

**DISTRICT ATTORNEY
OF THE THIRD JUDICIAL DISTRICT
PARISHES OF
LINCOLN AND UNION, LOUISIANA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2020**

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

Honorable John Belton
District Attorney of the Third Judicial District
100 West Texas, 2nd Floor
Ruston, Louisiana 71270

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District Attorney of the Third Judicial District, a component unit of the Lincoln Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District Attorney'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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the required schedules related to pension plans on the pages indicated 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

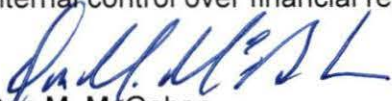
Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney's basic financial statements. The supplemental schedule of compensation, benefits, and other payments, schedule of justice system funding - receiving and schedule of justice system funding - collecting/disbursing are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedule of compensation, benefits and other payments, schedule of justice system funding - receiving and schedule of justice system funding - collecting/disbursing are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information 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 my opinion, the supplemental schedule of compensation, benefits and other payments, schedule of justice system funding - receiving and schedule of justice system funding - collecting/disbursing 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, I have also issued my report dated June 23, 2021, on my consideration of the District Attorney's internal control over financial reporting and on my 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 my 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's internal control over financial reporting and compliance.



Don M. McGehee
Certified Public Accountant
June 23, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

John F. K. Belton, District Attorney

Third Judicial District of Louisiana

Parishes of Lincoln and Union

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2020**

Our discussion and analysis of the District Attorney's financial performance provides an overview of the financial activities for the year ended December 31, 2020. It is based upon currently known facts, decisions, and conditions. Please read it in conjunction with the financial statements which begin on page 8.

Basic Financial Statements

The basic financial statements include government-wide and fund financial statements. The government-wide statements consist of a Statement of Net Position and a Statement of Activities and provide information about the financial activities of our Office as a whole. The government-wide statements present a long-term view of our finances. Fund financial statements consist of the respective fund's balance sheet and the fund's statement of revenues, expenditures and changes in fund balance, if applicable. The fund statements tell how our services were financed in the short-term and what remains for future spending. The primary differences between the fund and government-wide statement presentation methods is that expenditures for capital assets are expensed in the fund financial statements but capitalized and depreciated in the government-wide statements and expenditures for retirement benefits are expensed in the fund financial statements based on required contributions but are measured and expensed in the government-wide statements based on the change in net pension liability and amortization of deferred inflows and outflows using actuarial information.

Our office reports information about monies we hold as an agent for others in the fiduciary fund. We are responsible for ensuring that all assets held for others are distributed as ordered by the court. We cannot use the assets held for others to finance our operations.

Statement of Net Position and Statement of Activities

One of the most important questions asked about our finances is, "Is the District Attorney's Office as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about our Office as a whole and about our activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is a method similar to accounting used by most private-sector companies. All revenues and expenses of the current year are reported under this method regardless of when cash is received or disbursed.

These two statements report our Office's net position and the changes in the position. You can think of net position - the difference between assets and liabilities - as one way to measure the financial health, or financial position, of our Office. Increases/(decreases) in our net position are one indicator of whether our financial health is improving/(deteriorating).

We report the financial activity of all services provided by us in the Statement of Net Position and Statement of Activities. Expenses primarily include salaries, related benefits, and office expenses. Fees received from defendants, funds from grants and other assistance, and on-behalf payments from the State of Louisiana finance most of our activities.

Government-Wide Financial Analysis

As noted above, net position may serve as a useful indicator of an entity's financial position. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the governmental activities of our Office.

Table 1
Total Net Position

	<u>2020</u>	<u>2019</u>
Current Assets	\$ 1,697,368	\$ 1,939,997
Capital Assets	80,996	108,928
Total Assets	<u>1,778,364</u>	<u>2,048,925</u>
Total Deferred Outflows	<u>378,592</u>	<u>479,317</u>
Current Liabilities	37,553	51,837
Noncurrent Liabilities	464,028	679,670
Total Liabilities	<u>501,581</u>	<u>731,507</u>
Total Deferred Inflows	<u>342,940</u>	<u>152,672</u>
Net Position:		
Investment in Capital Assets	80,996	108,928
Restricted Net Position	83,571	23,232
Unrestricted Net Position	<u>1,147,868</u>	<u>1,511,903</u>
Total Net Position	<u>\$ 1,312,435</u>	<u>\$ 1,644,063</u>

Net position decreased \$331,628 from the prior year. Unrestricted net position, which is the part of net position that can be used to finance the day-to-day operations of our office without constraints, decreased \$364,035. Restricted net position, related to special revenue programs, increased \$60,339.

Table 2
Change in Net Position

	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues:		
Fees	\$ 674,656	\$ 755,738
Intergovernmental	588,603	620,129
On-Behalf Revenue	492,979	468,766
Grants and Other Assistance	495,778	480,726
General Revenues:		
Intergovernmental	364,660	364,660
Interest Income	3,712	4,275
Other Income	4,190	2,600
Total Revenues	<u>2,624,578</u>	<u>2,696,894</u>
Program Expenses:		
General Government-Judiciary	2,463,227	2,640,830
On-Behalf Expenses	492,979	468,766
Total Expenses	<u>2,956,206</u>	<u>3,109,596</u>
Decrease in Net Position	<u>\$ (331,628)</u>	<u>\$ (412,702)</u>

Total revenues decreased by 3% (\$72,316) from the prior year. Fees decreased by 11% (\$81,082), intergovernmental program revenue decreased 5% (\$31,526), and grants and other assistance increased by 3% (\$15,052). On behalf revenue and expense increased by 5% (\$24,213).

Expenses decreased 5% (\$153,390), primarily from a decrease in pension expense, contract services, office expenses, and travel.

The net effect of the 2020 changes in revenues and expenses from 2019 was a \$81,074 decrease in the total change in net position for the year ended December 31, 2020, compared to the prior year total change in net position.

Fund Financial Statements

As of our year end on December 31, 2020, our governmental funds reported a fund balance of \$1,410,492, which is \$183,219 less than last year's fund balance. Less than 1% (\$8,211) is considered unspendable, that portion having been used for prepaid items, 5% (\$73,415) is restricted, with the remaining 94% (\$1,328,866) unassigned. During 2020, revenues decreased 2% (\$56,861) primarily as a result of a decrease in fees and intergovernmental revenue. Expenditures decreased about 2% (\$57,100) over the prior year, primarily the result of a decreases in contract services, travel, and office expenses.

General Fund Budgetary Highlights

We amend our budget when we determine there are unexpected unfavorable differences exceeding 5% between actual and anticipated revenues and/or expenditures. There were budget amendments adopted for 2020.

Our final amended budget was adopted just prior to year end. The differences between the original and final amended budget were a 9% (\$216,144) increase in expenditures, a 185% (\$88,896) increase in transfers out, and a 14% (\$347,776) decrease in revenues. The changes to budgeted expenditures included significant increases to salaries offset by decreases in office expenses, professional fees, and travel. Budgeted revenues included decreases to fees and intergovernmental revenues with increases in grant and on-behalf revenues. There were no other significant budget amendments.

Actual general fund revenues were \$165,219 more than budgeted revenues, and actual general fund expenditures were \$356,738 less than budgeted expenditures. The more significant variances between actual results compared to the general fund budget, as reported on page 34, were \$51,406 more in fees than budgeted, \$133,288 more in intergovernmental than budgeted, \$69,701 less in employee benefits than budgeted, \$28,149 more in professional fees than budgeted, and \$307,204 less in salaries than budgeted.

Capital Assets

In 2020 we purchased computer equipment. For the upcoming year, we have no plans to purchase any capital assets, and there are no plans to issue debt to finance the purchase of capital assets or any other future project.

Currently Known Facts, Decisions, or Conditions

We are not aware of any facts, decisions, or conditions that are expected to have a significant impact on the financial position or results of operations after the reporting date.

Contacting the District Attorney's Office

This financial report is designed to provide citizens and taxpayers with a general overview of the finances of the District Attorney's Office and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Attorney's Office at 100 W. Texas Avenue, Ruston, LA 71270.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

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

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 1,008,905
Investments	260,051
Due from Other Governmental Units	366,108
Due from Grants	38,261
Due from Others	15,832
Prepaid Insurance	8,211
Capital assets, net of depreciation	<u>80,996</u>
Total Assets	<u>1,778,364</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>378,592</u>
LIABILITIES	
Accounts Payable	37,553
Long-Term Liability:	
Compensated Absences	21,594
Pension Liability	<u>442,434</u>
Total Liabilities	<u>501,581</u>
DEFERRED INFLOWS OF RESOURCES	<u>342,940</u>
NET POSITION	
Invested in Capital Assets	80,996
Restricted for:	
IV-D Program	8,677
IWC Program	9,612
PHSAC Program	65,282
Unrestricted	<u>1,147,868</u>
Total Net Position	<u>\$ 1,312,435</u>

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

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

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
GOVERNMENTAL ACTIVITIES:					
General Government-Judicial	\$ <u>2,956,206</u>	\$ <u>1,756,238</u>	\$ <u>495,778</u>	\$ <u>0</u>	\$ <u>(704,190)</u>
Total Governmental Activities	\$ <u>2,956,206</u>	\$ <u>1,756,238</u>	\$ <u>495,778</u>	\$ <u>0</u>	\$ <u>(704,190)</u>
General Revenues:					
Intergovernmental not restricted to specific programs					364,660
Interest earnings					3,712
Miscellaneous					<u>4,190</u>
Total General Revenues					<u>372,562</u>
Change in Net Position					(331,628)
Net Position - Beginning					<u>1,644,063</u>
Net Position - Ending					<u>\$ 1,312,435</u>

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	Special Revenue Funds			Total Governmental Funds
		Title IV-D	Worthless Checks	PHSAC	
ASSETS					
Cash	\$ 682,299	\$110,165	\$ 32,861	\$183,580	\$ 1,008,905
Investments	260,051	0	0	0	260,051
Due from Other					
Governmental Units	82,213	44,728	0	0	126,941
Due from Grants	8,865	0	0	19,240	28,105
Due from Others	13,799	0	0	2,033	15,832
Due from Other Funds	313,178	0	0	0	313,178
Prepaid Expenses	8,211	0	0	0	8,211
Total Assets	<u>\$ 1,368,616</u>	<u>\$154,893</u>	<u>\$ 32,861</u>	<u>\$204,853</u>	<u>\$ 1,761,223</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 31,539	\$ 126	\$ 0	\$ 5,888	\$ 37,553
Due to Other Funds	<u>0</u>	<u>146,090</u>	<u>23,249</u>	<u>143,839</u>	<u>313,178</u>
Total Liabilities	<u>31,539</u>	<u>146,216</u>	<u>23,249</u>	<u>149,727</u>	<u>350,731</u>
FUND BALANCES					
Nonspendable--					
Prepaid Expenses	8,211	0	0	0	8,211
Restricted for--					
Title IV-D	0	8,677	0	0	8,677
Worthless Checks	0	0	9,612	0	9,612
PHSAC	0	0	0	55,126	55,126
Unassigned	<u>1,328,866</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,328,866</u>
Total Fund Balance	<u>1,337,077</u>	<u>8,677</u>	<u>9,612</u>	<u>55,126</u>	<u>1,410,492</u>
Total Liabilities and Fund Balance	<u>\$ 1,368,616</u>	<u>\$154,893</u>	<u>\$ 32,861</u>	<u>\$204,853</u>	

Amounts reported in the Statement of Net Position in the government-wide financial statements are different from those reported in the balance sheet above because:

Capital assets are not recognized as financial resources and are not reported as assets in the balance sheet above yet are recognized in the Statement of Net Position. 80,996

Receivables that are not expected to be collected and available to timely pay current period expenditures are not recognized as financial resources and are not recorded as assets in the balance sheet above yet are recognized in the Statement of Net Position. 249,323

The deferred outflows of expenditures for pension obligations are not a use of current resources, and therefore, are not reported in the fund financial statements. 378,592

The deferred inflows of contributions for pension obligations are not available resources, and therefore, are not reported in the fund financial statements. (342,940)

Adjustment for Long-Term Liabilities - Long-term pension liabilities and compensated absences are not due and payable in the current period and therefore are not reported in the general fund balance sheet nor reflected in fund balance for the general fund. (464,028)

Net position of government activities in the government-wide financial statements **\$ 1,312,435**

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General	Title IV-D	Worthless Checks	PHSAC	Total Governmental Funds
REVENUES					
Fees	\$ 673,524	\$ 0	\$ 1,131	\$ 0	\$ 674,655
Grants and Other Assistance	83,356	268,370	0	144,046	495,772
Interest Income	3,570	142	0	0	3,712
Intergovernmental	997,662	0	0	0	997,662
On-Behalf Revenue	492,979	0	0	0	492,979
Other Income	<u>2,450</u>	<u>0</u>	<u>0</u>	<u>2,473</u>	<u>4,923</u>
Total Revenues	<u>2,253,541</u>	<u>268,512</u>	<u>1,131</u>	<u>146,519</u>	<u>2,669,703</u>
EXPENDITURES					
Capital Outlay	3,676	0	0	0	3,676
Contract Services	271,003	0	0	54,557	325,560
Dues	8,664	0	0	700	9,364
Employee Benefits	255,914	66,457	5,602	17,423	345,396
Insurance	30,885	0	0	0	30,885
LDAA Assessment	15,677	0	0	0	15,677
Library	12,095	0	0	0	12,095
Lincoln Police Jury	20,000	0	0	0	20,000
Office Expense	83,242	1,385	52	1,884	86,563
Other	1,660	0	0	0	1,660
Payroll Taxes	42,842	3,671	184	3,621	50,318
Professional Fees	77,649	3,045	0	1,800	82,494
Rent	744	0	0	0	744
Salaries	1,485,454	253,184	12,998	86,462	1,838,098
Telephone	16,582	2,006	0	3,301	21,889
Training and Seminars	2,330	0	0	0	2,330
Travel	4,938	0	0	0	4,938
Trial Expenses	<u>1,235</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,235</u>
Total Expenditures	<u>2,334,590</u>	<u>329,748</u>	<u>18,836</u>	<u>169,748</u>	<u>2,852,922</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,049)	(61,236)	(17,705)	(23,229)	(183,219)
OTHER FINANCING SOURCES (USES)					
Operating Transfers In (Out)	<u>(146,896)</u>	<u>73,723</u>	<u>25,000</u>	<u>48,173</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(146,896)</u>	<u>73,723</u>	<u>25,000</u>	<u>48,173</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	(227,945)	12,487	7,295	24,944	(183,219)
Fund Balance-Beginning	<u>1,565,022</u>	<u>(3,810)</u>	<u>2,317</u>	<u>30,182</u>	<u>1,593,711</u>
Fund Balance-Ending	<u>\$ 1,337,077</u>	<u>\$ 8,677</u>	<u>\$ 9,612</u>	<u>\$ 55,126</u>	<u>\$ 1,410,492</u>

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

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

Net Change in Fund Balances-Total Governmental Funds **\$ (183,219)**

Amounts reported in the Statement of Activities in the government-wide financial statements are different from those reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the fund financial statements because:

Capital outlays are not recognized as expenditures in the Statement of Activities, but an economic cost of the outlay over an estimated useful life of the asset is recognized as depreciation expense. Depreciation expense of \$31,608 recognized in the government-wide Statement of Activities was more than the \$3,676 in capital outlay expenditures reported in the fund financial statements by \$27,932. (27,932)

Net revenues of \$10,156 recognized in the Statement of Activities were not available to fund current period expenditures and are not recognized as revenue in the fund financial statements. Revenues of \$55,281 that were recognized in the Statement of Activities in the prior year but not in the fund financial statements were recognized in the current period fund financial statements. (45,125)

Adjustment for Difference in Pension Expense - Governmental funds report pension expenditures based on required contributions, while in the Statement of Activities pension expense is reported based on the change in net pension liability and amortization of deferred inflows and outflows. (74,187)

Accrued expenses for compensated absences reported in the Statement of Activities do not require the use of current financial resources and are not reported as an expenditure in the fund financial statements. (1,165)

Change in Net Position of Government Activities **\$ (331,628)**

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

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

	<u>Custodial Fund</u>
ASSETS	
Cash	\$ <u>37,706</u>
TOTAL ASSETS	\$ <u>37,706</u>
LIABILITIES	
Accounts Payable	\$ <u>0</u>
TOTAL LIABILITIES	<u>0</u>
Fiduciary Net Position-Held for Others	<u>37,706</u>
TOTAL NET FIDUCIARY POSITION	\$ <u>37,706</u>

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2020**

	<u>Custodial Fund</u>
ADDITIONS:	
Asset Forfeitures	\$ <u>184,131</u>
Total Additions	<u>184,131</u>
DEDUCTIONS:	
Disbursed Judgments	<u>184,131</u>
Total Deductions	<u>184,131</u>
Change in Net Position	0
Net Position, December 31, 2019	<u>37,706</u>
Net Position, December 31, 2020	<u>\$ 37,706</u>

See accompanying notes to financial statements.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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. He performs other duties as provided by law. The district attorney is elected by the qualified electors of the judicial district for a term of six years.

The accompanying basic financial statements of the District Attorney's Office are prepared in accordance 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 more significant accounting policies used by the District Attorney's Office are discussed below:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

For financial reporting purposes, in conformity with GASB Statement No. 14, the District Attorney of the Third Judicial District is a component unit of the Lincoln Parish Police Jury. For the purposes of this financial report, this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

FUND ACCOUNTING

The accounts of the District Attorney are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. Fund accounting utilizes three categories of funds: governmental, proprietary, and fiduciary. Furthermore, each category is divided into separate "fund types."

The fund categories used by the District Attorney's Office are governmental funds and fiduciary funds. Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Fiduciary funds account for the activity of the District Attorney as an agent for third parties.

Governmental Funds

General Fund

The General Fund is the general operating fund of the district attorney. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The District Attorney's Office uses the following special revenue funds:

Title IV-D Fund - To account for the receipt and expenditures of reimbursement grants from the Louisiana Department of Health and Human Resources, 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 fund 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.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special Revenue Funds (continued)

Worthless Checks Fund - To account for the receipt and use of the proceeds from fees collected in accordance with Louisiana Revised Statute 16:15, which provides that the District Attorney receives, from the principle to the offense, a prescribed amount upon collection of a worthless check. The fund 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.

Pine Hills Sexual Assault Center (PHSAC) - To account for the receipt and use of monies from grants to operate the Pine Hills Sexual Assault Center. The Pine Hills Children's Advocacy Center, Inc. (a non-profit organization) passes grants through to the PHSAC to provide services to victims of sexual abuse and/or assault and their families. The PHSAC is not legally separate from the District Attorney's Office.

Fiduciary Funds

Custodial Fund

Custodial Funds are used to account for assets held by the District Attorney's Office as a custodian for individuals, private organizations, or other governments outside the primary government that are not held in a trust. The custodial fund reports assets being held for others, accounts payable for disbursements that are scheduled within three months, and any excess of assets over liabilities are reported as net fiduciary position.

Forfeiture and Fine Fund - To account for assets received under the asset forfeiture law, under the bond forfeiture law, and for bail bond license fees. The asset forfeiture funds and the bond forfeiture funds are held until a judgment is rendered on each case instructing the District Attorney's Office on the disbursements of the funds. The bail bond license fees are distributed to various agencies, as provided by law.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. The Statement of Net Position and Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues included in the Statement of Activities derive directly from the program itself and reduce the cost of the function to be financed from the general revenues.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All government funds are accounted for using a current financial resources measurement focus and 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 that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. An availability period of 60 days was used. Revenues accrued include commissions (collected by another governmental unit and remitted to the District Attorney), other intergovernmental revenue, and reimbursements for expenditures from the state. Revenues that are not considered susceptible to accrual include certain charges for fees and forfeitures. Expenditures are recorded when the related fund liability is incurred.

With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Fiduciary fund financial statements are presented on the accrual basis of accounting and are presented separately from the governmental fund and government wide financial statements.

GOVERNMENT-WIDE NET POSITION

Government-wide net position is divided into three components:

Net Investment in Capital Assets - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted Net Position - consist of assets that are restricted by the state enabling legislation, by grantors, and by other contributors less related liabilities and deferred inflows of resources.

Unrestricted - all other net position is reported in this category.

GOVERNMENTAL FUND BALANCE

Beginning January 1, 2011, the District Attorney's Office 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:

Nonspendable Fund Balance - amounts that are not in spendable form (such as prepaids) or are required to be maintained intact.

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.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed Fund Balance - amounts constrained to specific purposes by the 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.

Assigned Fund Balance - amounts the 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.

Unassigned Fund Balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The District Attorney's Office establishes (and modifies or rescinds) fund balance commitments by passage of an order by the District Attorney. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as special incentives). Assigned fund balance is established by the District Attorney through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

USE OF RESTRICTED RESOURCES

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District Attorney's Office's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District Attorney's Office's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications - committed and then assigned fund balances before using unassigned fund balance.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BUDGETS AND BUDGETARY ACCOUNTING

The District Attorney's Office prepared an operating budget on its general fund and special revenue funds for the year ended December 31, 2020, except the Worthless Check Fund (which has less than \$50,000 in expenditures, and is exempt from the Louisiana Local Government Budget Act). Budgetary data is prepared based on prior year actual operating revenues and expenditures. It is monitored by management and amended throughout the year as necessary. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. The District Attorney's Office performs only a custodial function in the case of the custodial fund and therefore a budget for this fund is not appropriate.

The 2020 general fund budget was authorized by the District Attorney, made available for public inspection at the District Attorney's Office, and adopted by the District Attorney on December 9, 2019. The budget was amended prior to year end by the District Attorney.

DEPOSITS AND INVESTMENTS

Cash and cash equivalents consist of cash on hand, demand deposits, interest-bearing demand deposits, and short-term time deposits with original maturities of three months or less from the date of acquisition. It also includes cash on hand and undeposited currency being held in trust for evidence.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under state law, the District Attorney may invest funds in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments are reported at fair value, except certificates of deposit are reported at cost.

SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These transactions result in receivables and payables between funds which are classified as due from other funds or due to other funds on the balance sheet.

CAPITAL ASSETS

Capital assets are recorded at cost and depreciated over their estimated useful lives. Donated assets are recorded at their estimated fair value as of the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Furniture and Equipment	5 - 7 years
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DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

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

PAID TIME OFF AND SICK LEAVE

Employees earn from 105 to 168 hours of Paid Time Off (PTO) each year depending on the number of years employed. PTO must be used in the year earned. Sick leave is earned at the rate of seven and one-half hours per month of employment, with the employee allowed to accumulate up to 270 hours to use as sick leave. All unused sick leave is forfeited upon termination. There is an accrual of \$21,594 of accumulated and vested benefits relating to PTO that is reported as a long-term liability. There are no sick leave amounts that require accrual or disclosure at year end.

PENSIONS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expenses, information about the fiduciary net position of the District Attorney's Retirement System (DARS) and the Parochial Employees Retirement System of Louisiana (PERS), and additions to/deductions from DARS' and PERS' fiduciary net position have been determined on the same basis as they are reported by DARS and PERS. 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.

NOTE 2 - CASH AND INVESTMENTS

Cash consists of demand deposits and money market deposits, which includes fiduciary fund cash under the District Attorney's control. Investments include certificates of deposit. These deposits are carried at cost which approximates market value. 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 or exceed the amount on deposit with the fiscal agent. Pledged 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.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

At December 31, 2020, the District Attorney's Office has \$1,306,662 in cash and investments (carrying value) or \$1,395,379 in deposits (collected bank balances). These deposits are secured from risk by \$1,216,292 of federal deposit insurance and \$179,087 of pledged securities held by the custodial bank in the name of the fiscal agent with no of amounts held for deposit uncollateralized. Even though the securities are considered uncollateralized under the provisions of GASB Statement 3, LSA-R.S. 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 Attorney's Office that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

Commissions and Fees from -	
City of Ruston	\$ 160
Lincoln Parish Sheriff's Office	13,876
Union Parish Sheriff's Office	5,374
Lincoln Parish Criminal Court Fund	59,504
Union Parish Criminal Court Fund	239,167
Lincoln Parish Sheriff's Office-Cost of Prosecution Fees and Restitution	626
Union Parish Sheriff's Office-Cost of Prosecution Fees	173
State of Louisiana-Victim's Assistance	2,500
Total General	321,380
State of Louisiana-Title IV-D	<u>44,728</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 366,108</u>

NOTE 4 - CAPITAL ASSETS

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

	<u>Balance</u> <u>01/01/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/20</u>
<u>Capital Assets at Cost</u>				
Furniture and Equipment	\$ <u>256,091</u>	\$ <u>3,676</u>	\$ <u>644</u>	\$ <u>259,123</u>
TOTALS	<u>256,091</u>	<u>3,676</u>	<u>644</u>	<u>259,123</u>
<u>Less Accumulated Depreciation</u>				
Furniture and Equipment	<u>147,163</u>	<u>31,608</u>	<u>644</u>	<u>178,127</u>
TOTALS	<u>147,163</u>	<u>31,608</u>	<u>644</u>	<u>178,127</u>
Net Capital Assets	<u>\$ 108,928</u>	<u>\$ (27,932)</u>	<u>\$ 0</u>	<u>\$ 80,996</u>

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2020, consisted of the following individual fund receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 313,178	\$ 0
Special Revenue Fund - Title IV-D	0	146,090
Special Revenue Fund - Worthless Check	0	23,249
Special Revenue Fund - PHSAC	<u>0</u>	<u>143,839</u>
TOTAL	<u>\$ 313,178</u>	<u>\$ 313,178</u>

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 - PENSION PLANS

The District Attorney's Office contributes to the District Attorneys' Retirement System (DARS) and the Parochial Employees Retirement System of Louisiana (PERS). The District Attorney and Assistant District Attorneys are members of the Louisiana District Attorneys' Retirement System. All other employees are members of the Parochial Employees Retirement System of Louisiana, if they are permanent employees working at least 28 hours a week.

The DARS plan is a cost sharing multiple-employer defined benefit pension plan administered by the District Attorneys' Retirement System (DARS). DARS was established 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. The DARS issues a publicly available financial report that includes financial statements and required supplementary information for DARS. That report may be obtained by writing to District Attorneys' Retirement System of Louisiana, 22525 Quail Drive, Baton Rouge, Louisiana 70808, or by calling (225) 267-4824. Access to the stand-alone audit report for the year ended June 30, 2020, can be found on the Louisiana Legislative Auditor's website: www.la.gov or the DARS website: www.ladars.org.

The PERS plan is a cost sharing multiple-employer defined benefit pension plan administered by the Parochial Employees' Retirement System of Louisiana (PERS). The PERS was established and provided for by R.S. 11:1901 of the Louisiana Revised Statutes. The PERS Board of Trustees and the Louisiana Legislature have the authority to review administration, benefit terms, investments, and funding of the plan. The retirement system issues a publicly available financial report. That report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, 7905 Wrenwood Blvd., Baton Rouge, Louisiana 70809, or by calling (225) 928-1361. Access to the stand-alone audit report for the year ended December 31, 2019 can be found on the Louisiana Legislative Auditor's website: www.la.gov or the PERS website: www.persla.org.

GENERAL INFORMATION ABOUT THE PENSION PLANS

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.

Retirement Benefits

DARS Plan

Members who joined the 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 years 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.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLANS (CONTINUED)

Members who joined the DARS after July 1, 1990, or who have elected to be covered by the new provisions, are eligible to receive a normal retirement benefit 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 members 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 final average compensation.

PERS Plan

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification.

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

Employees hired prior to January 1, 2007, can retire at any age with thirty or more years of creditable service, age 55 with twenty-five years of creditable service, age 60 with a minimum of ten years of creditable service, or age 65 with a minimum of seven years of creditable service.

Employees hired after January 1, 2007, can retire age 55 with 30 years of service, age 62 with ten years of service, or age 67 with 7 years of service.

Any member of Plan B can retire providing he/she meets one of the following criteria:

Employees hired prior to January 1, 2007, can retire at age 55 with thirty years of creditable service, age 60 with a minimum of ten years of creditable service, or age 65 with a minimum of seven years of creditable service.

Employees hired after January 1, 2007, can retire age 55 with 30 years of service, age 62 with ten years of service, and age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statues, the benefits are limited to specified amounts. The percent used for Plan B members is 2%.

Deferred Retirement Benefits

DARS Plan

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 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 lessor 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 the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLANS (CONTINUED)

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to thirty-six months in lieu of terminating employment and accepting service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to one half of one percent. 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 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.

PERS Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in DROP in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments in the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

Disability Benefits

DARS Plan

Disability benefits are awarded to active contributing members with at least ten 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 his actual service (not less than fifteen years) or projected continued service to age sixty.

PERS Plan

For Plan A and Plan B, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has a least five years of creditable service or if hired after January 1, 2007, and has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board.

Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to a three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty. Plan B members shall be paid a disability benefit equal to the lesser of

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

an amount equal to two percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

Survivor's Benefits

DARS Plan

Upon the death of any member with less than five years of creditable service, his accumulated contributions and interest thereon are paid to the 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.

PERS Plan

Upon the death of any member of Plan A with five or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Upon the death of any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. Plan B members need ten years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Permanent Benefit Increases/Cost-of-Living Adjustments

DARS Plan

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 benefit, (not to exceed sixty dollars 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 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 DARS must meet certain criteria detailed in the statute related to funding status and interest earnings.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

PERS Plan

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July, 1973. The adjustment cannot exceed two percent of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to two percent of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Contributions

DARS Plan

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2021 and June 30, 2020, the actual employer contribution rate was 4.00% and 4.00%, respectively. The District Attorney's contributions to DARS for the year ended December 31, 2020, was \$13,803, equal to the required contributions for the year.

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

PERS Plan

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2019, the actuarially determined contribution rate was 12.18% of member's compensation for Plan A and 7.53% of member's compensation for Plan B. The actual rate for the fiscal year ending December 31, 2020 was 12.25% for Plan A and 7.5% for Plan B. The District Attorney's Office participates in Plan A. Contributions to the pension plan from the the District Attorney's Office were \$82,993 for the year ended December 31, 2020, at a rate of 12.25%.

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

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the Employer reported a liability of \$442,434 for its proportionate share of the Net Pension Liability for all plans. The Net Pension Liability was measured as of June 30, 2020 for the DARS Plan and as of December 31, 2019 for the PERS Plan, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of those dates. The District Attorney's proportion of the Net Pension Liability was based on a projection of the District Attorney's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the District Attorney's proportion of the DARS Plan was 0.552227% which was a decrease of 0.07052% from its proportion measured as of June 30, 2019. At December 31, 2019, the District Attorney's proportion of the PERS Plan was 0.104505%, which was an increase of 0.001111% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the District Attorney recognized pension expense of \$143,028 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$27,955.

At December 31, 2020, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,841	\$ 85,809
Changes of assumptions	265,122	0
Net difference between projected and actual earnings on pension plan investments	70,929	184,409
Change in proportion and differences between Employer contributions and proportionate share of contributions	14,798	72,722
Employer contributions subsequent to the measurement date	6,902	0
Total	\$ 378,592	\$ 342,940

The District Attorney is reporting \$6,902 as deferred outflows of resources related to pensions resulting from the District Attorney's contributions subsequent to the measurement date which is recognized as a reduction of the Net Pension Liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6- PENSION PLAN (CONTINUED)

Year Ended December 31:

2021	\$ (19,703)
2022	\$ (7,620)
2023	\$ 72,956
2024	\$ (45,264)
2025	\$ 28,381

Actuarial Assumptions

DARS Plan

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% (2.3% Inflation, 2.7% Merit)
Mortality Rates	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. 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. 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.
Expected Remaining Service Lives	6 years -- June 30, 2020 6 years -- June 30, 2019 6 years -- June 30, 2018 7 years -- June 30, 2017 7 years -- June 30, 2016 6 years -- June 30, 2015
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, 2014 through June 30, 2019. The data was then assigned creditability weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a periodic equivalent to the estimated duration of the DARS'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.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

Actuarial Assumptions

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 DARS's target asset allocations as of June 30, 2020, were as follows:

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

PERS Plan

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019 are as follows:

Valuation Date	December 31, 2019
Actuarial Cost Method	Plan A - Entry Age Normal Plan B - Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.5%, net of investment expense, including inflation
Projected Salary Increases	Plan A - 4.75% Plan B - 4.25%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the PERS and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	Pub-210 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using M2018 scale for annuitant and beneficiary mortality. For employees, the Pub-210 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.
Inflation Rate	2.40%

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.0% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019. Best estimates of arithmetic real rates of return for each major asset class included in the PERS target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	35 %	1.05 %
Equity	52 %	3.41 %
Alternatives	11 %	0.61 %
Real Assets	2 %	0.11 %
Totals	<u>100 %</u>	<u>5.18 %</u>
Inflation		<u>2.00 %</u>
Expected Arithmetic Nominal Return		<u><u>7.18 %</u></u>

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

Discount Rate

DARS Plan

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 the contributions from participating employers will be made at actuarially determined rates approved by PRSAC taking into consideration the recommendation of the DARS's actuary. Based on those assumptions, the pension plan'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.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 6 - PENSION PLAN (CONTINUED)

PERS Plan

The discount rate used to measure the total pension liability was 6.50% for Plan A and 6.50% for Plan B. 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 and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the the pension plan'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 Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

DARS Plan

The following presents the net pension liability of the participating employer's proportionate share calculated using the discount rate of 6.25%, as well as what the employer's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.25%) or one percentage-point higher (7.25%) than the current rate:

	1.0% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Employer's proportionate share of the net pension liability	\$ 799,205	\$ 437,514	\$ 134,434

PERS Plan

The following presents the net pension liability/asset of the participating employer's proportionate share calculated using the discount rate of 6.50%, as well as what the employer'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:

	1.0% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Employer's proportionate share of the net pension liability	\$ 531,710	\$ 4,920	\$ (436,521)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued DARS 2020 Comprehensive Annual Financial Report at www.la.gov and the PERS 2019 Comprehensive Annual Financial Report at www.persla.org.

Payables to the Pension Plan

As of December 31, 2020, the District Attorney did not have a payable to DARS or PERS for payments made after year end.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7 - ON-BEHALF PAYMENTS

Employees of the District Attorney's Office receive salaries and fringe benefits from the State of Louisiana. The following is a summary of these on-behalf payments:

General Fund

Salaries	\$ 467,500
Fringe Benefits	<u>25,479</u>
Total On-Behalf Payments	<u>\$ 492,979</u>

Fringe benefits paid by the State of Louisiana include pension plan contributions to the District Attorneys' Retirement System.

REQUIRED SUPPLEMENTARY INFORMATION

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
DECEMBER 31, 2020**

	Original Budget Amounts	Amended Budget Amounts	Actual Amounts	Variance with Amended Budget Favorable (Unfavorable)
REVENUES				
Fees	\$ 821,700	\$ 622,118	\$ 673,524	\$ 51,406
Grants and Other Assistance	79,500	90,787	83,356	(7,431)
Interest Income	2,100	2,303	3,570	1,267
Intergovernmental	1,046,900	864,374	997,662	133,288
On-Behalf Revenue	479,798	506,160	492,979	(13,181)
Other Income	6,100	2,580	2,450	(130)
TOTAL REVENUES	<u>2,436,098</u>	<u>2,088,322</u>	<u>2,253,541</u>	<u>165,219</u>
EXPENDITURES				
Capital Outlay	0	3,280	3,676	(396)
Contract Services	290,000	282,034	271,003	11,031
Dues and Subscriptions	14,000	8,665	8,664	1
Employee Benefits	314,238	325,615	255,914	69,701
Insurance	30,400	38,885	30,885	8,000
LDAA Assessment	15,700	15,680	15,677	3
Library	8,500	12,100	12,095	5
Lincoln Parish Police Jury	20,000	18,333	20,000	(1,667)
Office Expenses	93,000	69,845	83,242	(13,397)
Other	1,300	685	1,660	(975)
Payroll Taxes	58,598	51,173	42,842	8,331
Professional Fees	83,000	49,500	77,649	(28,149)
Rent	750	750	744	6
Salaries	1,483,698	1,792,658	1,485,454	307,204
Telephone	17,000	15,005	16,582	(1,577)
Training and Seminars	9,000	1,740	2,330	(590)
Travel and Meals	30,000	4,225	4,938	(713)
Trial Expenses	6,000	1,155	1,235	(80)
TOTAL EXPENDITURES	<u>2,475,184</u>	<u>2,691,328</u>	<u>2,334,590</u>	<u>356,738</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(39,086)</u>	<u>(603,006)</u>	<u>(81,049)</u>	<u>521,957</u>
OTHER FINANCING USES				
Operating Transfers Out	(48,000)	(136,896)	(146,896)	(10,000)
TOTAL OTHER FINANCING USES	<u>(48,000)</u>	<u>(136,896)</u>	<u>(146,896)</u>	<u>(10,000)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER USES	(87,086)	(739,902)	(227,945)	511,957
FUND BALANCE - BEGINNING	<u>1,639,623</u>	<u>1,565,022</u>	<u>1,565,022</u>	<u>0</u>
FUND BALANCE - ENDING	<u>\$ 1,552,537</u>	<u>\$ 825,120</u>	<u>\$ 1,337,077</u>	<u>\$ 511,957</u>

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE-SPECIAL REVENUE FUNDS
DECEMBER 31, 2020
TITLE IV - D FUND**

	<u>Original Budget Amounts</u>	<u>Amended Budget Amounts</u>	<u>Actual Amounts</u>	Variance with Amended Budget Favorable (Unfavorable)
REVENUES				
Grant	\$ 277,200	\$ 268,369	\$ 268,370	\$ 1
Interest Income	<u>230</u>	<u>155</u>	<u>142</u>	<u>(13)</u>
TOTAL REVENUES	<u>277,430</u>	<u>268,524</u>	<u>268,512</u>	<u>(12)</u>
EXPENDITURES				
Employee Benefits	15,620	19,212	66,457	(47,245)
Office Expense	1,500	1,285	1,385	(100)
Payroll Taxes	1,035	1,273	3,671	(2,398)
Professional Fees	3,000	3,795	3,045	750
Salaries	251,714	309,607	253,184	56,423
Telephone	<u>3,000</u>	<u>2,061</u>	<u>2,006</u>	<u>55</u>
TOTAL EXPENDITURES	<u>275,869</u>	<u>337,233</u>	<u>329,748</u>	<u>7,485</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,561	(68,709)	(61,236)	7,473
OTHER FINANCING SOURCES				
Operating Transfers In	<u>0</u>	<u>73,723</u>	<u>73,723</u>	<u>0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	1,561	5,014	12,487	7,473
FUND BALANCE-BEGINNING	<u>1,963</u>	<u>(3,810)</u>	<u>(3,810)</u>	<u>0</u>
FUND BALANCE-ENDING	<u>\$ 3,524</u>	<u>\$ 1,204</u>	<u>\$ 8,677</u>	<u>\$ 7,473</u>

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
BUDGETARY COMPARISON SCHEDULE-SPECIAL REVENUE FUND
DECEMBER 31, 2020
PHSAC FUND

	Original Budget Amounts	Amended Budget Amounts	Actual Amounts	Variance with Amended Budget Favorable (Unfavorable)
REVENUES				
Grant	117,324	\$ 163,203	\$ 144,046	\$ (19,157)
Miscellaneous	<u>0</u>	<u>0</u>	<u>2,473</u>	<u>2,473</u>
TOTAL REVENUES	<u>117,324</u>	<u>163,203</u>	<u>146,519</u>	<u>(16,684)</u>
EXPENDITURES				
Capital Outlay	0	0	0	0
Contract Services	52,000	52,000	54,557	(2,557)
Dues	600	600	700	(100)
Employee Benefits	17,403	17,403	17,423	(20)
Insurance	0	0	0	0
Supplies	0	0	0	0
Office Expense	7,800	7,555	1,884	5,671
Other	0	0	0	0
Payroll Taxes	3,521	3,521	3,621	(100)
Professional Fees	1,800	1,800	1,800	0
Repairs and Maintenance	0	0	0	0
Salaries	86,302	86,302	86,462	(160)
Settlement of Seizures	0	0	0	0
Telephone	3,450	3,450	3,301	149
Training and Seminars	0	0	0	0
Travel	<u>100</u>	<u>100</u>	<u>0</u>	<u>100</u>
TOTAL EXPENDITURES	<u>172,976</u>	<u>172,731</u>	<u>169,748</u>	<u>2,983</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(55,652)	(9,528)	(23,229)	(13,701)
OTHER FINANCING SOURCES				
Operating Transfers In	<u>30,000</u>	<u>38,173</u>	<u>48,173</u>	<u>10,000</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(25,652)	28,645	24,944	(3,701)
FUND BALANCE-BEGINNING	<u>40,458</u>	<u>40,458</u>	<u>30,182</u>	<u>(10,276)</u>
FUND BALANCE-ENDING	<u>14,806</u>	<u>\$ 69,103</u>	<u>\$ 55,126</u>	<u>\$ (13,977)</u>

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
DECEMBER 31, 2020**

**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
District Attorneys' Retirement System					
2020	0.55223 %	\$ 437,514	\$ 342,580	127.71 %	84.86 %
2019	0.62275 %	200,340	372,019	53.85 %	93.13 %
2018	0.55328 %	178,042	344,000	51.76 %	92.92 %
2017	0.51957 %	140,138	315,732	44.39 %	93.57 %
2016	0.47361 %	90,652	286,598	31.63 %	95.09 %
2015	0.48245 %	25,987	282,936	9.18 %	98.56 %
2014	0.54258 %	10,821	315,085	3.43 %	99.45 %
Parochial Employees' Retirement System					
2020	0.10451 %	\$ 4,920	\$ 677,492	0.73 %	99.89 %
2019	0.10339 %	458,900	662,644	69.25 %	88.86 %
2018	0.10191 %	(75,644)	635,437	(11.90)%	101.98 %
2017	0.09666 %	199,064	627,286	31.73 %	94.15 %
2016	0.09852 %	259,336	573,225	45.24 %	92.23 %
2015	0.09339 %	25,533	563,883	4.53 %	99.15 %
2014	0.10358 %	7,361	541,323	1.36 %	99.77 %

Notes:

The District Attorneys' Retirement System amounts presented for each fiscal year were determined as of a June 30th measurement date prior to the fiscal year end.

The Parochial Employees' Retirement System amounts presented for each fiscal year were determined December 31st measurement date.

This schedule is presented to illustrate the requirement to show information for 10 years. The years presented are the only years for which the required information is available.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
DECEMBER 31, 2020**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TO PENSION PLANS**

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
District Attorneys' Retirement System					
2020	\$ 13,803	\$ 13,803	\$ 0	\$ 345,080	4.00 %
2019	8,979	8,979	0	344,207	2.61 %
2018	2,411	2,411	0	382,102	0.63 %
2017	0	0	0	317,250	0.00 %
2016	5,388	5,388	0	312,163	1.73 %
2015	13,421	13,421	0	258,061	5.20 %
2014	19,805	19,805	0	315,085	6.29 %
Parochial Employees' Retirement System					
2020	\$ 82,993	\$ 82,993	\$ 0	\$ 677,492	12.25 %
2019	76,204	76,204	0	662,644	11.50 %
2018	73,097	73,097	0	635,437	11.50 %
2017	78,411	78,411	0	627,286	12.50 %
2016	74,548	74,548	0	573,225	13.00 %
2015	81,763	81,763	0	563,883	14.50 %
2014	86,643	86,643	0	541,323	16.00 %

Notes:

The amounts presented were determined as of the end of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. The years presented are the only years for which the required information is available.

DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR PENSIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

District Attorneys' Retirement System

1. Schedule of Employer's Share of Net Pension Liability

This schedule reflects the participation of Third Judicial District, District Attorney's Office employees in DARS and its proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability.

2. Schedule of Employer's Contributions

This schedule represents the employer contributions subsequent to the measurement date and recognized as a reduction of the net pension liability in future years.

3. Changes in Actuarial Assumptions for Net Pension Liability

The following is a list of changes in actuarial assumptions:

Expected Remaining Service Lives	6 years - June 30, 2020
	6 years - June 30, 2019
	6 years - June 30, 2018
	7 years - June 30, 2017 and 2016
	6 years - June 30, 2015 and 2014
Investment Rate of Return	6.25% per annum for 2020
	6.50% per annum for 2019
	6.75% per annum for 2018
	6.50% per annum for 2017
	7.00% per annum for 2016 and 2015

Parochial Employees' Retirement System

1. Schedule of Employer's Share of Net Pension Liability

This schedule reflects the participation of Third Judicial District, District Attorney's Office employees in PERS and its proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability.

2. Schedule of Employer's Contributions

This schedule represents the employer contributions subsequent to the measurement date and recognized as a reduction of the net pension liability in future years.

3. Changes in Actuarial Assumptions for Net Pension Liability

The following is a list of changes in actuarial assumptions:

Investment Rate of Return	6.50% per annum for 2020 and 2019
	6.75% per annum for 2018
	7.00% per annum for 2017 and 2016
	7.25% per annum for 2015

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OTHER REPORTS AND SCHEDULES

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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 John Belton
District Attorney of the Third Judicial District
100 West Texas, 2nd Floor
Ruston, Louisiana 71270

I 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 each major fund, and the aggregate remaining fund information of the Third Judicial District District Attorney, a component unit of the Lincoln Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements and have issued my report thereon dated June 23, 2021.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District Attorney's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney's internal control. Accordingly, I do not express an opinion on the effectiveness of the District Attorney'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.

My 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 my audit I did not identify any deficiencies in internal control that I 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's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

District Attorney's Response to Findings

The District Attorney's responses to the findings identified in my audit is described in the accompanying schedule of management's corrective action plan. The District Attorney's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.



Don M. McGehee
Certified Public Accountant
June 23, 2021

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

I have audited the financial statements of the District Attorney as of and for the year ended December 31, 2020, and have issued my report thereon dated June 23, 2021. I conducted my 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. My audit of the financial statements as of December 31, 2020 resulted in an unqualified opinion. The following is a summary of my audit observations on internal control, tests of compliance, and findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards:

Section 1 Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes No

Compliance

Compliance Material to Financial Statements Yes No

Section 2 Financial Statement Findings

No findings.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020**

SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

<u>FINDINGS</u>	<u>STATUS</u>
2019-1. Unfavorable Budget Variances. The District Attorney's Office had an unfavorable budget variance in excess of 5%.	Resolved.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL
STATEMENT**

FINDINGS

RESPONSE

No findings.

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

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

District Attorney of the Third Judicial District, John F. K. Belton:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 129,080
Salary paid On-Behalf	51,250
Benefits-Retirement	5,163
Benefits-Retirement paid On-Behalf	2,050
Benefits-Group Health Insurance	11,655
Travel	5,848
Seminars	1,750
Dues	448

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

Schedule of Justice System Funding - Receiving

For the Year Ended December 31, 2020

As Required by Act 87 of the 2020 Regular Legislative Session

	<u>First Six Month Period Ended 06/30/20</u>	<u>Second Six Month Period Ended 12/31/20</u>
Receipts From:		
Lincoln Parish Sheriff, Bond Fees	20,166	30,019
Union Parish Sheriff, Bond Fees	12,846	22,441
Pre-Trail Diversion Program Fees	308,642	339,572
Lincoln Parish Sheriff, Criminal Court Costs/Fees	61,433	68,822
Union Parish Sheriff, Criminal Court Costs/Fees	16,566	28,618
City of Ruston, Criminal Fines - Other	4,853	959
Lincoln Parish Sheriff, Criminal Fines - Other	9,327	7,429
Union Parish Sheriff, Criminal Fines - Other	4,651	3,360
Other	1,760	1,821
Total Receipts	440,244	503,041
Ending Balance of Amounts Assessed but Not Received		

**DISTRICT ATTORNEY OF THE THIRD JUDICIAL DISTRICT
PARISHES OF LINCOLN AND UNION, LOUISIANA**

Schedule of Justice System Funding - Collecting/Disbursing

For the Year Ended December 31, 2020

As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 06/30/20	Second Six Month Period Ended 12/31/20
Beginning Balance of Amounts Collected	[]	[]
Add: Collections		
Asset Forfeiture/Sale	42,109	142,022
Pre-Trial Diversion Program Fees	308,642	339,572
Other	661	-
Subtotal Collections	351,412	481,594
Less: Disbursements To Governments & Nonprofits:		
Lincoln Parish Criminal Court Fund, Asset Forfeiture/Sale	9,104	32,062
Union Parish Criminal Court Fund, Asset Forfeiture/Sale	-	2,905
Drug Asset Recovery, Asset Forfeiture/Sale	107	236
Lincoln Parish NET, Asset Forfeiture/Sale	6,330	5,309
Lincoln Parish Clerk of Court, Asset Forfeiture/Sale	90	630
Indigent Defender Board, Asset Forfeiture/Sale	5,595	24,234
Lincoln Parish Sheriff Office, Asset Forfeiture/Sale	6,994	30,292
Union Parish Sheriff Office, Asset Forfeiture/Sale	-	8,715
Less: Amounts Retained by Collecting Agency	322,531	377,211
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies	661	-
Subtotal Disbursements/Retainage	351,412	481,594
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	[]	[]
Ending Balance of "Partial Payments" Collected but not Disbursed	[]	[]
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	[]	[]
Total Waivers During the Fiscal Period	[]	[]