

**DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2020
With Supplemental Information Schedules**

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended December 31, 2020
With Supplemental Information Schedules

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SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana
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Practice Limited to
Governmental Accounting,
Auditing and
Financial Reporting

Independent Auditor's Report

HONORABLE JAMES PAXTON
DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major funds, and the fiduciary fund of the Sixth Judicial District Attorney, a component unit of the East Carroll, Madison and Tensas Parish Police Juries, as of December 31, 2020, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Sixth Judicial 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 and the *Louisiana Governmental Audit Guide*. 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 Sixth Judicial District Attorney'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 Sixth Judicial District Attorney'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

SIXTH JUDICIAL DISTRICT ATTORNEY

Parishes of East Carroll, Madison,
and Tensas, Louisiana
Independent Auditor's Report,
December 31, 2020

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, the major funds, and the fiduciary fund of the Sixth Judicial District Attorney as of December 31, 2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedules and notes to required supplementary information, the Schedule of Employer's share of the Net Pension Liability, and the Schedule of Employer Contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 managements' 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 an opinion on the financial statements that collectively comprise the Sixth Judicial District Attorney's basic financial statements. The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head, Justice System Funding Schedules for Collecting/Disbursing, and Justice System Funding Schedules for Receiving Entities, as listed in the Table of Contents, as Supplementary Information are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by Act 706 of the Louisiana 2014 Legislative Session and Act 87 of the Louisiana 2020 Legislative Session.

SIXTH JUDICIAL DISTRICT ATTORNEY

Parishes of East Carroll, Madison,
and Tensas, Louisiana
Independent Auditor's Report,
December 31, 2020

These schedules 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 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 Schedule of Compensation, Benefits and Other Payments to Agency Head, Justice System Funding Schedules for Collecting/Disbursing, and Justice System Funding Schedules for Receiving Entities are fairly stated, in all material respects, in relation to the basic financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated June 7, 2021, on my consideration of the Sixth Judicial 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 solely 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 the effectiveness of 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 Sixth Judicial District Attorney's internal control over financial reporting and compliance.



West Monroe, Louisiana
June 7, 2021

REQUIRED SUPPLEMENTARY INFORMATION
PART I

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana

Management's Discussion and Analysis
December 31, 2020

As management of the District Attorney of the Sixth Judicial District, I offer readers of the District Attorney of the Sixth Judicial District's financial statements this narrative overview and analysis of the financial activities of the District Attorney of the Sixth Judicial District for the fiscal year ended December 31, 2020. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the district attorney's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the district attorney's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District Attorney of the Sixth Judicial District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District Attorney of the Sixth Judicial District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District Attorney of the Sixth Judicial District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District Attorney of the Sixth Judicial District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District Attorney of the Sixth Judicial District can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District Attorney of the Sixth Judicial District adopts an annual appropriated budget for the general fund and the special revenue fund. A budgetary comparison statement is provided for the major funds to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the District Attorney of the Sixth Judicial District's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District Attorney of the Sixth Judicial District's performance.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the District Attorney of the Sixth Judicial District exceeded liabilities by \$523,245. Approximately 18% of the District Attorney of the Sixth Judicial District's net position reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

An additional portion of the District Attorney of the Sixth Judicial District's net position represents resources that are subject to external restrictions (e.g., debt service). The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the District Attorney of the Sixth Judicial District to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET POSITION
Governmental Funds

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$627,913	\$1,116,675
Due from employees		10,465
Receivables	104,481	125,469
Capital assets (net of accumulated depreciation)	<u>89,720</u>	<u>58,455</u>
TOTAL ASSETS	<u>822,114</u>	<u>1,311,064</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	349,547	167,994
LIABILITIES		
Accounts payable	54,283	124,467
Payroll withholdings payable	26,182	32,781
Net pension liability	<u>498,210</u>	<u>232,512</u>
TOTAL LIABILITIES	<u>578,675</u>	<u>389,760</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	69,741	84,584
NET POSITION		
Invested in capital assets, net of related debt	89,720	58,455
Unrestricted	<u>433,525</u>	<u>946,259</u>
TOTAL NET POSITION	<u>\$523,245</u>	<u>\$1,004,714</u>

STATEMENT OF ACTIVITIES

	<u>2020</u>	<u>2019</u>
Judicial:		
Personal services	\$1,581,271	\$1,521,002
Operating services	819,432	1,219,311
Materials and supplies	98,681	106,000
Travel	43,129	45,380
Depreciation expense	<u>32,714</u>	<u>21,718</u>
Total Program Expenses	<u>2,575,227</u>	<u>2,913,411</u>
Program revenues - charges for services:		
Commissions on fines & forfeitures	1,257,306	1,851,602
Use of money - interest	9,626	18,259
Federal grants	281,810	281,893
State grants	418,885	376,654
Local grants	<u>15,956</u>	<u>4,500</u>
Total program revenues	<u>1,983,583</u>	<u>2,532,908</u>
Net Program Expenses	(591,644)	(380,503)
General revenues-		
Other revenues	<u>110,175</u>	<u>215,101</u>
Change in Net Position	(481,469)	(165,402)
Net Position - Beginning of year	<u>1,004,714</u>	<u>1,170,116</u>
Net Position - End of year	<u>\$523,245</u>	<u>\$1,004,714</u>

Financial Analysis of the Government's Funds

As noted earlier, the District Attorney of the Sixth Judicial District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2020, combined governmental fund balance of \$651,929 showed a decrease of \$443,432 over December 31, 2019. The General Fund's portion of the unassigned fund balance of \$554,168 shows a decrease (of approximately \$445,421) from the prior year amount.

Budgetary Highlights

The primary difference between expenditures of the original budget and the final budget of the general fund were due to an increase in estimated operating services and capital outlay and decreases in personal services and related benefits and materials and supplies. The primary difference between revenues of the original budget and the final budget were due to a decrease in charges for fines and forfeitures, use of money - interest and other revenues.

There were no budget amendments for the IV-D fund.

Capital Asset and Debt Administration

Capital assets. The District Attorney of the Sixth Judicial District's investment in capital assets for its governmental activities as of December 31, 2020, amounts to \$89,720 (net of accumulated depreciation). This investment includes furniture and equipment. There were increase of \$63,979 in capital assets for the year. There were no deletions for the year.

Long-term debt. The District Attorney of the Sixth Judicial District has debt outstanding of \$498,210 at the end of the year, which consists of net pension liability.

Requests for Information

This financial report is designed to provide a general overview of the District Attorney of the Sixth Judicial District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Attorney of the Sixth Judicial District, P.O. Box 1389, Tallulah, LA 71284.

BASIC FINANCIAL STATEMENTS

Statement A

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

Governmental Activities
Statement of Net Position
December 31, 2020

Assets	
Cash and cash equivalents	\$627,913
Receivables	104,481
Capital assets (net)	<u>89,720</u>
Total Assets	<u>822,114</u>
DEFERRED OUTFLOW OF RESOURCES	
Pension related	349,547
Liabilities	
Accounts payable	54,283
Payroll withholding payable	26,182
Net pension liability	<u>498,210</u>
Total Liabilities	<u>578,675</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	69,741
Net Position	
Invested in capital assets, net of related debt	89,720
Unrestricted	<u>433,525</u>
Total Net Position	<u><u>\$523,245</u></u>

See independent auditor's report and the related notes to the financial statements.

Statement B

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

STATEMENT OF ACTIVITIES
December 31, 2020

EXPENSES

Judicial:

Personal services	\$1,581,271
Operating services	819,432
Materials and supplies	98,681
Travel	43,129
Depreciation expense	32,714
Total Program Expenses	<u>2,575,227</u>

REVENUES

Program revenues - charges for services:

Commissions on fines and forfeitures	1,257,306
Use of money - interest	9,626
Federal grants	281,810
State grants	418,885
Local funds	15,956
Total program revenues	<u>1,983,583</u>
Net Program Expenses	(591,644)

General revenues:

Other revenues	<u>110,175</u>
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Change in Net Position

Net Position - Beginning of year	<u>1,004,714</u>
Net Position - End of year	<u><u>\$523,245</u></u>

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana
GOVERNMENTAL FUNDS

Combined Balance Sheet, December 31, 2020

	...MAJOR FUNDS...		
	GENERAL	IV-D SPECIAL REVENUE	
	FUND	FUND	TOTAL
ASSETS			
Cash	\$544,672	\$83,241	\$627,913
Receivables	81,876	22,605	104,481
TOTAL ASSETS	<u>\$626,548</u>	<u>\$105,846</u>	<u>\$732,394</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$50,241	\$4,042	\$54,283
Payroll deductions payable	22,139	4,043	26,182
Total Liabilities	<u>72,380</u>	<u>8,085</u>	<u>80,465</u>
Fund balance:			
Restricted - other general government		97,761	97,761
Unassigned	554,168		554,168
Total Fund Balance	<u>554,168</u>	<u>97,761</u>	<u>651,929</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$626,548</u>	<u>\$105,846</u>	<u>\$732,394</u>

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison,
and Tensas, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended December 31, 2020

Total Fund Balances at December 31, 2020 - Governmental Funds (Statement C)		<u>\$651,929</u>
Deferred outflows of resources		349,547
Cost of capital assets at December 31, 2020	\$285,629	
Less: Accumulated depreciation as of December 31, 2020	<u>(195,909)</u>	89,720
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Net pension liability		(498,210)
Deferred inflows of resources		<u>(69,741)</u>
Net Position at December 31, 2020 (Statement A)		<u><u>\$523,245</u></u>

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2020

Major Funds....		
	General	IV-D	Total
REVENUES			
Intergovernmental revenues:			
Federal grants		\$281,810	\$281,810
State grants	\$418,885		418,885
Local funds	15,956		15,956
Commissions on fines & forfeitures	1,257,306		1,257,306
Use of money - interest	8,586	1,040	9,626
Other revenues	46,663	1,280	47,943
Total revenues	<u>1,747,396</u>	<u>284,130</u>	<u>2,031,526</u>
EXPENDITURES			
Current:			
Judicial:			
Personal services and related benefits	1,207,411	242,326	1,449,737
Operating services	796,729	22,703	819,432
Materials and supplies	85,529	13,152	98,681
Travel and other charges	39,169	3,960	43,129
Capital outlay	63,979		63,979
Total expenditures	<u>2,192,817</u>	<u>282,141</u>	<u>2,474,958</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(445,421)</u>	<u>1,989</u>	<u>(443,432)</u>
FUND BALANCES - BEGINNING	<u>999,589</u>	<u>95,772</u>	<u>1,095,361</u>
FUND BALANCES - ENDING	<u>\$554,168</u>	<u>\$97,761</u>	<u>\$651,929</u>

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison,
and Tensas, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended December 31, 2020

Total net change in fund balances - governmental funds (Statement D)	(\$443,432)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	31,265
Non-employer contributions to cost-sharing pension plan	62,232
Pension expense	<u>(131,534)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$481,469)</u></u>

See independent auditor's report and the related notes to the financial statements.

Statement E

**DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT**
Parishes of East Carroll, Madison and
Tensas, Louisiana

Statement of Fiduciary Net Position
December 31, 2020

**SPECIAL
ASSET
FORFEITURE**

ASSETS

Cash and cash equivalents

\$9,279

LIABILITIES

Deposits due others

\$9,279

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison, and Tensas, Louisiana

Statement of Changes in Fiduciary Net Position
December 31, 2020

	<u>SPECIAL ASSET FORFEITURE</u>
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	\$9,279
ADDITIONS	NONE
REDUCTIONS	<u>NONE</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u><u>\$9,279</u></u>

See independent auditor's report and the related notes to the financial statements.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the district attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. 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 judicial district encompasses the Parishes of East Carroll, Madison and Tensas, Louisiana.

The accompanying financial statements of the District Attorney of the Sixth Judicial District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parishes, for reporting purposes, the East Carroll, Madison, and Tensas Parish Police Juries, are the financial reporting entities for the respective parishes. The financial reporting entities consist of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary governments are such that exclusion would cause the reporting entities financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the parish police jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the district attorney to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the district attorney.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

2. Organizations for which the district attorney does not appoint a voting majority but are fiscally dependent on the district attorney.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Madison Parish Police Jury maintains and operates the parish courthouse in which the district attorney's office is located and provides partial funding for equipment, furniture and supplies of the district attorney's office, the district attorney was determined to be a component unit of the Madison Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district attorney and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Madison Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The district attorney's basic financial statements include both government-wide (reporting the district attorney as a whole) and fund financial statements (reporting the district attorney's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the district attorney are classified as governmental.

The district attorney reports the following major governmental funds:

The General Fund is the district attorney's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Title IV-D Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the 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
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the district attorney.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The district attorney first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the district attorney's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the district attorney's general revenues.

Allocation of Indirect Expenses - The district attorney reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the district attorney are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the district attorney. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The district attorney's current operations require the use of only governmental funds. The governmental fund types used by the district attorney is described as follows:

Governmental Fund Type

**General Fund (District
Attorneys' Expense)**

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that twelve per cent of the fines collected and bonds forfeited be transmitted to the district attorney to defray the necessary expenditures of his office.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources such as federal and state grants and fees for services. Those revenues are legally restricted, either by grant agreement or state law, to expenditures for specified purposes such as family and child support programs, and specified expenses of the district attorney's office.

Fiduciary Fund Type - Agency Fund

The Special Asset Forfeiture Agency Fund accounts for all transactions involving money seized during controlled substance cases, sale of property seized during controlled substance cases and later declared forfeited by the courts, and the distribution of the above funds in accordance with Louisiana Revised Statute 40:2616. The fund was created by the Seizure and Controlled Dangerous Substance Property Forfeiture Act of 1989 and became effective January 1, 1990. The agency funds are custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the accrual basis of accounting.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both the governmental and fiduciary type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The district attorney considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

Revenues

Commissions on fines and bond forfeitures are recorded in the year they are collected by the parish tax collector.

Fees from the collection of worthless checks are recorded in the year they are collected. Grants are recorded when the district attorney is entitled to the funds. Interest income on time deposits is recorded when the time deposits have matured and the interest is available. Substantially all other revenues are recorded when received.

Based on the above criteria, commissions on fines and bond forfeitures, and grants have been treated as susceptible to accrual.

Expenditures

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

E. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the district attorney, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

F. VACATION AND SICK LEAVE

Employees of the district attorney's office receive from 5 to 20 days of non-cumulative vacation leave each year, depending on their length of service. Each employee is allowed 10 days of sick leave each calendar year. There is a limit of 90 days of sick leave that an employee can accumulate. However, at retirement or termination, the employee forfeits all unused sick leave.

G. RISK MANAGEMENT

The district attorney is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the district attorney maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2020.

H. CASH AND CASH EQUIVALENTS

Under state law, the district attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2020, the district attorney has cash and cash equivalents (book balances) totaling \$637,192.

Demand deposits	\$124,716
Time deposits	<u>512,476</u>
Total	<u><u>\$637,192</u></u>

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the judicial expense that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the district attorney's name. The district attorney does not have a policy concerning custodial risk.

Cash and cash equivalents (bank balances) at December 31, 2020, are secured as follows:

Bank balances	<u>\$667,794</u>
Federal deposit insurance	<u>\$602,665</u>
Pledged securities (uncollateralized)	<u>804,978</u>
Total	<u>\$1,407,643</u>

I. PENSION PLANS

The District Attorney's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

J. EQUITY CLASSIFICATIONS

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

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

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund financial statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable - represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - represents balances where constraints have been established by parties outside the district attorney's office or imposed by law through constitutional provisions or enabling legislation.

Committed - represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the district attorney's highest level of decision-making authority.

Assigned - represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned - represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

The General Fund has an unassigned fund balance of \$554,168. If applicable, the district attorney would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right

DISTRICT ATTORNEY OF THE
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Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

to selectively spend unassigned resources first and to defer the use of these other classified funds. The district attorney considers restricted amounts have been spent when an expenditure has been incurred for the purpose for which both restricted and unrestricted fund balance is available.

K. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the Statement of Net Position and the Statement of Activities some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisitions of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

M. ESTIMATES

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

N. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

2. RECEIVABLES

The following is a summary of receivables at December 31, 2020:

	General Fund	Title IV-D Special Revenue Fund	Total
Intergovernmental revenues:			
Federal-Department of Health and Human Services		\$22,605	\$22,605
Fees, charges and commissions, etc.	\$81,876		81,876
Total	<u>\$81,876</u>	<u>\$22,605</u>	<u>\$104,481</u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office equipment follows:

Balance, January 1, 2020	\$221,650
Additions	63,979
Deletions	<u>NONE</u>
Balance at December 31, 2020	<u>285,629</u>
Less accumulated depreciation	<u>(195,909)</u>
Net capital assets	<u>\$89,720</u>

Depreciation expense of \$32,714 was charged to the judicial function.

4. PENSION PLAN

District Attorney's Retirement System of Louisiana (System)

Plan Description

The District Attorney of the Sixth Judicial District contributes to the District Attorneys' Retirement System (System) which is a cost sharing multiple employer defined benefit pension plan. The System was established on August 1, 1956, by Act 56 of the 1956 session of the Louisiana Legislature, for the purpose of providing allowances and other benefits for district attorneys and their assistants in each parish. The fund is administered by a Board of Trustees. Benefits, including normal retirement, early retirement, disability retirement, and death benefit are provided as specified in the plan.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

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

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

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

Any member of the Plan who was hired prior to July 1, 1990, and who have elected not to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 62 after 10 or more years of creditable service.
2. Age 60 after 18 or more years of creditable service.
3. Age 55 after 23 or more years of creditable service.
4. Any age after 30 or more years of creditable service.

The normal retirement benefit is equal to three percent of the member's final compensation for each year of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

Any member of the Plan who was hired after July 1, 1990, or who have elected to be covered under the new provisions, are eligible to receive normal retirement benefit if one of the following criteria is met:

1. Age 60 after 10 or more years of creditable service.
2. Age 55 after 24 or more years of creditable service.
3. Any age after 30 or more years of creditable service.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Retirement benefits may not exceed 100% of final average compensation.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2020, the District Attorney's total payroll for all employees was \$1,346,962. Total covered payroll was \$386,351. Covered payroll refers to all compensation paid by the District Attorney to active employees covered by the Plan.

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

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2020, the actual employer contribution rate 4.0%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Members are required by state statute to contribute 8.00% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the District Attorney to the System monthly. The District Attorney's contributions to the System for the year ending December 31, 2020 were \$15,454.

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

At December 31, 2020 and 2019, the Employer reported a liability of \$498,210 and \$232,512, respectively, for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2020 and 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. 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 was 0.62883%, which was an increase of 0.094% from its proportion measured as of June 30, 2019.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

For the year ended December 31, 2020, the District Attorney recognized pension expense of \$144,784 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$13,250). Total pension expense for the District Attorney for the year ended December 31, 2020 was \$131,534.

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	\$23,733	\$47,563
Changes in assumptions	223,663	
Net difference between projected and actual earnings on pension plan	80,769	
Changes in employer's proportion of beginning NPL	13,655	19,911
Difference between employer and proportionate share of contributions		2,267
Employer contributions subsequent to the measurement date	7,727	
Total	\$349,547	\$69,741

\$7,727 reported as deferred outflows of resources related to pensions resulting from the District Attorneys' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 1, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2021	\$60,466
2022	63,605
2023	74,930
2024	41,322
2025	31,756
TOTAL	\$272,079

Actuarial Assumptions

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 costs
Actuarial Assumptions:	

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

Investment Rate of Return	6.25%, net of Pension Plan investment expense including
Salary increases	5.00% (2.3% inflation, 2.7% merit)
Mortality rates	<p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p> <p>Pub-2010 Public Retirement Plans Mortality Table for General Above-Median Employees multiplied by 115% for males and females for current employees, each with full generational projection using the MP2019 scale.</p>
Expected remaining service lives	6 years
Cost of Living Adjustments	Only those previously granted

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimates 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. Best estimates of real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Long-Term Target Asset Allocation	Rates of Return
Equities	48.24%	5.54%
Fixed income	24.54%	1.09%
Alternatives	26.77%	1.87%
Cash	.42%	0%
Totals	100%	
Inflation		2.39%
Expected arithmetic nominal return	8.50%	

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

Discount Rate

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

Sensitivity of the District Attorney's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the The District Attorney of the Sixth Judicial District 's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the District Attorney'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%)	1.0% Increase (7.25%)
Employer's proportionate share of net pension liability	\$910,078	\$498,210	\$153,084

Plan Fiduciary Net Position

Detailed information about the System's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Audit Report at www.ladars.org.

5. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The District Attorney's office does not pay retirees group insurance upon retirement.

6. LITIGATION AND CLAIMS

At December 31, 2020, the district attorney is not involved in any lawsuits.

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT

Parishes of East Carroll, Madison and Tensas, Louisiana
Notes to the Financial Statements (Continued)

**7. EXPENDITURES OF THE DISTRICT ATTORNEY
NOT INCLUDED IN THE FINANCIAL STATEMENTS**

The accompanying financial statements do not include certain expenditures of the district attorney paid out of the funds of the criminal court, the parish police jury, or directly by the state.

8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 7, 2021, which is the date the financial statements were available to be issued, and it has been determined that one significant event requires disclosure. The COVID-19 outbreak in the United States and Louisiana has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and whether those closings will precipitate a wider economic recession. As a result, the related financial impact on the District Attorney of the Sixth Judicial District and the duration cannot be estimated at this time.

Required Supplemental Information (Part II)

Schedule 1

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental revenues:				
State grants	\$418,885	\$418,885	\$418,885	
Local funds	4,500	15,956	15,956	
Charges for fines & forfeitures	1,496,300	1,229,483	1,257,306	\$27,823
Use of money - interest	5,700	1,264	8,586	7,322
Other revenues	129,000	60,593	46,663	(13,930)
Total revenues	<u>2,054,385</u>	<u>1,726,181</u>	<u>1,747,396</u>	<u>21,215</u>
Expenditures				
Current:				
Judicial:				
Personal services and related benefits	1,244,385	1,195,519	1,207,411	(11,892)
Operating services	481,850	789,191	796,729	(7,538)
Materials and supplies	79,550	52,309	85,529	(33,220)
Travel and other charges	25,000	25,369	39,169	(13,800)
Capital outlay	108,000	123,297	63,979	59,318
Total expenditures	<u>1,938,785</u>	<u>2,185,685</u>	<u>2,192,817</u>	<u>(7,132)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>115,600</u>	<u>(459,504)</u>	<u>(445,421)</u>	<u>14,083</u>
Fund Balance - Beginning	<u>NONE</u>	<u>475,000</u>	<u>999,589</u>	<u>524,589</u>
Fund Balance - Ending	<u>\$115,600</u>	<u>\$15,496</u>	<u>\$554,168</u>	<u>\$538,672</u>

(Continued)

Schedule 1

**DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT**
Parishes of East Carroll, Madison and
Tensas, Louisiana

**Budgetary Comparison Schedule
IV-D Fund
For the Year Ended December 31, 2020**

	<u>Original/ Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental revenues - Federal	\$281,810	\$281,810	
Use of money - interest		2,320	\$2,320
Total revenues	<u>281,810</u>	<u>284,130</u>	<u>2,320</u>
Expenditures			
Current:			
Judicial:			
Personal services and related benefits	242,326	242,326	
Operating services	22,703	22,703	
Materials and supplies	13,152	13,152	
Travel and other charges	3,960	3,960	
Total expenditures	<u>282,141</u>	<u>282,141</u>	<u>NONE</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(331)</u>	<u>1,989</u>	<u>2,320</u>
Fund Balance - Beginning	<u>95,772</u>	<u>95,772</u>	<u>NONE</u>
Fund Balance - Ending	<u>\$95,441</u>	<u>\$97,761</u>	<u>\$2,320</u>

See independent auditor's report and the related notes to the financial statements.

(Concluded)

**District Attorney for the 6th Judicial District
Parishes of East Carroll, Madison and Tensas, Louisiana**

**Required Supplementary Information
Budgetary Comparison Schedules for Major Funds
For the Year Ended December 31, 2020**

The proposed budget, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the district attorney and amended during the year, as necessary. The budget is established and controlled by the district attorney at the object level of expenditure. The district attorney does not utilize encumbrance accounting. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the district attorney.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts.

**District Attorney of the
Sixth Judicial District
Schedule of Employer's Share of Net Pension Liability
December 31, 2020**

<u>Fiscal Year *</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2014	0.479705%	\$29,042	\$285,678	3.35%	99.45%
2015	0.539159%	\$113,290	\$322,181	9.01%	98.56%
2016	0.591879%	\$183,996	\$338,420	33.48%	95.09%
2017	0.682170%	\$214,349	\$354,224	51.94%	93.57%
2018	0.666110%	\$214,349	\$414,098	51.76%	92.92%
2019	0.722753%	\$232,512	\$424,934	54.72%	93.13%
2020	0.628837%	\$498,210	\$390,102	127.71%	84.86%

* - Amounts presented were determined as of the measurement date (6/30/2020)

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

See independent auditor's report and the related notes to the financial statements.

Schedule 3

**District Attorney of the
Sixth Judicial District
Schedule of Employer Contributions
December 31, 2020**

Fiscal Year *	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2014	\$27,009	\$27,009	\$0	\$285,678	9.45%
2015	\$22,553	\$22,553	\$0	\$322,181	7.00%
2016	\$11,845	\$11,845	\$0	\$338,420	3.50%
2017	\$0	\$0	\$0	\$354,224	0.00%
2018	\$0	\$0	\$0	\$414,098	0.00%
2019	\$5,312	\$5,312	\$0	\$424,934	1.25%
2020	\$15,603	\$15,603	\$0	\$390,102	4.00%

* - Amounts presented were determined as of the end of the measurement date (6/30/2020).

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

See independent auditor's report and the related notes to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

PART III

DISTRICT ATTORNEY
OF THE SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and
Tensas, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2020

JAMES PAXTON, DISTRICT ATTORNEY

PURPOSE	AMOUNT
Salary	\$107,030
Salary - IV-D fund	25,678
Salary-State	53,154
Salary-Police Juries	4,500
Benefits - retirement	7,615
Benefits-insurance - Police Jury	29,958
Auto Allowance	12,000
Registration fees	720

See independent auditor's report.

DISTRICT ATTORNEY OF THE -
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison
and Tensas, Louisiana
JUSTICE SYSTEM FUNDING SCHEDULE
COLLECTING/DISBURSING ENTITY
GENERAL FUND
For the Year Ended December 31, 2020

CASH BASIS PRESENTATION	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Beginning Balance of Amounts Collected	\$3,262	\$4,116
Add: Collections		
Criminal Court Costs/Fees	69,268	47,342
Criminal Court Fines	53,940	39,304
Criminal Court Fines - Contempt	19,000	15,549
Pre-Trial Diversion Program Fees	311,026	327,860
Probation/Parole/Supervision Fees	33,124	29,067
Interest Earnings on Collected Balances	765	40
Service/Collection Fees	6,309	4,528
Other	1,263	950
Subtotal Collections	494,695	464,640
Less: Disbursements to Governments and Non Profits		
Louisiana State Police - Pre-Trial Diversion Program	85,996	42,063
Village of Delta - Pre-Trial Diversion Program	NONE	5,966
East Carroll Parish Sheriff - Criminal Court Costs/Fees	49,747	74,600
East Carroll Parish Sheriff - Criminal Fines	17,883	25,175
East Carroll Parish Sheriff - Criminal Fines - Contempt	2,300	2,000
Madison Parish Sheriff - Criminal Court Costs/Fees	158,723	113,259
Madison Parish Sheriff - Criminal Fines	78,757	57,179
Madison Parish Sheriff - Criminal Fines - Contempt	16,700	13,449
Tensas Parish Sheriff - Criminal Court Costs/Fees	9,454	13,203
Tensas Parish Sheriff - Criminal Fines	2,900	4,050
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency-Pre-Trial Diversion	37,507	81,719
Amounts "Self-Disbursed" to Collecting Agency- Probation/Parole/Supervision Fees	26,302	23,933
Amounts "Self-Disbursed" to Collecting Agency-Other	1,263	950
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Payments to Third Party Collection/Processing Agency	6,309	4,528
Subtotal Disbursement/Retainage	493,841	462,074
Total: Ending Balance of Amounts collected but not Disbursed/Retained	<u>\$4,116</u>	<u>\$6,682</u>

See independent auditor's report.

Schedule 5

DISTRICT ATTORNEY OF THE -
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison
and Tensas, Louisiana

JUSTICE SYSTEM FUNDING SCHEDULE
COLLECTING/DISBURSING ENTITY
HOT CHECK FUND
For the Year Ended December 31, 2020

CASH BASIS PRESENTATION	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Beginning Balance of Amounts Collected	\$11,700	\$9,634
Add: Collections		
Restitution	3,708	375
Interest Earned on Collected Balances	15	4
Subtotal Collections	3,723	379
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency	4,770	NONE
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Restitution - merchants	1,019	9,753
Subtotal Disbursements/Retainage	5,789	9,753
Total: Ending Balance of Amounts collected but not Disbursed/Retained	<u>\$9,634</u>	<u>\$260</u>

See independent auditor's report.

DISTRICT ATTORNEY OF THE -
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison
and Tensas, Louisiana

JUSTICE SYSTEM FUNDING SCHEDULE
RECEIVING ENTITY
GENERAL FUND
For the Year Ended December 31, 2020

CASH BASIS PRESENTATION

	First Six Month Period Ended 6/30/2020	Second Six Month Period Ended 12/31/2020
Receipts From:		
East Carroll Parish Sheriff - Criminal Court Costs/Fees	\$24,578	\$31,257
East Carroll Parish Sheriff - Criminal Fines	10,769	15,164
East Carroll Parish - Bond Fees	854	588
Tensas Parish Sheriff - Criminal Court Costs/Fees	17,745	21,877
Tensas Parish Sheriff - Criminal Fines	4,369	4,747
Tensas Parish Sheriff - Bond Fees	553	469
Madison Parish Sheriff - Criminal Court Costs/Fees	61,461	55,458
Madison Parish Sheriff - Criminal Fees	24,438	20,937
Madison Parish Sheriff - Bond Fees	875	1,001
Madison Parish Sheriff - Pre-Trial Diversion Program Fees	236	421
Subtotal Receipts	\$145,878	\$151,919
Total: Ending Balance of Amounts collected but not Received	NONE	NONE

See independent auditor's report.

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART III**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance with laws, regulations, contracts and internal control is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Member:
American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants

MARY JO FINLEY, CPA, INC.
A PROFESSIONAL ACCOUNTING CORPORATION
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Practice Limited to
Governmental Accounting,
Auditing and
Financial Reporting

**Independent Auditors Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

HONORABLE JAMES PAXTON
DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the major funds and the fiduciary fund of the District Attorney of the Sixth Judicial District, a component unit of the East Carroll, Madison and Tensas Parish Police Juries as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the District Attorney of the Sixth Judicial District's basic financial statements, and have issued my report thereon dated June 7, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements 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, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses.

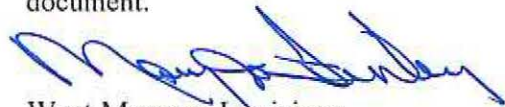
DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
PARISHES OF EAST CARROLL, MADISON,
AND TENSAS PARISHES
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 2020

Compliance and Other Matters

As part of obtaining reasonable assurance about whether District Attorney of the Sixth Judicial District'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 is required to be reported under *Government Auditing Standards*.

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



West Monroe, Louisiana
June 7, 2021

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana
Schedule of Audit Results
For the Year Ended December 31, 2020

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of District Attorney of the Sixth Judicial District.
2. No instances of noncompliance material to the financial statements of District Attorney of the Sixth Judicial District were disclosed during the audit.
3. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

DISTRICT ATTORNEY OF THE
SIXTH JUDICIAL DISTRICT
Parishes of East Carroll, Madison and Tensas, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2019

Finding 2019-001 Possible Violation of Article VII, Section 14 of the Louisiana Constitution

Condition: The District Attorney paid excess wages of approximately \$10,464 to an employee from the hot check fund.

Status: This finding has been resolved.

Finding 2019-002 Need to Comply with Louisiana Local Government Budget Act

Condition: The district attorney's office did not complete and make available the proposed budget for public inspection no later than fifteen days prior to the beginning of the fiscal year.

Status: This finding is no longer applicable.

2019-003 Inadequate Segregation of Duties

Condition: The segregation of duties is inadequate to provide effective internal control.

Status: This finding has been resolved.