Office of the District Attorney of the 34th Judicial District

FINANCIAL STATEMENTS

December 31, 2019



Office of the District Attorney of the 34th Judicial District Table of Contents December 31, 2019

FINANCIAL SECTION	Page
Independent Auditors' Report	1
REQUIRED SUPPLEMENTARY INFORMATION (PART I)	
Management's Discussion and Analysis	4
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements	
Balance Sheet – Governmental Funds	11
Reconciliation of the Balance Sheet of Governmental Funds	
to the Statement of Net Position	12
Statement of Revenues, Expenditures, and	
Changes in Fund Balance – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balance of Governmental Funds to the Statement of Activities	14
Statement of Fiduciary Assets and Liabilities – Agency Funds	15
Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds	16
Notes to Financial Statements	17
REQUIRED SUPPLEMENTARY INFORMATION (PART II)	
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
Budget and Actual - General Fund	35
Schedule of Proportionate Share of Net Pension Liability	36
Schedule of Employer Contributions to Pension Fund	37
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to Agency Head	38

Office of the District Attorney of the 34th Judicial District Table of Contents December 31, 2019

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Independent Auditors' Report on Internal Control over Financial Reporting	
and on Compliance and Other Matters Based on an Audit of Financial	
Statements Performed in Accordance with Government Auditing Standards	39
Schedule of Findings and Responses 4	41





Carr, Riggs & Ingram, LLC 111 Veterans Memorial Blvd. Suite 350 Metairie, Louisiana 70005

(504) 833-2436 (504) 484-0807 (fax) www.CRIcpa.com

INDEPENDENT AUDITORS' REPORT

To the District Attorney of the 34th Judicial District Chalmette, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Office of the District Attorney of the 34th Judicial District (the "Office") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the 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 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, the auditors consider internal control relevant to the Office'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 Office'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, the major fund, and the aggregate remaining fund information of the Office as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other required supplementary information as listed in the table of contents 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 or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying

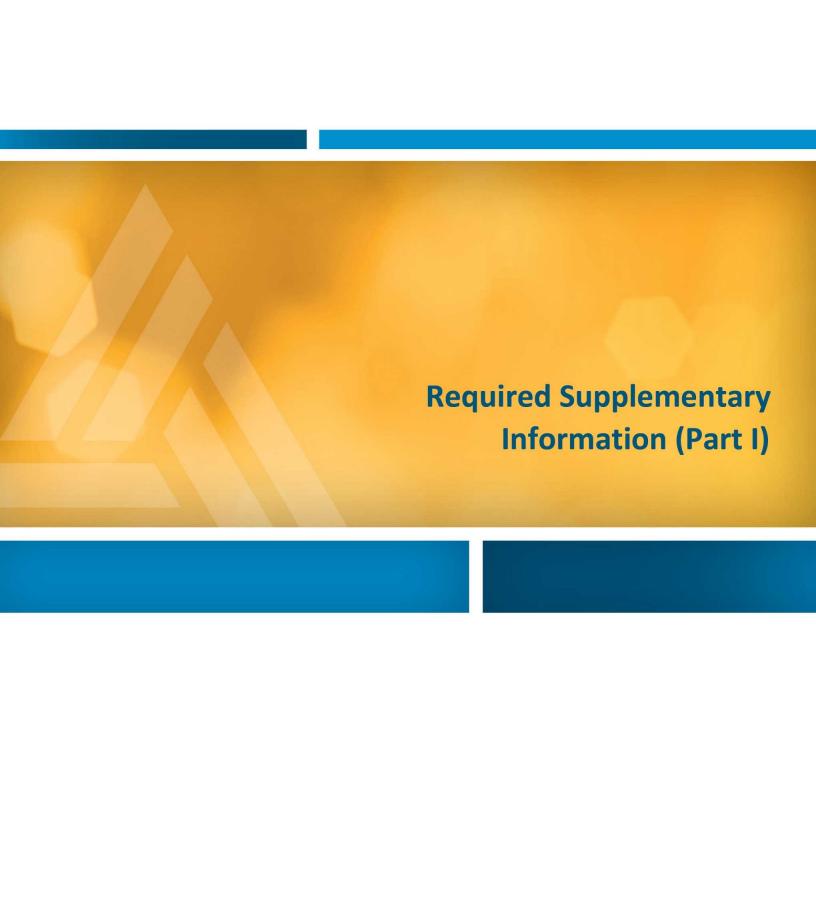
Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2020 on our consideration of the Office'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

Metairie, LA June 11, 2020

Can, Rigge & Ingram, L.L.C.



Management's Discussion and Analysis (MD&A) is a required element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its codification. Its purpose is to provide an overview of the financial activities of the Office of the District Attorney of the 34th Judicial District (the "Office") based on currently known facts and decisions of conditions. Please read it in conjunction with the Office's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

The Office's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the fiscal year by \$1,877,851, which represent a 13.1% decrease from last year.

The Office's revenues increased by \$101,622 (or 4.47%), principally due to the increase in on-behalf payroll paid by St. Bernard Parish and an increase in grants during the current year.

The Office's expenses increased by \$289,431, which represents a 12.23% principally due to the increase in on-behalf payroll paid by St. Bernard Parish and the State of Louisiana, as well as an increase in the cooperative endeavor payroll expenses which increased due to pay rate increases

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Office's basic financial statements. The Office's financial report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) special reports by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the Office:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Office's finances, in a manner similar to a private sector business. The Statement of Net Position presents information on all of the Office's assets and liabilities, with the difference between the two reported as the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Office is improving or deteriorating. The Statement of Activities presents information showing how the Office's net position changed during each fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the Office has charge of every criminal prosecution by its district.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Office has both Governmental and Fiduciary Funds.

Fund Financial Statements provide more in-depth data on the Office's most significant funds, such as its General Fund. This fund is considered a "major fund" under criteria established by GASB Statement No. 34.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the calendar year.

Due to the narrower focus of the governmental funds than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmental-wide financial statements. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on the agency fund assets and liabilities. The funds accounted for in this category by the Office are the Bond Forfeitures Fund and the Traffic and Safety Fund.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provide the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Office's financial position. As of December 31, 2019, assets and deferred outflows exceed liabilities and deferred inflows by \$1,877,851.

CONDENSED STATEMENTS OF NET POSITION

			Dollar	Total %
	2019	2018	Change	Change
Current and other assets	\$ 1,875,824	\$ 2,120,134	\$ (244,310)	-11.52%
Capital assets	41,161	65,666	(24,505)	-37.32%
Total assets	1,916,985	2,185,800	(268,815)	-12.30%
Deferred outflows of resources	34,987	41,745	(6,758)	-16.19%
Total assets and deferred outflows	1,956,972	2,227,545	(275,573)	-12.37%
Current liabilities	61,864	58,491	3,373	5.77%

Deferred inflows of resources	12,257	7,193	5,064	70.40%
Total liabilities and deferred inflows	74,121	65,684	8,437	12.84%
	11			-
Net position:				
Invested in capital assets	41,161	65,666	(24,505)	37.32%
Unrestricted	1,836,690	2,096,195	(259,505)	-12.38%
Total net position	\$ 1,877,851	\$ 2,161,861	\$ (284,010)	-13.14%

GOVERNMENTAL ACTIVITIES

Governmental activities decreased the Office's net assets by \$268,815. Key elements of this decrease are:

CONDENSED STATEMENTS OF ACTIVITIES

			Dollar	Total %
ж.	2019	2018	Change	Change
Revenues:				
Asset and bond forfeitures	\$ 48,887	\$ 127,450	\$ (78,563)	-61.64%
Court costs, fines and fees	107,292	97,617	9,675	9.91%
Intergovernmental revenues				
and on-behalf payments	1,948,311	1,813,327	134,984	7.44%
Diversion program fees	103,361	143,875	(40,514)	-28.16%
Victims assistance	30,000	32,500	(2,500)	-7.69%
Interest income	41,239	21,951	19,288	87.87%
Non-employer pension contribution	10,336	9,093	1,243	13.67%
Victims of crime assistance	42,516	18,152	24,364	134.22%
Child support grant	30,947	5 .4.	30,947	100.00%
Pre-trial intervention	8,190	8.55	8,190	100.00%
DA Traffic and Safety	1,622	7,114	(5,492)	-77.20%
Total revenues	2,372,701	2,271,079	101,622	4.47%

Expenses:

General and other

governmental and other	2,656,711	2,367,280	289,431	12.23%
Total Expenses:	2,656,711	2,367,280	289,431	12.23%
Change in net position	(284,010)	(96,201)	(187,809)	195.33%
Net position beginning of year	2,161,861	2,258,062	(96,201)	-4.26%
Net position end of year	\$ 1,877,851 \$	2,161,861	\$ (284,010)	-13.14%

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Office uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the Office's governmental funds are to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Office's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. As of the end of the current year, the Office's governmental funds reported a combined ending fund balance of \$1,849,371, a decrease of \$245,752 in comparison with the prior year that is available for spending at the Office's discretion.

The General Fund is the chief operating fund of the Office. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,849,371.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District Attorney adopted a budget during 2019 and amended the budget to take into consideration significant changes in revenues or expenditures. A comparison of the original and amended budget to actual totals of revenues and expenditures is included on pages 34 of the financial statements.

During the year, revenues were higher than budgetary estimates by \$3,104 and expenditures were higher than budgetary estimates by \$51,206 due to the decrease in activity in the Office's Diversion program.

CAPITAL ASSETS

The Office's investment in capital assets for its governmental activities as of December 31, 2019, amounts to \$41,161 (net of accumulated depreciation). This investment in capital assets includes vehicles and facility improvements net of any related debt.

As of December 31,	 2019		2018	
Vehicles	\$ 119,528	\$	119,528	
Facility improvements	12,000		12,000	
Less accumulated depreciation	(90,367)		(65,862)	
Total	\$ 41,161	\$	65,666	

ECONOMIC FACTORS AND 2020 BUDGET

When preparing the Office's budget for 2020, the decrease in bond forfeiture revenues and diversion program fees in the General Fund were considered the most significant factors.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Office's finances for all those with an interest in the Office's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Perry M. Nicosia, District Attorney, Office of the District Attorney of the 34th Judicial District, Parish of the St. Bernard, Post Office Box 947, Chalmette, LA 70044-0947.



Office of the District Attorney of the 34th Judicial District Statement of Net Position

December 31,		2019
CURRENT ASSETS		
Cash and cash equivalents	\$	918,173
Investments	(F)	862,484
Due from other governments		95,167
Total Current Assets		1,875,824
NONCURPENT ACCETS		
NONCURRENT ASSETS		41 161
Capital assets, net of depreciation		41,161
TOTAL ASSETS		1,916,985
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to pension liability		34,987
TOTAL DEFERRED OUTFLOWS OF RESOURCES		34,987
LIABILITIES		
Accounts payable		26,453
Non-current liabilities:		
Net pension liabilty		35,411
TOTAL LIABILITIES		61,864
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to pension liability		12,257
TOTAL DEFERRED INFLOWS OF RESOURCES		12,257
NET POSITION		
Net investment in capital assets		41,161
Unrestricted		1,836,690
TOTAL NET POSITION	\$	1,877,851
TOTAL NET FOSITION	3	1,077,031

Office of the District Attorney of the 34th Judicial District Statement of Activities

					1	Net (Expense)
						Revenue and
					(Change in Net
For the Year Ended December :	31, 2019		Program	m Revenues		Position
			Charges for	Operating Grants		Governmental
Function/Programs		Expenses		and Contributions		Activities
Governmental Activities						
General government	\$	2,656,711	269,352	103,463	\$	(2,283,896)
	In In	neral revenues tergovernmen terest and invo on-employer p	ital revenues estment earnii pension contrik	ngs		1,948,311 41,239 10,336
		Total Genera	l Revenues			1,999,886
	CH	ANGE IN NET P	POSITION			(284,010)
	NET	POSITION - bo	eginning of yea	ar		2,161,861
	NET	Γ POSITION - e	nd of year		\$	1,877,851

Office of the District Attorney of the 34th Judicial District Balance Sheet - Governmental Funds

December 31,		2019
		General Fund
ASSETS		
Cash and cash equivalents	\$	918,173
Investments		862,484
Due from other governmental entities:		
Due from St. Bernard Parish Sheriff's Office:		
Commission on fines		1,914
Bond premium fees		2,984
Court costs		1,042
Contempt fees		480
Due from St. Bernard Parish Government		55,265
Due from other governments		33,482
TOTAL ACCETS	۴	1.075.024
TOTAL ASSETS	\$	1,875,824
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$	22,663
Due to bond forfeiture fund	5 - 5	3,790
TOTAL LIABILITIES		26,453
		20,.00
FUND BALANCE		
Unassigned		1,849,371
TOTAL FUND BALANCE		1,849,371
TOTAL LIABILITIES AND FUND BALANCE	\$	1,875,824

Office of the District Attorney of the 34th Judicial District Reconciliation of the Balance Sheet to the Statement of Net Position

December 31,		2019
Total fund balance at December 31, 2019 - governmental funds	\$	1,849,371
Amounts reported for govermental activities in the		
Statement of Activities are different because:		
Capital assets used in governmental activities are not financial		
resources and, therefore, are not reported in the governmental		
funds		
Governmental capital assets	131,528	
Less accumulated depreciation	(90,367)	41,161
Contributions to the pension plan in the current year and other pension related deferrals are deferred outflows of resourses		
on the Statement of Net Position		34,987
Long-term liabilities at December 31, 2019:		
Net pension liability		(35,411)
Pension related deferrals are deferred inflows of resouces on the		
Statement of Net Position		(12,257)
Net position of governmental activities	\$	1,877,851

Office of the District Attorney of the 34th Judicial District Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

2,608,117

(245,752)

2,095,123

1,849,371

\$

For the Year Ended December 31,	2019
	General Fund
REVENUES	
Intergovernmental revenues - on-behalf payments	\$ 1,948,311
Diversion program fees	103,361
Bond forfeitures	35,060
Court costs, fines and fees	107,292
Victims assistance grant	30,000
Victims of crime assistance grant	42,516
Child support grant	30,947
Asset forfeitures	13,827
Interest income	41,239
Pre-trial intervention	8,190
DA traffic and safety	1,622
Total Revenues	2,362,365
EXPENDITURES	
Current:	
General government:	
Personnel services	2,359,149
Office expense	119,572
Contract services	32,979
Program services	51,903
Auto and travel	41,881
Repair and maintenance	2,633
- 3 7 - 19	

Total Expenditures

FUND BALANCE - end of year

NET CHANGE IN FUND BALANCE

FUND BALANCE - beginning of year

Office of the District Attorney of the 34th Judicial District Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities

December 31,	2019
Total net change in fund balance - governmental funds	\$ (245,752)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense Depreciation expense	(24,505)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Pension expense	(13,753)
Change in Net Position of Governmental Activities	\$ (284.010)

Office of the District Attorney of the 34th Judicial District Statement of Fiduciary Assets and Liabilities - Agency Funds

December 31, 2019	Bond Forfeitures		Traffic and Safety		Total Agency Funds	
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$	н	\$	3,338	\$	3,338
Due from other governments		4,732		82		4,732
TOTAL ASSETS	\$	4,732	\$	3,338	\$	8,070
LIABILITIES CURRENT LIABILTIES						
Forfeited bond proceeds	\$	4,732	\$: -	\$	4,732
Due to general fund	Ψ.	-	*	1,669	т.	1,669
Due to other governments		-		1,669		1,669
TOTAL LIABILITIES	\$	4,732	\$	3,338	\$	8,070

Office of the District Attorney of the 34th Judicial District Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds

	January 1,						De	cember 31,
		2019	A	dditions	De	ductions		2019
BOND FORFEITURES								
Cash and cash equivalents	\$	13,274	\$	68,870	\$	(82,144)	\$	Œ
Due from other governments		4,732				=		4,732
Bond forfeitures assets		18,006		68,870		(82,144)		4,732
Forfeited bond proceeds Bond forfeitures liabilities	ċ	18,006 18,006	\$	59,600 59,600	ć	(72,874) (72,874)	\$	4,732 4,732
Bond forfeitures habilities	<u> </u>	10,000	<u> </u>	33,000	<u> </u>	(12,011)	<u> </u>	4,732
TRAFFIC AND SAFETY								
Cash and cash equivalents	\$	1,248	\$	4,103	\$	(2,013)	\$	3,338
Traffic and safety assets		1,248		4,103		(2,013)		3,338
Due to general fund		624		2,052		(1,007)		1,669
Due to other governments		624		2,052		(1,007)		1,669
Traffic and safety liabilities	\$	1,248	\$	4,103	\$	(2,013)	\$	3,338

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State in his District, is the representative of the State before the grand jury in his district, and is the legal advisor to the grand jury. The District Attorney performs other duties as provided by law and is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parish of St. Bernard, Louisiana.

The financial statements of the Office of the District Attorney of the 34th Judicial District (the Office) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the governmental entity's accounting policies are described below.

Reporting Entity

The District Attorney is an independently elected official and is not considered fiscally dependent of the St. Bernard Parish Council (the Council). As the governing authority of the parish, for reporting purposes, the St. Bernard Parish Council is the financial reporting entity for the St. Bernard Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Codification 2600 Reporting Entity and Component Unit Presentation and Disclosure established criteria for determining which component units should be considered part of the St. Bernard Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

- 1. Appointing a voting majority of an organization's governing body, and
 - The ability of the Council to impose its will on that organization and/or,
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Council.
- 2. Organizations for which the Council does not appoint a voting majority but are fiscally dependent on the Council.
- Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Because the Council does not appoint the District Attorney, does not provide funding (other than the use of facilities), or have any control over the District Attorney, the District Attorney has determined that the Office is not a component unit of the St. Bernard Parish Council. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the Council, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity of St. Bernard Parish.

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the Office. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Office as an entity and the change in aggregate financial position resulting from the activities for the fiscal period. Governmental activities generally are financed through fines and fees, intergovernmental revenues, and other non-exchange revenues.

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB Codification 1300 Fund Accounting. Emphasis is now on major funds in governmental categories. The daily accounts and operations of the Office continue to be organized on the basis of a fund and the accounts group, each of which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that compromise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following are the governmental funds of the Office:

General Fund – The general fund is the general operating fund of the Office. The General fund accounts for all financial resources except those required to be accounted for in other funds. The General Fund is always a major fund. The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that a percentage of the fines collected and bonds forfeited within the judicial district be transmitted to the District Attorney to defray the necessary expenses of the Office.

Fiduciary Funds

The fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category are the agency funds. The agency funds account for assets held by the Office as an agent for other governments. The agency fund is custodial in nature (assets equal

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The Office maintains two agency funds: Bond Forfeiture and Traffic and Safety Agency Funds.

Bond Forfeitures Fund – The Bond Forfeitures Agency fund holds bond forfeiture proceeds that are collected as a result of individuals failing to show up to court after a bond has been posted on their behalf. If the individuals do not follow the required legal proceedings after the bonds have been issued, the Office can then demand the Bail Bondsman to pay the proceeds of the bond. Once the Office receives the funds, they are required to hold the money for a period of at least six months. If at this time the defendant has not shown up to court, the funds are to be allocated 25% to the St. Bernard Parish Sheriff's Office, 25% to the St. Bernard Parish Criminal Court Fund, 20% to the St. Bernard Public Defender's Office, and 30% to the Office.

Traffic and Safety Fund — The Traffic and Safety fund holds proceeds for the District Attorney Traffic and Safety Program that are collected from participants to have their citation considered from dismissal upon compliance with certain requirements. The revenue generated from this program is allocated 50% to the St. Bernard Parish Sheriff's Office and 50% to the Office.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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.

Government-wide Financial Statements

The government-wide financial statements are reported using the economic measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net change in fund balance. Governmental funds are maintained on the modified accrual basis of accounting.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For this purpose, the Office considers revenues to be available if they are collected within sixty days of the end of the current fiscal year. Commissions on fines, Act 293 court costs, Act 834 bond premium fees, Act 52 bond forfeitures, and income from forfeitures of assets seized in illegal drug activity, and Title IV-D incentive payments are recorded in the year they are earned. Interest on investments is recorded when earned. Any interest not received at year end is accrued as a receivable. Other revenues are recognized when received.

Interest income on cash balances is recorded when the income is available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Allocations of cost such as depreciation are not recognized in the governmental funds.

Use of 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating Budgetary Data

As required by the Louisiana Revised Statute 39:1303, the District Attorney adopted a budget for the General Fund. The budgetary practices include public notice of the proposed budget, public inspection, and a public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the District Attorney. The Office's budget was amended one time during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on the accrual basis of accounting.

Cash and cash equivalents

The Office's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments

Investments for the Office are held with the Louisiana Asset Management Pool (LAMP) and are reported at fair value (generally based on quoted market prices. LAMP meets all of the specified

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

criteria in Section I50: Investments to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the Office's position in the pool is equal to the value of the pooled shares.

Accounts Receivable

Management is of the opinion that there will be no material losses in the collection of accounts receivable. No allowance for uncollectible accounts has been provided.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements - In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$2,000 or more are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. 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.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Facility improvements 20 years Automobiles 5 years

Fund Financial Statements - 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.

The Office reviews the property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

Vacation and Sick Leave

Employees of the District Attorney earn from 10 to 25 days of annual leave each year depending on length of service. Annual leave accumulated in one year must be used by December 31st of the following year except for 5 days may roll into the New Year. Employees accrue one day of sick leave

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

for each month of continuous employment. Sick leave may be accumulated to a maximum of 90 days.

The District Attorney's portion of accumulated vacation and sick leave is nominal at December 31, 2019. Therefore, a liability for vacation and sick leave due to employees has not been included in the basic financial statements.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The Office has one item that meets the criterion for this category, pension-related deferrals. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Office has one item that meet the criterion for this category, pension-related deferrals.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Net Position Classifications

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 balances 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 net position with constraints placed on the use either by external groups such as creditors, grantors, contributions or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets." When both restricted and unrestricted resources are available for use, it is the Office's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

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

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. There was no nonspendable fund balance as of December 31, 2019.

Restricted - amounts that can be spent only for a specific purpose because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributions, or the laws or regulations of other governments. There was no restricted fund balance as of December 31, 2019.

Committed - amounts that can be used only for specific purposes determined by a formal decision of the Office. There was no committed fund balance as of December 31, 2019.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for a specific purpose. There was no assigned fund balance as of December 31, 2019.

Unassigned - all other spendable amounts.

When both restricted and unrestricted resources are available for use, it is the Office's intention to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Office's intention to use committed resources first, then assigned, and then unassigned as they are needed.

Revenues and Expenditures

Program revenues – Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General revenues and special items – Amounts reported as general revenues and special items include 1) on-behalf payments for salaries and fringe benefits, 2) interest and investment earnings, and 3) non-employer pension contributions.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 11, 2020. See Note 7 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84 – Fiduciary Activities. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The Office is currently assessing the impact of GASB 84 on the financial statements for the year ending December 31, 2020.

In June 2017, GASB issued Statement No. 87 - Leases. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Office is currently assessing the impact of GASB 87 on the financial statements for the year ending December 31, 2022.

NOTE 2: DEPOSITS AND INVESTMENTS

Deposits and Financial Institutions

Under state law, the Office may deposit funds within a fiscal agent bank 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.

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

The Office may invest in certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. At December 31, 2019, the Office has total cash (bank balances) deposited with financial institutions totaling \$968,208.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Office's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party.

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 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 December 31, 2019, are secured as follows:

Bank Balance	\$ 968,208
Insured Collateralized by pledging bank in the Office's name	\$ 968,208
Total	\$ 968,208

As of December 31, 2019, the Office's total bank balance was not exposed to custodial risk.

Deposits with Louisiana Asset Management Pool

At December 31, 2019, the Office had an investment of \$862,484 with the Louisiana Asset Management Pool (LAMP), which is included in investments on page 9 and page 11. LAMP is administered by LAMP, Inc., a non-profit Authority, 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. LAMP is rated AAAm by Standard & Poor's.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to the account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer

NOTE 2: DEPOSITS AND INVESTMENTS (CONTINUED)

and the board of directors. LAMP is not registered with the U.S. Securities and Exchange Commission (SEC) as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at (800) 249-5267.

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance nuary 1, 2019	Additio	ons	Delet	tions	Dec	lance ember 2019
Capital assets being depreciated: Facility improvements Automobiles	\$ 12,000 119,528	\$	-	\$	-	\$	12,000 119,528
Less accumulated depreciation for: Facility improvements	(3,800))	(600)		1921		(4,400)
Automobiles	(62,062)	(23)	,905)		157		(85,967)
Total capital assets, net	\$ 65,666	\$ (24	,505)	\$	-	\$	41,161

NOTE 4: PENSION PLAN

The Office is a member of the District Attorneys' Retirement System (DARS). This system is a costsharing multiple-employer, defined benefit pension plan administered by a separate board of trustees.

Plan Description

The District Attorneys' Retirement System (DARS), State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. DARS was established on August 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys.

NOTE 4: PENSION PLAN (CONTINUED)

The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through DARS in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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.

Members who joined DARS before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with, less than 23 year of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined DARS after July 1, 1990, or who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability Benefits

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (3.5% for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age 60.

Survivor Benefits

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his

NOTE 4: PENSION PLAN (CONTINUED)

designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in DARS.

Deferred Retirement Option Plan benefits (DROP)

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of 36 months or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving die lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to 36 months in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of 1%. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to die payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in

NOTE 4: PENSION PLAN (CONTINUED)

the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Cost of Living Adjustments

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2020 and for the year ended June 30, 2019, the actual employer contribution rate was 4.00% and 1.25%, respectively. For the year ending June 30, 2020 and for the year ended June 30, 2019, the actuarially determined employer contribution rate was 3.38% and 3.83%, respectively. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Office were \$881 for the year ended December 31, 2019.

In accordance with state statute, DARS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2019.

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2019, the Office reported a liability of \$35,411 for its proportionate share of the Net Pension Liability (NPL) of DARS. The NPL was measured as of June 30, 2019, and the total pension liability used to calculate the NPL was determined based on an actuarial valuation as of that date. The Office's proportion of the NPL was based on a projection of the Office's long-term share of contributions to the pension plans relative to the projected contribution of all participating employers, actuarially determined. At June 30, 2019, the Office's proportionate share was

NOTE 4: PENSION PLAN (CONTINUED)

0.110073%, which was an increase of .006031% from its proportionate share measured at June 30, 2018.

For the year ended December 31, 2019, the Office recognized a total pension expense of \$25,728, plus the Office's amortization of the difference between employer contributions and proportionate share of contributions of \$(758).

At year end, the Office reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows		Deferred Inflows	
Description	of	Resources	of Resources	
				-
DARS				
Differences between expected and actual experience	\$	152	\$	11,052
Net difference between projected and actual earnings				
on pension plan investments		4,966		=
Changes in assumptions		16,127		1,168
Changes in proportion to and differences between the				
District Attorney's contributions and its				
proportionate share of contributions		12,448		37
The Office's contributions subsequent to measurement				
date		1,294		-
Total DARS	\$	34,987	\$	12,257

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 Ending December 31,	Amount	Amount of Amortization		
2020	\$	10,395		
2021		3,745		
2022		4,294		
2023		4,555		
2024		(1,552)		

NOTE 4: PENSION PLAN (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

Valuation date June 30, 2019

Actuarial cost method Entry age normal cost

Investment rate of return 6.50% net of investment expense

Inflation rate 2.4% per annum

Salary increases 5.50% (2.40% Inflation, 3.10% Merit)

Mortality rates The RP 2000 Combined Healthy with White Collar

Adjustment Sex Distinct Tables (setback 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitants, and beneficiaries. The RP 2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3

years for females) for disabled annuitants.

Expected remaining

service lives 6 years

Cost of Living adjustments Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of DARS' liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term expected nominal rate of return is 7.56% for the year ended June 30, 2019.

NOTE 4: PENSION PLAN (CONTINUED)

The best estimates of arithmetic real rates of return for each major asset class based on the DARS' target asset allocation as of June 30, 2019 are summarized in the following table:

		Long-Term
	Target Asset	Expected Portfolio
Asset Class	Allocation	Real Rate of Return
Equities	48.42%	5.13%
Fixed income	40.10%	1.65%
Alternatives	10.99%	0.78%
Cash	0.49%	0.00%
Totals	100.00%	7.56%
Inflation		2.49%
Expected Real Rate of Return		10.05%

Discount Rate

The discount rate used to measure the total pension liability for DARS was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of each of DARS's actuaries. Based on those assumptions, DARS'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.

Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate.

The following presents the Office's proportionate share of the Net Pension Liability using the discount rate of 6.50%, as well as what the Office's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.50%) or one percentage-point higher (7.50%) than the current rate:

			С	urrent		
	1.0%	1.0% Decrease Discount Rate		ount Rate	1.0% Increase	
Discount Rate		5.50%		6.50%		7.50%
Share of NPL	\$	96,456	\$	35,411	\$	(16,569)

NOTE 4: PENSION PLAN (CONTINUED)

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Office recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2019, the Office recognized revenue as a result of support received from non-employer contributing entities of \$10,336.

Pension Plan Fiduciary Net Position

DARS issues publicly available financial reports that includes financial statements and required supplementary information for the system. Detailed information about the DARS's fiduciary net position is available in the separately issued financial report. This report may be obtained by visiting the Louisiana Legislative Auditor's website at www.lla.la.gov and searching under the Reports section.

NOTE 5: RISK MANAGEMENT

The Office is insured against various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters through the St. Bernard Parish Government's self-insurance fund.

NOTE 6: ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

The State of Louisiana and the St. Bernard Parish Government pay a portion of the salaries and benefits of the Office. The Office is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contributions made by the state and parish governments. For the year ended December 31, 2019, these on-behalf payments have been recorded in the accompanying financial statements, in accordance with GASB Codification Section N50 Nonexchange Transactions, as intergovernmental revenues and expenditures as follows:

General Fund:

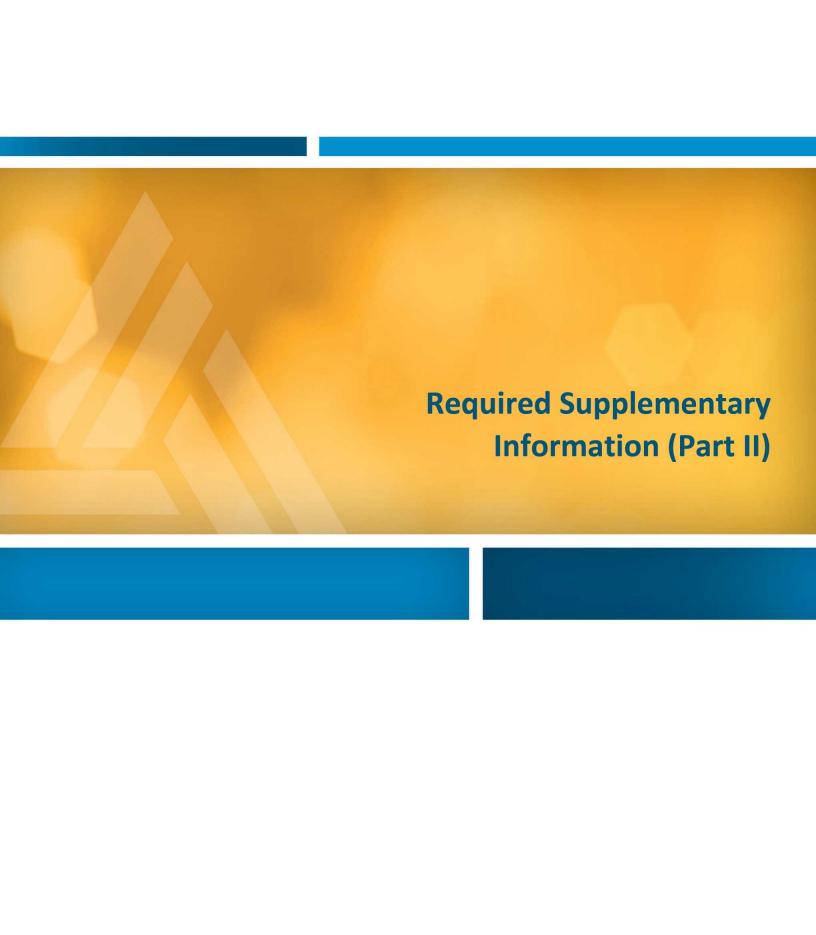
State of Louisiana	\$ 489,892
St. Bernard Parish Government	1,458,419
Total on-behalf payments	\$ 1,948,311

These expenditures are included in personnel services expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance.

NOTE 7: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after December 31, 2019 through June 11, 2020, the date the Office's financial statements were available to be issued. The following event occurred.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



Office of the District Attorney of the 34th Judicial District Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - General Fund

For the Year Ended December 31,

2019

	Budgetary Amounts							
	Original Final			Actual		Variance with Final Budget		
Revenues		Original		Tillai		Actual	7 113	ai buuget
Court costs, fines and fees	\$	111,500	\$	111,500	\$	107,292	\$	(4,208)
Bond forfeitures	Υ	98,000	7	35,000	Τ.	35,060	Υ	60
Intergovernmental revenues - on-behalf		,		/		,		
payments		9 =		1,948,311		1,948,311		
Asset forfeitures		25,000		14,000		13,827		(173)
Diversion program fees		185,000		103,000		103,361		361
Victims assistance		30,000		30,000		30,000		501
Victims of crime assistance		36,000		36,000		42,516		6,516
Child support grant		-		31,000		30,947		(53)
Pre-trial intervention		·		8,200		8,190		(10)
DA traffic and safety		1,250		1,250		1,622		372
Interest income		10,000		41,000		41,239		239
THE FEBRUARY CONTRACTOR CONTRACTO		10,000		11,000		11,233		200
Total Revenues		496,750	į	2,359,261	1	2,362,365		3,104
Expenditures								
General government:								
Personnel services		299,150		2,359,311		2,359,149		162
Office expense		92,200		92,200		119,572		(27,372)
Contract services		13,700		13,700		32,979		(19,279)
Program services		56,200		56,200		51,903		4,297
Auto and travel		35,500		35,500		41,881		(6,381)
Repair and maintenance		-				2,633		(2,633)
T		406750		0 556 044				(54.006)
Total Expenditures		496,750	-	2,556,911		2,608,117		(51,206)
Net Change in Fund Balance		*		(197,650)		(245,752)		(48,102)
Fund Balances, Beginning of Year	1	2,095,123		2,095,123		2,095,123		-
Fund Balances, End of Year	\$	2,095,123	\$	1,897,473	\$	1,849,371	\$	(48,102)

Office of the District Attorney of the 34th Judicial District Schedule of Proportionate Share of Net Pension Liability

						Agency's Proportionate share	
For the Year Ended June 30,	Agency's proportion of the net pension liability (asset)	propor of the	the net pension covere		Agency's covered payroll	of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
District Attorn	eys' Retirement Syste	m of Loui	siana				
2019	0.110073%	\$	35,411	\$	64,685	55%	93.1%
2018	0.104042%	\$	33,480	\$	64,685	52%	92.9%
2017	0.102004%	\$	27,513	\$	64,685	43%	93.6%
2016	0.080170%	\$	15,345	\$	62,000	25%	95.1%

^{*}Amounts presented were determined as of the measurement date (June 30).

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

Notes to the Required Supplementary Information

Changes in Benefit Terms

There were no changes of benefit terms for the four years ended June 30, 2019.

Changes of Assumptions

 $The investment \ rate of \ return \ was \ decreased \ from \ 7.00\% \ to \ 6.75\% \ for \ the \ valuation \ year \ ended \ June \ 30, \ 2017.$

The investment rate of return was decreased from 6.75% to 6.50% for the valuation year ended June 30, 2018.

The expected remaining service lives increased from 6 years to 7 years for the valuation year ended June 30, 2016.

The expected remaining service lives decreased from 7 years to 6 years for the valuation year ended June 30, 2018.

Office of the District Attorney of the 34th Judicial District Schedule of Employer Contributions to Pension Fund

Year Ended December 31	Re	(a) stutorily equired tribution	in	(b) Contributions relation to the statutorily ired contribution	De	(a-b) ntribution eficiency Excess)		Agency's covered payroll	Contributions as a percentage of covered payroll
District Attor	neys'	Retireme	nt Syst	em of Louisiana	1		,		
2019	\$	1,698	\$	1,698	\$	8 <u>m</u>	\$	64,685	2.63%
2018	\$	404	\$	404	\$	(#)	\$	64,685	0.62%
2017	\$	71 <u>2</u>	\$	≃ 1	\$	-	\$	64,685	0.00%
2016	\$	1,038	\$	1,038	\$	=	\$	64,695	1.75%

^{*}Amounts presented were determined as of the end of the fiscal year (December 31).

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



Office of the District Attorney of the 34th Judicial District Schedule of Compensation, Benefits, and Other Payments to Agency Head

For the Year Ended December 31,	2019
Agency Head Name: Perry M. Nicosia (District Attorney)	
Purpose	
Salary	\$ 64,685
Fuel usage	1,068
Cell phone	1,822
Benefits-retirement	1,698
Conference travel	2,357
Total paid by Office of the District Attorney of the 34th Judicial District	71,630
On-behalf payments for salaries and fringe benefits:	
Salaries from the state of Louisiana	50,000
Salaries from the Parish of St. Bernard	45,315
Retirment benefits from the state of Louisiana	2,037
Retirement benefits from the Parish of St. Bernard	1,190
Total on-behalf payments	98,542
TOTAL	\$ 170,172





Carr, Riggs & Ingram, LLC 111 Veterans Memorial Blvd. Suite 350 Metairie, Louisiana 70005

(504) 833-2436 (504) 484-0807 (fax) www.CRIcpa.com

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

To the District Attorney of the 34th Judicial District Chalmette, 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, the major fund, and the aggregate remaining fund information of the Office of the District Attorney of the 34th Judicial District (the Office), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Office's basic financial statements and have issued our report thereon dated June 11, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Office's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

Purpose of this Report

Can, Rigge & Ingram, L.L.C.

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 Office'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 Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, LA June 11, 2020

Office of the District Attorney of the 34th Judicial District Schedule of Findings and Responses For the Year Ended December 31, 2019

SECTION I-SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

• Significant deficiency(es) identified? None reported

Noncompliance material to financial statements noted?

SECTION II-FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION IV- PRIOR FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

No matters were reported.



Carr, Riggs & Ingram, LLC 111 Veterans Blvd. Suite 350 Metairie, Louisiana 70005

> (504) 837-9116 (504) 837-0123 (fax) www.CRIcpa.com

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Perry Nicosia
District Attorney
Office of the District Attorney of the 34th Judicial District
Chalmette, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Office of the District Attorney of the 34th Judicial District (the Office) and the Louisiana Legislative Auditor ("LLA") on the control and compliance ("C/C") areas identified in the LLA's Statewide Agreed-Upon Procedures ("SAUPs") for the fiscal period January 1, 2019 through December 31, 2019. The Office is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are as follows:

Written Policies and Procedures

- Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Results: No exceptions were found as a result of applying the procedure.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - 1. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Results: No exceptions were found as a result of applying the procedure.

Bank reconciliations include evidence that a member of management/board member who
does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation
(e.g., initialed and dated, electronically logged); and

Results: No exceptions were found as a result of applying the procedure.

3. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: No exceptions were found as a result of applying the procedure.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

4. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Results: No exceptions were found as a result of applying the procedure.

- 5. For each location selected under #4 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Results: No exceptions were found as a result of applying the procedure.

b) At least two employees are involved in processing and approving payments to vendors.

Results: No exceptions were found as a result of applying the procedure.

c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Results: No exceptions were found as a result of applying the procedure.

d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Results: The signed checks are given to the employee responsible for processing payments. We consider this to be an exception.

- 6. For each location selected under #4 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.

Results: No exceptions were found as a result of applying the procedure.

b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5, as applicable.

Results: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

June 11, 2020

Can, Rigge & Ingram, L.L.C.



PERRY M. NICOSIA, DISTRICT ATTORNEY 34th JUDICIAL DISTRICT

Parish of St. Bernard

1101 West St. Bernard Hwy., Chalmette, Louisiana 70043 Phone 504-271-1658 Fax 504-279-2874

June 30, 2020

Louisiana Legislative Auditor 1600 North Street P.O. Box 94397 Baton Rouge, LA 70804-9397

And

Carr, Riggs & Ingram, LLC 111 Veterans Blvd. Suite 350 Metairie, LA 70005

RE: Management's Response to Statewide Agreed-Upon Procedures 34th Judicial District Attorney

Dear Sirs:

Non-Payroll Disbursements - In response to exception 5d:

Management's Response: The Office of the District Attorney of the 34th Judicial District will ensure that signed checks are mailed by an employee who is not responsible for processing payments.

Sincerely,

Petry Nicósia District Attorney