percent of ad valorem taxes collected within respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue in the amount of \$1,426 and excluded from pension expense for the year ended June 30, 2021.

Employer Allocations:

The schedule of employer allocations reports the historical employer contributions, in addition to the employer allocation percentage for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of the Parochial Employees' Retirement System of Louisiana. 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 contributions to the plan during the fiscal year ended December 31, 2020 as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2020.

Pension liabilities, Pension expense, Deferred outflows of resources, and Deferred inflows of resources related to pensions:

At June 30, 2021, the Public Defender's Office reported an asset of \$29,743 for its proportionate share of the Net Pension Asset. The Net Pension Asset was measured as of December 31, 2020 and the total pension liability used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date. The Public Defender's Office's proportion of the Net Pension Asset was based on a projection of the Public Defender's Office's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the Public Defender's Office's proportion was 0.016963%, which was a decrease of 0.000585% from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the Public Defender's Office recognized pension expense of \$2,168 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$608.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

At June 30, 2021 the Public Defender's Office reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 7,241	\$ 3,550
Changes of assumptions	9,731	-
Net difference between projected and actual earnings on pension plan investments	-	58,050
Change in proportion and differences between employer contributions and proportionate share of contributions	109	2,287
Employer contributions subsequent to the measurement date	13,879	-
Total	\$ 30,960	\$ 63,887

Deferred outflows of resources of \$13,879 related to pensions resulting from the Public Defender's Office's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability (Asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended		
2022		\$ (13,220)
2023		(5,290)
2024		(18,809)
2025		(9,487)
		\$ (46,806)

Actuarial 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.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2020 are as follows:

Valuation Date	December 31, 2020
Actuarial Cost Method	Plan A – Entry Age Normal
Investment Rate of Return	6.40%, net of investment expense, including inflation
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contributions rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing / diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2020 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	33%	0.86%
Equity	51%	3.36%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.00%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.00%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity of the employer's proportionate share of the net pension liability (asset) to changes in the discount rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.40%, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.40%) or one percentage point higher (7.40%) than the current rate:

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

	Changes in discount rate		
	Current		
	1.0% Decrease 5.40%	Discount Rate 6.40%	1.0% Increase 7.40%
Employer's proportionate share of the net pension liability (asset)	\$ 34,988	\$ (29,743)	\$ (59,964)

Change in net pension liability:

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

- a. 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 resulted in a deferred outflow of resources in the amount of \$7,241 and a deferred inflow of resources in the amount of \$3,550 for the year ended December 31, 2020.
- b. Changes of assumptions or other inputs: Changes of assumptions about future economic or demographic factors or of other inputs 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 of assumptions or other inputs resulted in a deferred outflow of resources in the amount of \$9,731 for the year ended December 31, 2020.
- c. Differences between projected and actual investment earnings: Differences between projected and actual investment earnings on pension plan investments were recognized 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 deferred inflow of resources in the amount of \$58,050 for the year ended December 31, 2020.
- d. Change in proportion: Changes in the employer's proportionate shares of the collective net pension liability and collected deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense / (benefit) 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 change in proportion resulted in a deferred outflow of resources in the amount of \$109 and a deferred inflow of resources in the amount of \$2,287 for the year ended December 31, 2020.

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Contributions – Proportionate Share:

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense / (benefit) 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 employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Retirement System Audit Report:

The System issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the audit report can be found on the System's website: www.persla.org, or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Estimates:

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, actual results may differ from estimated amounts.

(10) Act 706-Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Entity Head

Under Act 706, the Public Defender's Office is required to disclose the compensation, reimbursements, benefits, and other payments made to the District Defender, in which the payments are related to the position. The following is a schedule of payments made to the District Defender for the year ended June 30, 2021.

Entity head: Richard M. Tompson, Public Defender

Salary	\$ 139,721
Cell phone	1,351
Dues	<u>150</u>
Total	<u>\$ 141,222</u>

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

(11) Governmental Fund Revenues and Expenditures

For the year ended June 30, 2021, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:

State Government

Appropriations - general	\$	-	
Appropriations - special		1,536,543	
Revenue sharing		-	
Grants		-	
On-behalf payments		-	
Other		<u>2,715</u>	
Total			\$ 1,539,258

Local Government

Appropriations - general		-	
Appropriations - special		-	
Grants		49,042	
Statutory fines, forfeitures, fees, court costs, and other		2,153,670	
Taxes - millages, sales, special, etc.		-	
Criminal civil court		-	
On-behalf payments		-	
Other		<u>4,642</u>	
Total			2,207,354

Federal Government

Grants - direct		-	
Grants - indirect (passed-through)		<u>-</u>	
Total			-

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Revenues (Continued):

Other Grants and Contributions

Nonprofit organizations	-
Private organizations	-
Corporate	-
Other	-

Total -

Charges for Services -

Investment Earnings 2,329

Miscellaneous -

Total Revenues \$ 3,748,941

Expenditures:

Personnel Services and Benefits

Salaries	114,372
On-behalf payments - salaries	-
Retirement contributions	13,879
On-behalf payments - retirement	-
Insurance	-
On-behalf payments - insurance	-
Payroll Taxes	2,209
Other	-

Total \$ 130,460

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

Expenditures (Continued):

Professional Development

Dues, licenses and registrations	225	
Travel	-	
Other	-	
Total		225

Operating Costs

Library and research	6,574	
Contract services - attorney/legal	2,964,039	
Contract services - other	114,005	
Lease - office	58,200	
Lease - autos and other	6,842	
Travel - transportation	-	
Travel - other	-	
Insurance	73,277	
Supplies	18,797	
Repairs and maintenance	8,685	
Utilities and telephone	17,593	
Other	2,379	
Total		3,270,391

Debt Service

-

Capital Outlay

1,380

Total Expenditures

\$ 3,402,456

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to Basic Financial Statements (Continued)

(12) Risks and Uncertainties

The COVID-19 outbreak in the United States has caused business disruption through mandated closings, reduction of operating hours, or operational restrictions for nonessential businesses, including retail stores, restaurants, personal service businesses and all entertainment venues. While the disruption is expected to be temporary, there is still uncertainty around the duration of and the implications of the closings. The Public Defender's Office expects this matter to negatively impact availability of resources and operating results. The financial impact cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

TWENTY-FOURTH JUDICIAL DISTRICT
 PUBLIC DEFENDER OFFICE
 Jefferson Parish, Louisiana
 General Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fees, charges, and commissions for services -				
Court costs	\$ 1,035,000	\$ 1,455,000	\$ 1,587,367	\$ 132,367
Bail bond forfeiture & license fees	216,000	423,000	490,217	67,217
Application fees	23,000	22,700	24,990	2,290
Criminal justice bond fee	8,000	17,000	17,638	638
Intergovernmental Revenue:				
Louisiana Public Defender Board	847,429	1,424,126	1,536,543	112,417
Drug, DWI and Veterans court	16,000	46,600	49,042	2,442
Interest earnings	2,000	2,350	2,329	(21)
Other	25,000	38,400	40,815	2,415
Total revenues	<u>2,172,429</u>	<u>3,429,176</u>	<u>3,748,941</u>	<u>319,765</u>
Expenditures:				
Current -				
General government				
Attorneys' fees	2,669,429	2,938,000	2,964,039	(26,039)
Salaries and related benefits	130,000	131,300	130,460	840
Other professional services	192,000	110,150	114,005	(3,855)
Operating services	145,000	159,400	165,614	(6,214)
Office supplies and expenses	24,000	23,500	26,958	(3,458)
Capital outlay	2,000	2,000	1,380	620
Total expenditures	<u>3,162,429</u>	<u>3,364,350</u>	<u>3,402,456</u>	<u>(38,106)</u>
Net change in fund balance	(990,000)	64,826	346,485	281,659
Fund balance, beginning	<u>1,012,309</u>	<u>1,226,409</u>	<u>1,226,409</u>	<u>-</u>
Fund balance, ending	<u>\$ 22,309</u>	<u>\$ 1,291,235</u>	<u>\$ 1,572,894</u>	<u>\$ 281,659</u>

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2021

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.027710%	\$ 7,576	\$ 158,865	4.77%	99.15%
2016	0.026741%	\$ 70,390	\$ 146,734	47.97%	92.23%
2017	0.022590%	\$ 46,524	\$ 133,973	34.73%	94.15%
2018	0.020959%	\$ (15,557)	\$ 129,061	-12.05%	101.98%
2019	0.019448%	\$ 86,317	\$ 110,000	78.47%	88.86%
2020	0.017548%	\$ 826	\$ 112,919	0.73%	99.89%
2021	0.016963%	\$ (29,743)	\$ 113,300	-26.25%	104.00%

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Schedule of Employer Contributions
For the Year Ended June 30, 2021

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 24,080	\$ 24,080	\$ -	\$ 158,865	15.16%
2016	\$ 19,082	\$ 19,082	\$ -	\$ 146,734	13.00%
2017	\$ 17,094	\$ 17,094	\$ -	\$ 133,973	12.75%
2018	\$ 15,487	\$ 15,487	\$ -	\$ 129,061	12.00%
2019	\$ 12,700	\$ 12,700	\$ -	\$ 110,000	11.50%
2020	\$ 13,411	\$ 13,411	\$ -	\$ 112,929	11.88%
2021	\$ 13,879	\$ 13,879	\$ -	\$ 113,300	12.25%

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

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Notes to the Required Supplementary Information
For the Year Ended June 30, 2021

(1) Budget and Budgetary Accounting

The Public Defender Office follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The district defender prepares a proposed budget for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted and as finally amended by the Public Defender office.

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs 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.

(3) Excess of Expenditures Over Appropriations

For the year ended June 30, 2021, the following fund had actual expenditures over appropriations:

Fund	Final Budget	Actual	Excess
General Fund	\$ 3,364,350	\$ 3,402,456	\$ (38,106)

OTHER SUPPLEMENTARY INFORMATION

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Justice System Funding Schedule – Receiving Schedule
As Required by Act 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
June 30, 2021

	7/1/2020- 12/31/2020	1/1/2021- 6/30/2021
Receipts From: <i>(Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)</i>		
<i>Jefferson Parish First Parish Court - Criminal Court Costs/Fees</i>	331,659	403,570
<i>City of Gretna - Criminal Court Costs/Fees</i>	34,575	51,817
<i>City of Harahan - Criminal Court Costs/Fees</i>	29,776	18,414
<i>Jefferson Parish Juvenile Court - Criminal Court Costs/Fees</i>	7,036	9,663
<i>City of Grand Isle - Criminal Court Costs/Fees</i>	2,522	7,341
<i>City of Kenner - Criminal Court Costs/Fees</i>	29,967	34,382
<i>Jefferson Parish Second Parish Court - Criminal Court Costs/Fees</i>	159,766	156,553
<i>Jefferson Parish Sheriff - Criminal Court Costs/Fees</i>	46,143	81,624
<i>City of Westwego - Criminal Court Costs/Fees</i>	101,325	81,235
<i>Jefferson Parish District Attorney's Office - Bond fees</i>	6,574	22,313
<i>Jefferson Parish Sheriff - Bond Fees</i>	215,397	263,571
Subtotal Receipts	964,740	1,130,483

Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

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Collection Types to be used in the "Receipts From:" section above
Civil Fees
Bond Fees
Asset Forfeiture/Sale
Pre-Trial Diversion Program Fees
Criminal Court Costs/Fees
Criminal Fines - Contempt
Criminal Fines - Other
Restitution
Probation/Parole/Supervision Fees
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
Interest Earnings on Collected Balances
Other <i>(do not include collections that fit into more specific categories above)</i>

Champagne & Company, LLC

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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*

Mr. Richard M. Tompson, District Defender
Twenty-Fourth Judicial District Public Defender Office
Jefferson Parish, 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 Twenty-Fourth Judicial District Public Defender Office, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Twenty-Fourth Judicial District Public Defender Office's basic financial statements, and have issued our report thereon dated December 10, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Twenty-Fourth Judicial District Public Defender Office'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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Fourth Judicial District Public Defender Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Fourth Judicial District Public Defender Office's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency, described in the accompanying schedule of prior and current year audit findings and management's corrective action plan, as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Twenty-Fourth Judicial District Public Defender Office'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*.

Twenty-Fourth Judicial District Public Defender Office's Response to Findings

The Twenty-Fourth Judicial District Public Defender Office's response to the finding identified in our audit is described in the accompanying schedule of prior and current year audit findings and management's corrective action plan. The Twenty-Fourth Judicial District Public Defender Office'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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Champagne & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
December 10, 2021

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Schedule of Prior and Current Year Findings and
Management's Corrective Action Plan
For the Year Ended June 30, 2021

I. Prior Year Findings:

Internal Control Over Financial Reporting

Item 2020-001 – Inadequate Segregation of Accounting Functions

Finding: Due to the limited number of employees, the Public Defender Office did not have adequate segregation of functions within the accounting system.

Status: Unresolved. See item 2021-001.

Compliance

Item 2020-002 – Insufficient Collateral to Secure Deposits

Finding: The Public Defender had \$4,784 that was not insured or secured by collateral.

Status: Resolved.

Management Letter Items

There were no items reported at June 30, 2020.

(continued)

TWENTY-FOURTH JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Jefferson Parish, Louisiana

Schedule of Prior and Current Year Findings and
Management's Corrective Action Plan (Continued)
For the Year Ended June 30, 2020

II. Current Year Findings and Management's Corrective Action Plan:

Internal Control Over Financial Reporting

Item 2021-001 – Inadequate Segregation of Accounting Functions; Year Initially Occurred: 2018

Condition and Criteria:

The Public Defender's Office did not have adequate segregation of accounting functions within the accounting system.

Effect:

This condition represents a material weakness in the internal control of the Public Defender's Office.

Cause:

The condition resulted because of the small number of employees in the accounting department.

Recommendation:

No plan is considered necessary due to the fact that it would not be cost effective to implement a plan.

Management's Corrective Action Plan:

Mr. Richard Tompson, District Defender, has determined that it is not feasible to achieve complete segregation of functions within the accounting department. No plan is considered necessary.

Compliance

There are no findings to be reported at June 30, 2021.

Management Letter Items

There are no items to be reported at June 30, 2021.