

**TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND
St. Charles Parish, Louisiana**

Annual Financial Report

Year Ended June 30, 2020

UZEE, BUTLER, ARCENEUX & BOWES

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INDEPENDENT AUDITOR'S REPORT

**To The District Public Defender
Twenty-Ninth Judicial District
Public Defender Fund
Hahnville, Louisiana**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Twenty-Ninth Judicial District Public Defender Fund which comprise the statement of net position as of June 30, 2020, and the related statement of activities for the year then ended, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based upon 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 from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Twenty-Ninth Judicial District Public Defender Fund as of June 30, 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 on pages 4-9 and budgetary comparison information on page 29 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Twenty-Ninth Judicial District Public Defender Fund's basic financial statements. The other supplemental information presented on page 30 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of compensation, benefits, and other payments to agency head or chief executive officer is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the schedule of compensation, benefits, and other payments to agency head or chief executive officer is fairly stated, in all material respects, in relation to the basic financial statements as whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020 on our consideration of the Twenty-Ninth Judicial District Public Defender Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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-Ninth Judicial District Public Defender Fund's internal control over financial reporting and compliance.


Harvey Louisiana
December 23, 2020

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis

Within this section of the annual financial report of the District Public Defender Fund of the Twenty - Ninth Judicial District of St. Charles Parish, the District Public Defender Fund's management provides this narrative discussion and analysis of the financial activities of the District Public Defender Fund for the year ended June 30, 2020. The District Public Defender Fund's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The District Public Defender Fund's assets exceeded it's liabilities by \$642,756 (net position) for the twelve months reported.

Total net position is comprised of the following:

- Investment in capital assets of \$3,016 includes property and equipment, net of accumulated depreciation of \$52,290.
- Unrestricted net position of \$639,740 represents the portion available to maintain the District Public Defender Fund's continuing obligations to citizens and creditors.

The District Public Defender Fund's General Fund reported total ending unassigned fund balance of \$639,740 for the twelve months ended June 30, 2020. This compares to the June 30, 2019 ending unassigned fund balance of \$403,165 showing an increase of \$236,575 during the current twelve month period.

The above financial highlights are explained in more detail in the following sections of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the District Public Defender Fund's basic financial statements. The basic financial statements include: (1) government - wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District Public Defender Fund also includes in this report additional information to supplement the basic financial statements.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

GOVERNMENT - WIDE FINANCIAL STATEMENTS

The District Public Defender Fund's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District Public Defender Fund's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the District Public Defender Fund's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District Public Defender Fund as a whole is improving or deteriorating. Evaluation of the overall health of the District Public Defender Fund would extend to other nonfinancial factors in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the District Public Defender Fund's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District Public Defender Fund's distinct activities or functions on revenues provided by St. Charles Parish and the State of Louisiana.

The government-wide financial statements present governmental activities of the District Public Defender Fund that are principally supported by intergovernmental revenues. The sole purpose of these governmental activities is judicial.

The government-wide financial statements are presented on pages 10 and 11 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources that have been segregated for specific activities or objectives. The District Public Defender Fund uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District Public Defender Fund's most significant funds rather than the District Public Defender Fund as a whole.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

The District Public Defender Fund has only governmental funds.

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District Public Defender Fund's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The governmental fund financial statements are presented on pages 12-15 of this report.

Notes to the basic financial statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 16 of this report.

FINANCIAL ANALYSIS OF THE DISTRICT PUBLIC DEFENDER FUND AS A WHOLE

The District Public Defender Fund recently implemented the new financial reporting model used in this report. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District Public Defender Fund as a whole.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

The District Public Defender Fund's net position as of June 30, 2020 and 2019 was \$642,756 and \$406,172, respectively. The following table provides a summary of the District Public Defender Fund's net position:

	June 30, 2020 Governmental Activities	June 30, 2019 Governmental Activities
Assets:		
Cash and cash equivalents	\$ 643,423	\$ 409,208
Receivables from other governments	500	700
Capital assets, net of depreciation	3,016	3,007
Total assets	646,939	412,915
Liabilities:		
Current liabilities	976	1,992
Accounts payable	3,207	4,751
Total liabilities	4,183	6,743
Net position:		
Net investment in capital assets	3,016	3,007
Unrestricted	639,740	403,165
Total net position	\$ 642,756	\$ 406,172

GOVERNMENT - WIDE FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Management's Discussion and Analysis - Continued

FINANCIAL ANALYSIS OF THE DISTRICT PUBLIC DEFENDER FUND'S MAJOR FUNDS

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds had an ending fund balance of \$639,740, all of which is unassigned indicating availability for continuing the District Public Defender Fund's activities.

CAPITAL ASSETS

The District Public Defender Fund's investment in capital assets, net of accumulated depreciation as of June 30, 2020, was \$3,016. See Note 5 of the notes to the financial statements for additional information about changes in capital assets during the current year.

ADDITIONAL INFORMATION

During the year ended June 30, 2020, 1,742 new cases were handled by the Twenty-Ninth Judicial District Public Defender Fund. Of these, there were 838 felonies, 467 misdemeanors, 210 traffic cases, 178 juvenile cases, 47 revocations and 2 other.

CONTACTING THE DISTRICT PUBLIC DEFENDER FUND'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District Public Defender Fund's finances, comply with finance-related laws and regulations, and demonstrate the District Public Defender Fund's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact Fenwick A. Swann III, The Twenty-Ninth Judicial District Public Defender at, 13309 River Road, Luling, Louisiana 70070. Phone - (985) 331-5170.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Net Position
Year Ended June 30, 2020

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 643,423
Receivables from other governments	<u>500</u>
Total current assets	643,923
Non-current Assets	
Capital assets, net of depreciation of \$52,290	<u>3,016</u>
<u>Total assets</u>	<u>646,939</u>
Liabilities	
Current Liabilities	
Taxes payable	976
Accounts payable	<u>3,207</u>
<u>Total liabilities</u>	<u>4,183</u>
Net Position	
Invested in capital assets	3,016
Unrestricted	<u>639,740</u>
<u>Total net position</u>	\$ <u>642,756</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Activities
Year Ended June 30, 2020

	<u>Program Revenues</u>				Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Fees and Fines</u>	<u>Public Defender Bonds</u>	<u>Operating Grants and Contributions</u>	
Functions and Programs					
Governmental Activities					
Judicial	\$ (<u>905,909</u>)	<u>886,677</u>	<u>243,413</u>	<u>3,233</u>	\$ <u>227,414</u>
<u>Total governmental activities</u>	(<u>905,909</u>)	<u>886,677</u>	<u>243,413</u>	<u>3,233</u>	<u>227,414</u>

General Revenues

Interest

9,170

Total general revenues

9,170

Change in net position

236,584

Net position - beginning of year

406,172

Net position - end of year

\$ 642,756

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

FUND FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Balance Sheet
Governmental Funds
June 30, 2020

	General
	<u>Fund</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 643,423
Receivables from other governments	<u>500</u>
<u>Total assets</u>	\$ <u>643,923</u>
Liabilities	
Taxes payable	\$ 976
Accounts payable	<u>3,207</u>
<u>Total liabilities</u>	<u>4,183</u>
Fund Balances	
Unassigned, reported in general fund	<u>639,740</u>
<u>Total liabilities and fund balances</u>	\$ <u>643,923</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2020

Total fund balance of the governmental fund at June 30, 2020	\$ 639,740
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	<u>3,016</u>
<u>Net position of governmental activities at June 30, 2020</u>	<u>\$ 642,756</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2020

	General Fund
REVENUES	
Court fines and forfeitures	\$ 886,677
Public Defender Bonds	243,413
Other income	3,233
Interest earnings	<u>9,170</u>
TOTAL REVENUES	<u>1,142,493</u>
EXPENDITURES	
Contract attorneys	453,757
Conflict representation	3,500
Administrative and audit fees	45,984
Juvenile/Misdemeanor attorney's compensation	210,000
Office and other expenses	190,455
Seminar/Travel expenses	<u>2,222</u>
TOTAL EXPENDITURES	<u>905,918</u>
EXCESS OF EXPENDITURES OVER REVENUE	236,575
FUND BALANCE AT BEGINNING OF YEAR	<u>403,165</u>
FUND BALANCE AT END OF YEAR	<u>\$ 639,740</u>

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance to Government-Wide Statement of Activities
Year Ended June 30, 2020

Total Net Change in Fund Balance at June 30, 2020 per Statement
of Revenues, Expenditures, and Changes in Fund Balance of the
Governmental Funds \$ 236,575

Amounts reported for the governmental activities in the
Government-Wide Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.
However, in the Government-Wide Statement of Activities,
the cost of those assets is allocated over their estimated useful
lives as depreciation expense. This is the amount by which
capital outlays exceeded depreciation in the current period.

9

Total change in net position of governmental activities \$ 236,584

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

NOTES TO BASIC FINANCIAL STATEMENTS

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements

Introduction

The Twenty-Ninth Judicial District Public Defender Fund is established in compliance with Louisiana Revised Statutes 15:141-184 to provide and compensate counsel appointed to represent indigents in criminal cases on the district court level.

As provided by Act 21 of 1982, Louisiana Revised Statutes 13:477(29) and 13:477(40), the electors of the Twenty-Ninth Judicial District Public Defender Fund, being the parishes of St. Charles and St. John the Baptist, approved the division of the Twenty-Ninth Judicial District Public Defender Fund, effective January 21, 1985, by the establishment of the Fortieth Judicial District Public Defender Fund to be composed of St. John the Baptist Parish, with the Twenty-Ninth Judicial District Public Defender Fund to continue and be composed of St. Charles Parish.

ACT 307 of 2007 enacted the "Louisiana Public Defender Act" which established the Louisiana Public Defender Board (formally the Indigent Defender Assistance Board). The Act provided for the transfer of the powers, duties, and authority of the board, for the establishment of public defender service regions, the designations for regional directors, and the creation of the Louisiana Public Defender Fund.

1) Summary of Significant Accounting Policies

A.) Reporting Entity

For financial reporting purposes, the Twenty - Ninth Judicial District Public Defender Fund is considered its own separate financial reporting entity. All funds, activities, etc... controlled by the fund as an independently established entity are included as a part of this financial reporting body. There are no other component units. The members of the Twenty - Ninth Judicial District Public Defender Fund are solely responsible for the operations of the fund with authority and responsibility for all operations, deficits, and the receipt and disbursement of monies. Accordingly, other units of the local government such as the Parish Council are considered separate reporting entities and issue financial statements separate from those of the Twenty - Ninth Judicial District Public Defender Fund.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

B.) Basis of Presentation

The accompanying basic financial statements of the District Public Defender Fund have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

The accompanying financial statements have also been prepared in conformity with the following GASB Statements:

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows or Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

Statement No. 65, *Items previously reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

The effect of implementing GASB Nos. 63 and 65 on the financial statements was to classify amounts previously reported as liabilities, unearned revenues to deferred inflows of resources, and to report the excess over liabilities and deferred inflows of resources as net position. The District Public Defender Fund had no deferred outflows or inflows of resources at June 30, 2020, and no reclassifications affecting the statement of net position from the prior period are required.

Government-Wide Financial Statements (GWFS)

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

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District Public Defender Fund's net position is reported in two parts – invested in capital assets and unrestricted net position.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

B.) Basis of Presentation – continued

Government-Wide Financial Statements (GWFS) - continued

The government-wide Statement of Activities reports both the gross and net cost of each of the District Public Defender Fund's functions and activities (judicial). These functions are also supported by general government revenues (interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (interest earned, etc). The focus of these government-wide statements is more on the sustainability of the District Public Defender Fund as an entity and the change in the District Public Defender Fund's net position resulting from the current period's activities.

Fund Financial Statements (FFS)

The District Public Defender Fund uses funds to maintain it's financial records during the period. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The District Public Defender Fund encompasses only Governmental Funds, which are described below.

Governmental

General Fund - The General Fund of the District Public Defender Fund is used to account for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended in accordance with state and federal laws and according to the District Public Defender Fund's policy.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental Fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District Public Defender Fund considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Fund Balance

The District Public Defender Fund's basic financial statements have been prepared in conformity with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

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

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting

Fund Balance - continued

- b. Restricted – 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.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the District Public Defender Fund, which is the highest level of decision-making authority for the District Public Defender Fund.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- e. Unassigned – all other spendable amounts.

The District Public Defender Fund applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The District Public Defender Fund does not have a formal minimum fund balance policy.

Net Position

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

C.) Measurement Focus/Basis of Accounting - continued

Net Position - continued

- b. Restricted net position – Consists of assets less liabilities (net position) with constraints placed on the 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 – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Revenues

Fees are recorded in the month in which they are collected by the Sheriff of St. Charles Parish.

Federal and State grant revenue is recognized when program expenditures are incurred in accordance with program guidelines.

Interest earnings on time deposits are recorded in the year in which they are earned.

Expenditures

The District Public Defender Fund's primary expenditures are recorded when the liabilities are incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

D.) Budgetary Information

The District Public Defender Fund directs the preparation of a proposed budget and submits it to the Louisiana Public Defender Board for approval by a specified date. Annually, the District Public Defender Fund adopts a budget for the General Fund on the modified accrual basis of accounting. Amounts are available for expenditures only to the extent included within the budget. All appropriations lapse at year-end.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

E.) Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Under state law, the District Public Defender Fund may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, and time deposits in state banks organized under Louisiana law, and national banks having their principal offices in Louisiana. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

F.) Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District Public Defender Fund's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost which approximates market.

G.) Capital Assets

In the government-wide financial statements, capital assets purchased or acquired are recorded at either historical cost or estimated historical cost, and depreciated over their estimated useful lives (excluding salvage value). Contributed assets are recorded at fair market value at the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- | | |
|--------------------------|---------|
| • Furniture and fixtures | 7 years |
| • Computer equipment | 5 years |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the fund upon acquisition.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

H.) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Deposits and Concentration of Credit Risk

At June 30, 2020, the District Public Defender Fund had cash totaling \$35,933 (book balances) invested in demand deposit account at one local bank. Additionally, the District Public Defender Fund had cash totaling \$607,492 in the Louisiana Asset Management Pool (LAMP) as explained below. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) 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 of 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. At June 30, 2020, the District Public Defender Fund had \$41,915 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance and pledged securities held by the custodial bank in the name of the fiscal agent.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40. Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk and concentration of credit risk rate risk, for all public entity investments.

Financial instruments that potentially subject the District Public Defender Fund to concentrations of credit risk consist principally of temporary cash investments and accounts receivable.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(2) Deposits and Concentration of Credit Risk - continued

Custodial credit risk is the risk that, in the event of a bank failure, the District Public Defender Fund's deposits might not be recovered. The District Public Defender Fund's deposit policy for custodial credit risk conforms to state law as described in Note 1 to the financial statements.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The District Public Defender Fund's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U. S. Government floating/variable rate investments.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(3) Investments and Fair Value Measurement

The Organization applies GAAP for fair value measurements of financial assets that are recognized at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair market hierarchy are as follows:

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

During the year ended June 30, 2020, the Organization invested \$607,492 in LAMP (Louisiana Asset Management Pool) as discussed below.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(3) Investments and Fair Value Measurement - continued

The amortized cost and fair values measured on a recurring basis of investments as of June 30, 2020 are as follows:

<u>Level 2 Cost Basis</u>	<u>Amortized Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Louisiana Asset Management Pool	\$ 607,492	\$ 607,492	-0-

(4) Receivables From Other Governments

Accrued receivables consist of amounts owed for fees at the end of the current period, but not remitted until the subsequent period. No allowance for doubtful accounts is provided as management considers all accrued receivables to be collectible.

(5) Capital Assets

Capital assets and depreciation activity for the governmental activities as of and for the twelve month period ended June 30, 2020 are as follows:

	<u>Balance 06-30-19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06-30-20</u>
Furniture, Fixtures and Equipment	\$ 53,340	\$ 1,966	\$ -0-	\$ 55,306
Less: Accumulated Depreciation	<u>(50,333)</u>	<u>(1,957)</u>	<u>-0-</u>	<u>(52,290)</u>
CAPITAL ASSETS, NET	\$ <u>3,007</u>	\$ <u>9</u>	\$ <u>-0-</u>	\$ <u>3,016</u>

(6) Annual and Sick Leave

The District Public Defender Fund employs four employees, and has adopted a formal vacation and sick leave policy.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

(7) Pension Plan and Post-employment Benefits

The District Public Defender Fund does not participate in a pension plan for any of its employees.

At present, there are no former employees of The District Public Defender Fund who are receiving post-employment benefits, and any liability due to the Fund's benefit structure is considered to be immaterial.

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(8) Leases

The District Public Defender Fund did not have any capital or operating lease commitments as of and for the year ended June 30, 2020.

(9) Litigation and Claims

The District Public Defender Fund is not involved in any litigation and is not aware of any claims outstanding that are not recorded in the financial statements.

(10) 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.

(11) Governmental Fund Revenues and Expenditures

For the year ended June 30, 2020, the major sources of governmental fund revenues and expenditures were as follows:

Revenue:

State Government

Appropriations – Special Public Defender Bonds \$ 243,413

Local Government

Statutory fines, forfeitures, fees, court cost, and other 886,677

Investment Earnings

9,170

Other Income

3,233

Total Revenues

\$ 1,142,493

Expenditures:

Personnel Services and Benefits

Other \$ 135,409

Professional Development

Dues, licenses, and registrations 2,222

Operating Costs

Contract services – attorney/legal 663,757

Contract services – other 45,444

Supplies 59,086

Total Expenditures

905,918

Excess of Expenditures over Revenue

\$ 236,575

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Notes to Basic Financial Statements – Continued

(12) Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements to determine the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through the date the financial statements were available to be issued, December 23, 2020.

A strain of coronavirus was reported in Louisiana in March 2020, and continues to spread throughout the United States. The COVID-19 outbreak has disrupted business. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

REQUIRED SUPPLEMENTAL INFORMATION

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Governmental Funds
Year Ended June 30, 2020

REVENUES	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Court costs on fines and forfeitures	\$ 853,629	\$ 887,000	\$ 886,677	\$ (323)
Public Defender Bonds	241,746	243,000	243,413	413
Other income	0	3,200	3,233	33
Interest earnings	2,797	9,200	9,170	(30)
TOTAL REVENUES	1,098,172	1,142,400	1,142,493	93
EXPENDITURES				
Administrative and audit fees	222,473	123,935	115,984	(7,951)
Contract attorneys	486,363	470,530	453,757	(16,773)
Investigators and expert fees	42,500	1,500	23,067	21,567
Office and other expenses	90,234	64,154	80,084	15,930
Juvenile-Attorney's compensation	203,636	210,000	210,000	-0-
Capital expenditures	1,000	3,000	1,966	(1,034)
Capital cases and conflict representation	19,092	4,500	3,500	(1,000)
Social worker	19,964	17,716	17,560	(156)
TOTAL EXPENDITURES	1,085,262	895,335	905,918	10,583
EXCESS OF EXPENDITURES OVER REVENUE	12,910	247,065	236,575	(10,490)
FUND BALANCE AT BEGINNING OF YEAR	403,165	403,165	403,165	-0-
FUND BALANCE AT END OF YEAR	\$ 416,075	\$ 650,230	\$ 639,740	\$ (10,490)

OTHER SUPPLEMENTAL INFORMATION

TWENTY-NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Schedule of compensation, benefits, and other payments to
Agency Head or Chief Executive Officer

Year Ended June 30, 2020

Agency Head Name: Fenwick A. Swann, III

Purpose	Amount
Salary	\$ 13,280
Benefits – insurance	-0-
Benefits – retirement	-0-
Benefits – other	-0-
Car Allowance/fuel	-0-
Vehicle provided by government	-0-
Cell phone	-0-
Dues	448
Per diem	-0-
Reimbursements	-0-
Travel/conferences	-0-
Registration fees	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Meals	-0-
Total	<u>\$ 13,728</u>

UZEE, BUTLER, ARCENEUX & BOWES

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

To The District Public Defender
Twenty-Ninth Judicial District
Public Defender Fund
Hahnville, Louisiana

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Twenty-Ninth Judicial District Public Defender Fund which comprise the statement of net position as of June 30, 2020, and the related statement of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Twenty-Ninth Judicial District Public Defender Fund's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Ninth Judicial District Public Defender Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Ninth Judicial District Public Defender 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements that is more than inconsequential 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 over financial reporting 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. We did identify a deficiency in internal control that we consider to be a material weakness. This deficiency is described in the accompanying schedule of current and prior year audit findings and corrective action plan. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

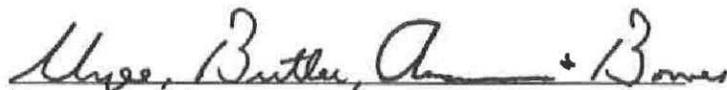
Response to Findings

The Twenty-Ninth Judicial District Public Defender Fund's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and corrective action plan. The Twenty-Ninth Judicial District Public Defender Fund'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.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Harvey, Louisiana
December 23, 2020

TWENTY - NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

SCHEDULE OF FINDINGS

YEAR ENDED JUNE 30, 2020

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Twenty-Ninth Judicial District Public Defender Fund.
2. A material weakness relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. The material weakness results from a lack of adequate segregation of duties within the Accounting Department of the Twenty-Ninth Judicial District Public Defender Fund. No corrective action is planned regarding this material weakness, as the cost-benefit and limited number of personnel in the Accounting Department do not allow for adequate segregation of duties.
3. No instances of noncompliance material to the financial statements of the Twenty-Ninth Judicial District Public Defender Fund are disclosed in Part B of this schedule.

B. FINDING – FINANCIAL STATEMENTS AUDIT

NONE

TWENTY-NINTH JUDICIAL DISTRICT
PUBLIC DEFENDER FUND

St. Charles Parish, Louisiana

Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan

Year Ended June 30, 2020

<u>Ref No.</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
CURRENT PERIOD (6/30/20)						
<u>Internal Control:</u>						
20-01	Unknown	The District Public Defender Fund does not have adequate segregation of duties within the Accounting Department	N/A	None. Because of the cost - benefit and limited number of personnel in the Accounting Department, it is not possible to achieve adequate segregation of duties.	Fenwick A. Swann, III, Chief	N/A
PRIOR PERIOD (6/30/19)						
<u>Internal Control:</u>						
19-01	Unknown	The District Public Defender Fund does not have adequate segregation of duties within the Accounting Department	N/A	None. Same as above	Fenwick A. Swann, III, Chief	N/A