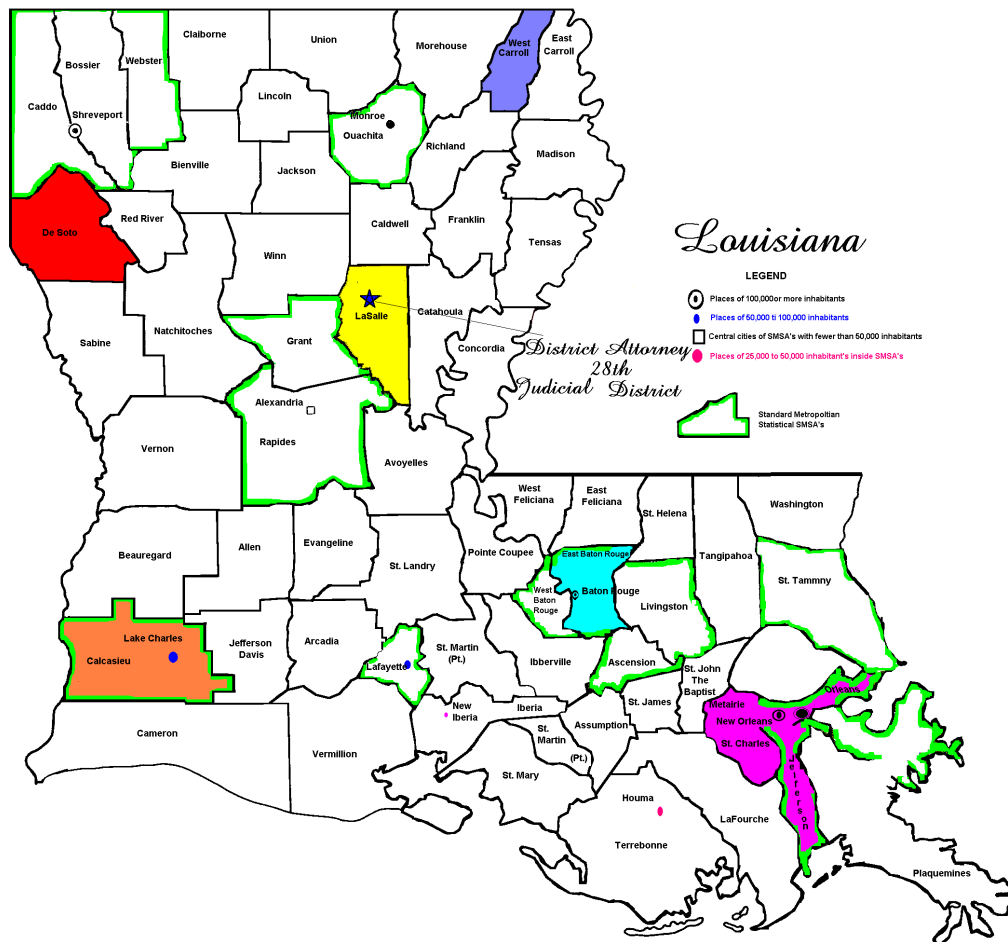


**DISTRICT ATTORNEY
OF THE
TWENTY-EIGHTH JUDICIAL DISTRICT**

**Financial Statements &
Supplemental Financial Information**

December 31, 2020

**DISTRICT ATTORNEY
OF THE
TWENTY-EIGHTH JUDICIAL DISTRICT
PARISH OF LASALLE
STATE OF LOUISIANA**



*** District Attorney of the Twenty-Eighth Judicial District**

The District Attorney has charge of every criminal prosecution by the state in his district and is the legal advisor to the Grand Jury. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. His jurisdiction covers the Twenty-Eighth Judicial District of the State of Louisiana.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
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December 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

Honorable Reed Walters
District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the District Attorney of the Twenty-Eighth Judicial District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twenty-Eighth Judicial District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

As disclosed in the financial statements, the office's proportionate share of total net pension liability for the District Attorney's Retirement System, State of Louisiana, was \$123,020 as of December 31, 2020. The actuarial valuation was based on various assumptions made by the actuaries. Because actual experience may differ from the assumptions used in the actuarial valuations, there is a risk that the net pension liability at December 31, 2020, could be under or overstated.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Twenty-Eighth Judicial District's basic financial statements. The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation of Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are 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 Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2021, on our consideration of the District Attorney of the Twenty-Eighth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the Twenty-Eighth Judicial District's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana

May 27, 2021

**Management Discussion
& Analysis
(MD&A)**

District Attorney of the Twenty-Eighth Judicial District

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MANAGEMENT'S DISCUSSION & ANALYSIS

As management of the District, we offer readers of the District Attorney of the Twenty-Eighth Judicial District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The liabilities of the District's governmental activities exceeded its assets at the close of the most recent fiscal year by \$(18,665) (*net position*).
- The District had total revenues of \$842,190 which is a \$64,052 increase from last year.
- The District had total expenditures of \$845,830 which is a \$77,002 increase from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

MD&A

USING THIS ANNUAL REPORT

The District's annual report consists of financial statements that show information about the District's fund, and governmental fund.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Table 1
Balance Sheet
Governmental Activities

The following table represents a condensed Comparative Statement of Net Position as of December 31, 2020:

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 14,181	\$ 30,208	113.0
Receivables	26,087	9,339	-64.2
Capital Assets, Net of Accumulated Depreciation	12,652	7,419	-41.4
Total Assets	<u>52,920</u>	<u>46,966</u>	-11.3
Deferred Outflow of Resources			
Pension Fund Related	39,653	81,902	106.5
Liabilities			
Accounts, Salaries, & Other Payables	6,617	10,745	62.4
Due To Other Funds	1,209	-0-	-100.0
Net Pension Liability	52,700	123,020	133.4
Total Liabilities	<u>60,526</u>	<u>133,765</u>	121.0
Deferred Inflow of Resources			
Pension Fund Related	19,710	13,768	-30.1
Net Position			
Net Investment in Capital Assets	12,652	7,419	-41.4
Unrestricted	(315)	(26,084)	-8,180.6
Total Net Position	<u>\$ 12,337</u>	<u>\$ (18,665)</u>	-251.3

MD&A

Table 2
Changes in Fund Balance
Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance for the year ended December 31, 2020:

	<u>2019</u>	<u>2020</u>	<u>% Change</u>
Revenues:			
Charges for Services	\$ 86,221	\$ 71,423	-17.2
Intergovernmental Revenue (Grants)	97,167	101,025	4.0
P. T. I. Income	29,221	9,925	-66.0
On Behalf Payments-Police Jury	362,678	401,039	10.6
On Behalf Payments-State	192,539	207,778	7.9
Miscellaneous Income	10,312	51,000	394.6
Total Revenues	<u>778,138</u>	<u>842,190</u>	8.2
Expenditures:			
Worthless Checks	3,846	47,493	1,134.9
General & Administrative	183,990	181,797	-1.2
Cost of Court	1,538	2,153	40.0
Capital Outlay	-0-	-0-	0.0
Debt Service	2,020	-0-	-100.0
On Behalf Payments-Police Jury	362,678	401,039	10.6
On Behalf Payments-State	192,539	207,778	7.9
Other Expenses	22,217	5,570	-74.9
Total Expenditures	<u>768,828</u>	<u>845,830</u>	10.0
Increase (Decrease) in Fund Balances	<u>9,310</u>	<u>(3,640)</u>	-139.1
Beginning Fund Balances	<u>23,132</u>	<u>32,442</u>	40.2
Ending Fund Balances	<u>\$ 32,442</u>	<u>\$ 28,802</u>	-11.2

CAPITAL ASSETS

At December 31, 2020, the District had \$7,419 invested in capital assets, including furniture and equipment.

Capital Assets at Year-End

	<u>2019</u>	<u>2020</u>
Furniture & Equipment	\$ 136,664	\$ 136,664
Accumulated Depreciation	(124,012)	(129,245)
Total Capital Assets, Net of Depreciation	<u>\$ 12,652</u>	<u>\$ 7,419</u>

MD&A

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Reed Walters, District Attorney, at the District Attorney of the Twenty-Eighth Judicial District, PO Box 1940, Jena, Louisiana 71342, telephone number (318) 992-8282.

Basic Financial Statements

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Net Position
December 31, 2020**

		<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS		
Cash & Cash Equivalents	\$	30,208
Investments		-0-
Accounts Receivable		9,339
Capital Assets, Net of Accumulated Depreciation		7,419
TOTAL ASSETS		<u>46,966</u>
 DEFERRED OUTFLOW OF RESOURCES		
PENSION FUND RELATED		<u>81,902</u>
 LIABILITIES		
Accounts Payable		10,745
Net Pension Liability		123,020
TOTAL LIABILITIES		<u>133,765</u>
 DEFERRED INFLOW OF RESOURCES		
PENSION FUND RELATED		<u>13,768</u>
 NET POSITION		
Net Investment in Capital Assets		7,419
Unrestricted		(26,084)
TOTAL NET POSITION	\$	<u><u>(18,665)</u></u>

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

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Activities
Year Ended December 31, 2020**

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS	CAPITAL GRANTS	NET (EXPENSE) REVENUE
Governmental Activities:					
General Government – Judicial	\$ (871,233)	\$ 71,423	\$ 101,025	\$ -0-	\$ (698,785)
Interest Expense	-0-	-0-	-0-	-0-	-0-
TOTAL	\$ (871,233)	\$ 71,423	\$ 101,025	\$ -0-	\$ (698,785)
					9,925
					401,039
					207,778
					51,000
					TOTAL GENERAL REVENUES 669,742
					CHANGE IN NET POSITION (29,043)
					Prior Period Adjustment (1,959)
					NET POSITION – BEGINNING 12,337
					NET POSITION – ENDING \$ (18,665)

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

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Balance Sheet – Governmental Funds
December 31, 2020**

		GENERAL FUND
ASSETS		
Cash & Cash Equivalents	\$	30,208
Investments		-0-
Accounts Receivables		9,339
TOTAL ASSETS		39,547
LIABILITIES & FUND BALANCE		
LIABILITIES		
Accounts Payable		10,745
TOTAL LIABILITIES		10,745
FUND BALANCES		
Unassigned		28,802
TOTAL FUND BALANCES		28,802
TOTAL LIABILITIES & FUND BALANCE	\$	39,547

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

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
Year Ended December 31, 2020**

Fund balances – total governmental funds \$ 28,802

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.

Capital Assets	136,664	
Less Accumulated Depreciation	<u>(129,245)</u>	7,419

Deferred inflows and outflows of resources not recognized in the fund balance of Governmental Funds Statement.

Pension Related Inflows	(13,768)	
Pension Related Outflows	<u>81,902</u>	68,134

Long-term liabilities including bonds payable are not due and Payable in the current period and, therefore, are not reported in the Governmental Funds.

Lease Payable	-0-	
Net Pension Liability	<u>(123,020)</u>	<u>(123,020)</u>

Net position of governmental activities \$ (18,665)

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

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Statement of Revenues, Expenditures, & Changes in Fund Balance
Year Ended December 31, 2020**

	GENERAL FUND
REVENUES	
Commissions on Fines	\$ 35,226
Worthless Check Collection	36,197
Other Income	51,000
Intergovernmental Revenue (Grants)	101,025
P. T. I. Income	9,925
On Behalf Payments-Police Jury	401,039
On Behalf Payments-State	207,778
TOTAL REVENUES	842,190
 EXPENDITURES	
Worthless Checks	47,493
Auto Expenditures	1,491
Travel	331
Dues & Subscriptions	914
Utilities	1,832
Office Expenditures	11,518
Contract Labor	980
Cost of Court	2,153
Payroll Expenditures	164,051
Other Expenditures	5,570
Revenue Sharing	680
Debt Service	-0-
On Behalf Payments-Police Jury	401,039
On Behalf Payments-State	207,778
TOTAL EXPENDITURES	845,830
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 (3,640)
 FUND BALANCE – BEGINNING OF YEAR	 32,442
FUND BALANCE – END OF YEAR	\$ 28,802

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

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances
of Government Funds to the Statement of Activities
Year Ended December 31, 2020**

Net change in fund balances – total governmental funds \$ (3,640)

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

Governmental funds report pension outlays as expenditures. However, in the Statement of Activities, the cost is based on various assumptions made by the pension fund’s actuary. Governmental funds do not recognize employee contributions to the pension fund as revenue.

Pension Revenue	15,367	
Difference in pension expenditures and pension expense	(35,537)	
	(35,537)	(20,170)

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.

Deletion of Assets	-0-	
Capital Outlay	-0-	
Depreciation Expense	(5,233)	
	(5,233)	(5,233)

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to Government Funds, while the repayment of the principal of long-term debt consumes the current financial resources of Governmental Funds. Neither transaction, however, has any effect on net position. Also, Governmental Funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Loan Proceeds	-0-	
Principle Paid	-0-	
	-0-	
Change in net position of governmental activities		\$ <u><u>(29,043)</u></u>

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

**Notes to the Basic
Financial Statements**

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1984, 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. He performs other duties as provided by law. The qualified electors of the judicial district elect the District Attorney for a term of six years. The District Attorney currently employs ten people.

1. SUMMARY OF SIGNIFICANT POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District Attorney of the 28th Judicial District, a component unit of the LaSalle Parish Police Jury, 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*, issued June 1999.

B. REPORTING ENTITY

The District Attorney is an independent elected official; however, the District Attorney is fiscally dependent on the LaSalle Parish Police Jury. The police jury and councils maintain and operate the parish courthouse in which the District Attorney's office is located and provides funds for payroll and other expenses of the District Attorney's office. In addition, the councils and police jury's financial statements would be incomplete or misleading without inclusion of the District Attorney. For these reasons, the District Attorney was determined to be a component unit of the LaSalle Parish Police Jury, the financial reporting entities of LaSalle Parish.

The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police jury, the general governmental services provided by those governmental units, or the other governmental units that comprise the financial reporting entities.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Governmental Funds:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 percent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

The Worthless Check Collection Fee consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney. Revenues and expenditures of this fund are reported in the General Fund.

The pre-trial intervention program is a diversion program which is offered to selected offenders as an alternative to prosecution. Individuals who volunteer to participate in the program are assessed a fee and receive coordinated assistance in job placement, educational and vocational referrals, personal and group counseling, and referrals to other community agencies appropriate to their needs. Fees received may be used for any purpose at the sole discretion of the District Attorney.

The Title IV-D activity consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the activity is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District Attorney as a whole. These statements include all the financial activities of the District Attorney. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

- **Program Revenues** – Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the District Attorney's general revenues.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Equity Classifications – In the Government-Wide Financial Statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets – Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position – Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Fund Financial Statements (FFS)

The amounts reflected in the General Fund of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances report on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District Attorney’s operations. (See the reconciliation statements).

In the Fund Financial Statements, governmental fund equity is classified as fund balance. The District has implemented GASB Statement 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 balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

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

The amounts reflected in the General Fund in the FFS use 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 Attorney 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, except for interest and principal payments on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized when they become both measurable and available to finance expenditures of the current period. “Available” means collectible within the current period or within 60 days after year end. Certain revenues are assessed and collected in such a manner that they can be accrued appropriately.

Commissions on the fines and forfeitures are recorded in the year they are collected by the tax collector, and intermediary collecting government.

Intergovernmental revenues are recorded when the District Attorney is entitled to the funds.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable.

Other Financing Sources (Uses)

Transfers between funds, which are not expected to be repaid, and proceeds from the sale of assets are accounted for as other financing sources (uses).

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

D. DEPOSITS & INVESTMENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificate of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments (bank certificate of deposits in excess of 90 days) for the District are reported at fair value.

E. RECEIVABLES & PAYABLES

All trade and other receivables are shown net of an allowance for uncollectables.

F. CAPITAL ASSETS

Capital assets, which include property and equipment, are reported in the applicable columns in the government-wide financial statements. Capital assets are capitalized at historical cost. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	7 years
Equipment	7 years

G. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

2. CASH & INVESTMENTS (CD'S IN EXCESS OF 90 DAYS)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. 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.

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.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year end. The categories are describes as follows:

- **Category 1** - Insured or collateralized with securities held by the District or by its agent in the District's name.
- **Category 2** - Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- **Category 3** - Uncollateralized

<u>Bank</u>	<u>Bank Balance At 12/31/2020</u>
Southern Heritage Bank	\$ 32,347
Total	\$ 32,347

Amounts on deposit are secured by the following pledges:

<u>Description</u>	<u>Southern Heritage Market Value</u>
FDIC (Category 1)	\$ 32,347
Securities (Category 2)	-0-
Total	\$ 32,347

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

3. RECEIVABLES

The receivables of \$9,339 at December 31, 2020, are as follows:

Accounts Receivable	\$	9,339
Total	\$	<u>9,339</u>

Allowance for doubtful accounts, if any, is considered immaterial and is not presented.

4. CAPITAL ASSETS

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

	<u>Beginning of Period</u>		<u>Additions</u>		<u>Deletions/ Transfers</u>		<u>End of Period</u>
Capital assets being depreciated:							
Equipment & furniture	\$ 136,664	\$	-0-	\$	-0-	\$	136,664
Less accumulated depreciation:	(124,012)		(5,233)		-0-		(129,245)
Total assets being depreciated, net	<u>\$ 12,652</u>	\$	<u>(5,233)</u>	\$	<u>-0-</u>	\$	<u>7,419</u>

5. ACCOUNTS, SALARIES & OTHER PAYABLES

The payables of \$5,966 at December 31, 2020, are as follows:

Accounts Payable	\$	5,966
Total Accounts Payable	\$	<u>5,966</u>

6. PENSION PLANS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Basis of Accounting

The District Attorneys' Retirement System's employer schedules are prepared using the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member's earnable compensation is attributed to the employer for which the member is employed as of June 30, 2020.

System Employees

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

Pension Amount Netting

The deferred outflows and deferred inflows of resources resulting from differences between projected and actual earnings on pension plan investments that were recorded in different years were netted to report only a deferred outflow or inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows were not presented on a net basis.

Plan Fiduciary Net Position

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

B. PLAN DESCRIPTION

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established one the first day of August, 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, assistant district attorneys in each parish, and employees of this retirement system and the Louisiana District Attorneys' Association.

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

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 Louisiana District Attorneys' Retirement System's Board of Trustees. The projection of benefit payments in the calculation of the total pension liability includes all benefit payments in calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

Retirement Benefits

Members who joined the System 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. Member who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Member who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced by 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the System 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 3% (3.5% for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of this actual service (not to be less than 15 years) or projected continued service to age 60.

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Survivor Benefit

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 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 the System.

The Board of Trustees is authorized to grant retired members and surviving beneficiaries of members who have retired an annual cost of living increase of 3% of their original benefits, (not to exceed \$60 per month) and all retired members and widows who are 65 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, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Back-Deferred Retirement Option Program

In lieu of receiving an actual 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 a reduced 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 the lump-sum payment, the member may leave the funds on deposit with the system in an interest-bearing account.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Deferred Retirement Option Program

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

C. EMPLOYER CONTRIBUTIONS

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2020, the actual employer contribution rate was 4.0%.

Non-Employer Contributions

In accordance with state statute, the System 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 were recognized as revenue during the year ended June 30, 2020 and excluded from pension expense.

D. SCHEDULE OF EMPLOYER ALLOCATIONS

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

The allocation method used in determining each employer's proportion was based on each employees' contributions to the System during the fiscal year ended June 30, 2020, as compared to the total of all employees' contributions received by the System during the fiscal year ended June 30, 2020.

E. SCHEUDLE OF PENSION AMOUNTS BY EMPLOYER

The schedule of pension amounts by employer displays each employer's allocation of the net pension liability. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocation.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

F. ACTUARIAL METHODS AND ASSUMPTIONS

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

The component of the net pension liability of the System's employers as of June 30, 2020 are as follows:

	2020
Total Pension Liability	\$ 523,180,498
Plan Fiduciary Net Position	(443,953,251)
Total Collective Net Pension Liability	<u>\$ 79,227,247</u>

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

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Investment Rate of Return	6.25%, net of Pension Plan investment expense, including inflation
Projected Salary Increases	5.00% (2.30% Inflation, 2.70% Merit)
Mortality Rates	<p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Healthy Retirees multiplied by 115% for males and females for annuitants and beneficiaries, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for disabled retirees, each with full generational projection using the MP2019 scale.</p>
Expected Remaining Service Lives	<p>6 years- June 30, 2020</p> <p>6 years- June 30, 2019</p> <p>6 years- June 30, 2018</p> <p>7 years- June 30, 2017</p> <p>7 years- June 30, 2016</p> <p>6 years- June 30, 2015</p>
Cost of Living Adjustment	Only those previously granted.

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2014 through June 30, 2019. 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 the System’s 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 rate of return is 8.50% for the year ended June 30, 2020.

The best estimates of arithmetic real rates of return for each major asset class based on the System’s target asset allocation as of June 30, 2020 were as follows:

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Rate of Return</u>	
		<u>Real</u>	<u>Nominal</u>
Equities	48.27%	5.54%	
Fixed Income	24.54%	1.09%	
Alternatives	26.77%	1.87%	
Cash	0.42%	0.00%	
System Totals	100.00%		6.11%
Inflation			2.39%
Expected Arithmetic Nominal of Return			8.50%

The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. SENSITIVITY TO CHANGES IN DISCOUNT RATE

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.25%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.25%) or one percentage point higher (7.25%) than the current rate.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

	Changes in Discount Rate June 30, 2020		
	1% Decrease	Current Discount Rate	1% Increase
	5.25%	6.25%	7.25%
	\$144,724,006	\$79,227,247	\$24,344,035
Net Pension Liability / (Asset)			

H. CHANGES IN NET PENSION LIABILITY

The changes in net pension liability for the year ended June 30, 2020, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in deferred inflows of resources as of June 30, 2020, as follows:

	June 30, 2020				
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2020	\$ 4,404,409	\$ -	\$ 734,068	\$ 3,670,341	\$ -
2019	-	7,782,480	(1,556,496)	-	6,225,984
2018	138,253	-	34,563	103,690	-
2017	-	1,026,699	(256,675)	-	770,024
2016	-	851,460	(283,819)	-	567,641
2015	\$ -	\$ 380,248	\$ (380,248)	-	-
			Totals	\$ 3,774,031	\$ 7,563,649

Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources as of June 30, 2020, as follows:

	June 30, 2020					
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	Net Deferred Inflows Balance
2020	\$ 14,532,817	\$ -	\$ 2,906,562	\$ 11,626,255	\$ -	\$ 11,626,255
2019	6,806,242	-	1,701,561	5,104,681	-	5,104,681
2018	-	5,081,332	(1,693,777)	-	3,387,555	(3,387,555)
2017	-	998,369	(499,184)	-	499,185	(499,185)
2016	\$ 3,785,043	\$ -	\$ 3,785,043	-	-	-
			Totals	\$ 16,730,936	\$ 3,886,740	\$ 12,844,196

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

Changes in Assumptions or Other Inputs:

Changes in assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions or other inputs results in deferred outflows of resources and deferred inflows of resources as of June 30, 2020, as follows:

	June 30, 2020				
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows
2020	\$ 29,494,313	\$ -	\$ 4,915,719	\$ 24,578,594	\$ -
2019	-	-	-	-	-
2018	8,195,034	-	2,048,758	6,146,276	-
2017	6,457,271	-	1,614,318	4,842,953	-
2016	-	-	-	-	-
2015	\$ -	\$ 1,061,027	\$ (1,061,027)	-	-
			Totals	\$ 35,567,823	\$ -

Changes in Proportion:

Changes in employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resourced since the prior measurement date were recognized in employers' pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in the employer's proportionate shares are presented in the Schedule of Pension Amounts as deferred outflows or deferred inflows as of June 30, 2020.

I. DISAGGREGATED PENSION AMOUNTS

	Amounts From 2019 Employer Pension Report	2020 Employer Specific Amounts	2020 Total Pension Amounts
Net Pension Liability	\$ 123,020	\$ -0-	\$ 123,020
Deferred Outflows	83,238	(474)	82,764
Deferred Inflows	13,743	-0-	13,743
Pension Expense	35,063	(474)	35,537
Revenue	\$ 15,367	\$ -0-	\$ 15,367

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

J. CONTRIBUTIONS – PROPORTIONATE SHARE

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

K. ESTIMATES

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

L. RETIREMENT SYSTEM AUDIT REPORT

The District Attorneys' Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2020. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.la.gov.

7. ON-BEHALF PAYMENTS

The accompanying financial statements include on-behalf payments made by the LaSalle Parish Police Jury, its Criminal Court Fund, and the State of Louisiana for salaries and related fringe benefits of the District Attorney's employees and office expenses, as required by accounting principles generally accepted in the United State of America.

8. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The entity overspent its budget by \$141,535 or 20.1% during the fiscal year.

9. PRIOR PERIOD ADJUSTMENT

A prior period adjustment in the amount of \$1,959 was made to correct deferred outflows.

**District Attorney of the Twenty-Eighth Judicial District
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NOTES TO THE BASIC FINANCIAL STATEMENTS - (CONTINUED)

10. DEFICIT NET POSITION

At December 31, 2020, the District had a deficit in net position in the amount of \$18,665, caused by net pension liability.

11. SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date through, May 27, 2021, of the independent auditor's report for potential recognition or disclosure in the financial statements.

12. CONTINGENCIES

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Entity operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the Entity anticipates this could negatively affect its operating results, the related financial impact and duration cannot be reasonably estimated at this time.

Required Supplementary Information

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Governmental Funds
Budgetary Comparison Schedule
Year Ended December 31, 2020**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Commissions on Fines	\$ 60,000	\$ 60,000	\$ 35,226	\$ (24,774)
Worthless Check Collection	14,000	14,000	36,197	22,197
Other Income	-0-	-0-	51,000	51,000
Intergovernmental Revenue (Grants)	102,000	102,000	101,025	(975)
P.T.I. Income	30,000	30,000	9,925	(20,075)
On Behalf Payments-Police Jury	311,000	311,000	401,039	90,039
On Behalf Payments-State	188,000	188,000	207,778	19,778
TOTAL REVENUES	<u>705,000</u>	<u>705,000</u>	<u>842,190</u>	<u>137,190</u>
EXPENDITURES				
LDAA Monthly Assessment	600	600	-0-	600
Worthless Checks	-0-	-0-	47,493	(47,493)
Auto Expenditures	4,007	4,007	1,491	2,516
Travel	6,800	6,800	331	6,469
Dues & Subscriptions	1,270	1,270	914	356
Utilities	1,850	1,850	1,832	18
Office Expenditures	6,400	6,400	11,518	(5,118)
Contract Labor	-0-	-0-	980	(980)
Cost of Court	14,300	14,300	2,153	12,147
Payroll Expenditures	153,103	153,103	164,051	(10,948)
Other Expenditures	14,965	14,965	5,570	9,395
Revenue Sharing	-0-	-0-	680	(680)
Capital Outlay	2,000	2,000	-0-	2,000
Debt Service	-0-	-0-	-0-	-0-
On Behalf Payments-Police Jury	311,000	311,000	401,039	(90,039)
On Behalf Payments-State	188,000	188,000	207,778	(19,778)
TOTAL EXPENDITURES	<u>704,295</u>	<u>704,295</u>	<u>845,830</u>	<u>(141,535)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 705</u>	<u>\$ 705</u>	<u>(3,640)</u>	<u>\$ (4,345)</u>
FUND BALANCE – BEGINNING OF YEAR			<u>32,442</u>	
FUND BALANCE – END OF YEAR			<u>\$ 28,802</u>	

See independent auditor's report.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Ten Year Schedule of the Employer's
Proportionate Share of the Net Pension Liability
Year Ended December 31, 2020**

<u>Year</u>	<u>Employer's Proportion of the NPL (Percentage)</u>	<u>Employer's Proportionate Share of the NPL (Amount)</u>	<u>Employer's Covered-Employee Payroll</u>	<u>Employer's Proportionate Share of the NPL as a Percentage of Its Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2015	.132665%	\$7,146	\$77,800	9.2%	98.6%
2016	.159205%	\$30,473	\$77,800	39.17%	95.1%
2017	.158508%	\$42,753	\$88,920	48.08%	93.57%
2018	.154927%	\$49,854	\$96,330	51.75%	92.92%
2019	.163817%	\$52,700	\$96,330	54.71%	93.13%
2020	.155275%	\$123,020	\$158,465	77.63%	84.86%

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

*Note: covered payroll used is during the measurement period.

See independent auditor's report.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Ten Year Schedule of the Employer Contributions
Year Ended December 31, 2020**

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contribution as a Percentage of Covered Employee Payroll</u>
2015	\$5,445	\$5,452	\$(6)	\$77,800	7%
2016	\$3,385	\$1,946	\$(1,439)	\$77,800	2.5%
2017	-0-	-0-	-0-	\$88,920	0.0%
2018	\$509	\$509	-0-	\$96,330	0.37%
2019	\$2,325	\$2,325	-0-	\$96,330	2.4%
2020	\$8,003	\$8,003	-0-	\$158,465	5.05%

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

*Note: covered payroll used is during the measurement period.

See independent auditor's report.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Notes to Changes to Supplementary Information
Year Ended December 31, 2020**

Changes in Valuation	
Methods and Assumptions	None

See independent auditor's report.



Other Information

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana**

**Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2020**

District Attorney of the Twenty-Eighth Judicial District
Honorable Reed Walters

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 133,340
Benefits-Insurance	13,699
Benefits-Retirement	8,102
Benefits (List any other here)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	250
Registration Fees	250
Conference Travel	-0-
Professional Organization Dues	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana
Justice System Funding Schedule – Collecting/Disbursing Entity
Year Ended December 31, 2020**

	First Six Months Ended 6/30/2020	Second Six Months Ended 12/31/2020
Beginning Balance of Amounts Collected	\$ -0-	\$ -0-
Add: Collections		
Criminal Fines – Other	65,769	65,645
Restitution	47,345	9,988
Probation/Parole/Supervision Fees	8,375	2,000
Subtotal Collections	<u>121,489</u>	<u>77,633</u>
Less: Disbursements to Governments & Nonprofits		
LaSalle Parish Sheriff’s Office– Court Costs	1,089	1,064
Less: Amounts Retained by Collecting Agency		
Criminal Fines – Other	65,769	65,645
Restitution	7,231	456
Probation/Parole/Supervision Fees	8,375	2,000
Less: Disbursements to Individuals/3rd Party Collection or Processing Agency		
Restitution Payments to Individuals	39,025	8,468
Subtotal Disbursements/Retainage	<u>121,489</u>	<u>77,633</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	<u>-0-</u>	<u>-0-</u>
Ending Balance of “Partial Payments” Collected but not Disbursed	-0-	-0-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	-0-	-0-
Total Waivers During the Fiscal Period	\$ -0-	\$ -0-

See independent auditor’s report.



Other Reports

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MEMBERS

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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

Honorable Reed Walters
District Attorney of the Twenty-Eighth Judicial District
Jena, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the aggregate remaining fund information of the District Attorney of the Twenty-Eighth Judicial District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twenty-Eighth Judicial District’s basic financial statements, and have issued our report thereon dated May 27, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District Attorney of the Twenty-Eighth Judicial District’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 District Attorney of the Twenty-Eighth Judicial District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney of the Twenty-Eighth Judicial District’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses

or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney of the Twenty-Eighth Judicial District'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item: **2020-1 Budget Variance**.

The District Attorney of the Twenty-Eighth Judicial District's Response to Findings

The District Attorney to the Twenty-Eighth Judicial District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Cost. The District Attorney of the Twenty-Eighth Judicial District'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 the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana
May 27, 2021

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended December 31, 2020**

We were engaged to audit the financial statements of the District Attorney of the Twenty-Eighth Judicial District, Jena, Louisiana, as of and for the year ended December 31, 2020, and have issued our report thereon dated May 27, 2021. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I Summary of Auditor's Results

Our audit of the financial statements as of December 31, 2020, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes

Significant Deficiencies Yes

Compliance

Compliance Material to Financial Statements Yes

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes

Other Conditions Yes

Type of Opinion On Compliance Unmodified

Qualified

For Major Programs Disclaimer

Adverse

Are the finding required to be reported in accordance with Uniform Guidance?

Yes No

c. Identification of Major Programs:

CFDA Number (s)

Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance? Yes No

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended December 31, 2020**

Section II Financial Statement Findings

2020-1 Budget Variance (Compliance)

Condition: The entity had an unfavorable expenditure variance of \$141,535 or 20.1% for the year ended December 31, 2020 because on-behalf payments made by the State of Louisiana and the LaSalle Parish Police Jury were under budgeted.

Criteria: The Budget Act requires that budgets be amended when the variance exceeds 5%.

Cause of Condition: Under budgeting expenditures.

Effect of Condition: Violating the Budget Act.

Recommendation: The entity should amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.

Management's Response: The entity will amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.

Section III Federal Awards Findings and Questioned Costs

Not applicable.

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

FINDINGS:

2020-1 Budget Variance

Finding: The entity had an unfavorable expenditure variance of \$141,535 or 20.1% for the year ended December 31, 2020 because on-behalf payments made by the State of Louisiana and the LaSalle Parish Police Jury were under budgeted. The Budget Act requires that budgets be amended when the variance exceeds 5%.

Corrective Action: The entity will amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.

Contact Person: Reed Walters, 28th Judicial District Attorney

Anticipated Completion Date: December 31, 2021

**DISTRICT ATTORNEY OF THE TWENTY-EIGHTH JUDICIAL DISTRICT
JENA, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the District Attorney of the Twenty-Eighth Judicial District, Louisiana has provided the following action summaries relating to findings brought to their attention as a result of their financial review for the year ended December 31, 2019.

PRIOR YEAR FINDINGS

2019-1 Budget Variance (Unresolved)

Condition: The entity had an unfavorable expenditure variance of \$64,533 or 9.2% for the year ended December 31, 2019.

Criteria: The Budget Act requires that budgets be amended when the variance exceeds 5%.

Cause of Condition: Under budgeting expenditures.

Effect of Condition: Violating the Budget Act.

Recommendation: The entity should amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.

Management's Response: The entity will amend its budget when there is an unfavorable variance in revenue or expenditures of more than 5%.