

**District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana**

**Financial Statements With Auditor's Report**

**As of and for the Year Ended December 31, 2021**

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Table of Contents

|   | <u>Page</u> |
|---|-------------|
| <b>Independent Auditors' Report</b>   | 1 – 3       |
| <b>Required Supplementary Information</b>   |             |
| Management's Discussion and Analysis  | 4 – 8       |
| <b>Basic Financial Statements:</b>  |             |
| Government-wide Financial Statements  |             |
| Statement of Net Position   | 9           |
| Statement of Activities   | 10          |
| Fund Financial Statements   |             |
| Balance Sheet – Governmental Funds  | 11          |
| Reconciliation of the Balance Sheet of the Governmental Funds<br>To the Statement of Net Position   | 12          |
| Statement of Revenues, Expenditures, and Changes in<br>Fund Balances – Governmental Funds   | 13          |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes<br>in Fund Balances of Governmental Funds to the Statement of Activities | 14          |
| Statement of Fiduciary Net Position   | 15          |
| Statement of Changes in Fiduciary Net Position  | 16          |
| Notes to the Financial Statements   | 17 – 42     |
| <b>Required Supplementary Information</b>   |             |
| Budgetary Comparison Schedule – General Fund  | 43          |
| Budgetary Comparison Schedule – Truancy Fund  | 44          |
| Budgetary Comparison Schedule – Family Justice Center Fund  | 45          |
| Note to Required Supplementary Information  | 46          |
| Schedule of Changes in Total OPEB Liability and Related Ratios  | 47          |
| Schedule of Contributions   | 48          |
| Schedule of Proportionate Share of Net Pension Liability  | 49          |

Continued

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Table of Contents  
(Continued)

|   |         |
|---|---------|
| <b>Other Supplementary Information</b>  |         |
| Schedule of Compensation, Benefits, and Other Payments to Agency Head   | 50      |
| Justice System Funding Schedules  |         |
| Receiving Schedule  | 51      |
| Collecting/Disbursing Schedule  | 52      |
| <b>Report on Internal Control over Financial Reporting<br/>and on Compliance and Other Matters Based on an Audit of Financial<br/>Statements Performed in Accordance With Government Auditing Standards</b> | 53 – 54 |
| <b>Schedules For Louisiana Legislative Auditor</b>  |         |
| Summary Schedule of Prior Year Audit Findings   | 55      |
| Current Year Audit Findings   | 55      |

# **COOK & MOREHART**

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Sixth Judicial District, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twenty-Sixth Judicial District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Sixth Judicial District, as of December 31, 2021, 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.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of District Attorney of the Twenty-Sixth Judicial District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about District Attorney of the Twenty-Sixth Judicial District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District Attorney of the Twenty-Sixth Judicial District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about District Attorney of the Twenty-Sixth Judicial District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 8, budgetary comparison information on pages 43 – 46, the schedule of changes in total OPEB liability and related ratios on page 47, the schedule of contributions on page 48, and the schedule of proportionate share of net pension liability on page 49 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Twenty-Sixth Judicial District's basic financial statements. The other supplementary information Schedule of Compensation, Benefits, and Other Payments to Agency Head

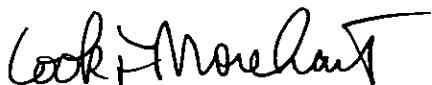
shown on page 50 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is the responsibility of management. Section I of that schedule was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information in Section I of the schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Section I of the Schedule of Compensation, Benefits, and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Section II of the Schedule of Compensation, Benefits, and Other Payments to Agency Head shown on page 50 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District Attorney of the Twenty-Sixth Judicial District's basic financial statements. As disclosed in Note 1 to the financial statements, the District Attorney of the Twenty-Sixth Judicial District prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. The other supplementary information schedules, Justice System Funding Schedules, shown on pages 51 – 52, are presented for the purposes of additional analysis and are not a required part of the basic financial statements. These schedules are presented to satisfy the requirements of Act 87 of the 2020 Regular Legislative Session (R.S. 24:515.2) and must be presented on the cash basis of accounting which differs significantly from those principles used to present financial statements in accordance with accounting principles generally accepted in the United States of America. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the Justice System Funding Schedules, shown on pages 51 – 52, are fairly stated in all material respects, in relation to the financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated June 29, 2022, on our consideration of the District Attorney of the Twenty-Sixth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District Attorney of the Twenty-Sixth Judicial District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney of the Twenty-Sixth Judicial District's internal control over financial reporting and compliance.



Cook & Morehart  
Certified Public Accountants  
June 29, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the District Attorney of the Twenty-Sixth Judicial District's financial performance provides an overview of the District Attorney's financial activities for the fiscal year ended December 31, 2021. Please read it in conjunction with the District Attorney's financial statements, which begin on page 9.

### **FINANCIAL HIGHLIGHTS**

The District Attorney's net position increased by \$37,502.

The District Attorney's total general and program revenues were \$2,600,418 in 2021 compared to \$2,796,371 in 2020.

During the year ended December 31, 2021, the District Attorney had total expenses, excluding depreciation of \$2,541,230, compared to total expenses, excluding depreciation of \$3,113,386 for the year ended December 31, 2020.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the District Attorney of the Twenty-Sixth Judicial District as a whole and present a longer-term view of the District Attorney's finances. Fund financial statements start on page 11. For governmental activities, these 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 District Attorney's operations in more detail than the government-wide statements by providing information about the District Attorney's most significant funds.

The District Attorney of the Twenty-Sixth Judicial District was determined to be a component unit of the Bossier Parish Police Jury. The District Attorney is fiscally dependent on the Police Jury for space and related costs. The accompanying financial statements present information only on the funds maintained by the District Attorney of the Twenty-Sixth Judicial District.

#### **Reporting the District Attorney of the Twenty-Sixth Judicial District as a Whole**

Our analysis of the District Attorney of the Twenty-Sixth Judicial District as a whole begins on page 9. One of the most important questions asked about the District Attorney's finances is "Is the District Attorney 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 the funds maintained by the District Attorney of the Twenty-Sixth Judicial District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual *basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District Attorney's *net position* and changes in it. You can think of the District Attorney's net position – the difference between assets and liabilities – as one way to measure the District Attorney's financial health, or *financial position*. Over time, *increases* or *decreases* in the District Attorney's net position is one indicator of whether its *financial health* is

improving or deteriorating. You will need to consider other non-financial factors, however, to assess the overall health of the District Attorney.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the District Attorney as governmental activities.

Governmental activities – all of the expenses paid from the funds maintained by the District Attorney are reported here which consists primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Fines and fees, state and federal grants and gaming tax revenue finance most of these activities.

### **Reporting the District Attorney's Most Significant Funds**

Our analysis of the major funds maintained by the District Attorney of the Twenty-Sixth Judicial District begins on page 11. The fund financial statements begin on page 11 and provide detailed information about the most significant funds maintained by the District Attorney – not the District Attorney as a whole. The District Attorney of the Twenty-Sixth Judicial District's *governmental funds* use the following accounting approaches:

Governmental funds – All of the District Attorney's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District Attorney's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain District Attorney expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in reconciliation at the bottom of the fund financial statements.

## THE DISTRICT ATTORNEY OF THE TWENTY-SIXTH JUDICIAL DISTRICT AS A WHOLE

The District Attorney of the Twenty-Sixth Judicial District's total net position changed from a year ago, increasing from (\$2,221,819) to (\$2,184,317).

**Table 1**  
**Net Position**

|                                | Governmental Activities |                |
|--------------------------------|-------------------------|----------------|
|                                | 2021                    | 2020           |
| Current and other assets       | \$ 922,827              | \$ 593,784     |
| Capital assets                 | 54,644                  | 76,330         |
| Total assets                   | 977,471                 | 670,114        |
| Deferred outflows of resources | 1,140,538               | 1,193,546      |
| Current liabilities            | 760,087                 | 695,802        |
| Long-term liabilities          | 2,342,523               | 2,783,969      |
| Total liabilities              | 3,102,610               | 3,479,771      |
| Deferred inflows of resources  | 1,199,716               | 605,708        |
| Net position:                  |                         |                |
| Investment in capital assets   | 54,644                  | 76,330         |
| Restricted                     | 119,273                 | 146,401        |
| Unrestricted (deficit)         | (2,358,234)             | (2,444,550)    |
| Total net position (deficit)   | \$ (2,184,317)          | \$ (2,221,819) |

Net position of the District Attorney's governmental activities increased by \$37,502 for the year ended December 31, 2021, compared to a decrease of (\$335,825) for the year ended December 31, 2020. Unrestricted net position, the part of net position that can be used to finance District Attorney expenses without constraints or other legal requirements, increased from a year ago, increasing to (\$2,358,234) at December 31, 2021 from (\$2,444,550) at December 31, 2020.

**Table 2**  
**Change in Net Position**

|                                     | Governmental Activities |                     |
|-------------------------------------|-------------------------|---------------------|
|                                     | 2021                    | 2020                |
| <b>Revenues</b>                     |                         |                     |
| Program Revenues                    |                         |                     |
| Charges for services                | \$ 1,067,654            | \$ 1,083,210        |
| Operating grants and contributions  | 1,528,129               | 1,687,616           |
| General Revenues                    |                         |                     |
| Investment earnings                 | 156                     | 106                 |
| Miscellaneous                       | 4,479                   | 25,439              |
| Total revenues                      | <u>2,600,418</u>        | <u>2,796,371</u>    |
| <b>Expenses</b>                     |                         |                     |
| Judicial                            | 1,799,649               | 2,443,792           |
| Truancy programs                    | 471,237                 | 464,686             |
| Family justice center program       | 292,030                 | 223,718             |
| Total expenses                      | <u>2,562,916</u>        | <u>3,132,196</u>    |
| Increase (decrease) in net position | <u>\$ 37,502</u>        | <u>\$ (335,825)</u> |

Total revenues decreased (\$195,953) (7%) from total revenues in the year ended December 31, 2020 of \$2,796,371 to total revenues of \$2,600,418 in the year ended December 31, 2021.

## **THE DISTRICT ATTORNEY'S FUNDS**

As the District Attorney completed the year ended December 31, 2021, its governmental funds (as presented in the balance sheet on page 11) reported a *combined* fund balance (deficit) of (\$66,734), which is more than the previous year's fund balance (deficit) of (\$102,018). The primary reason for the increase is receiving an appropriation from the Bossier Parish Police Jury during 2021.

### **General Fund Budgetary Highlights**

The District Attorney adopted a budget for its General Fund for the year ended December 31, 2021. There was one amendment to the budget during the year. The District Attorney's budgetary comparison is presented as required supplementary information and shown on pages 43–45.

The District Attorney's General Fund balance (deficit) of (\$186,007) reported on page 11 differs from the General Fund's *budgetary* fund balance of \$357,867 reported in the budgetary comparison schedule on page 43. This is primarily due to the District Attorney budgeting on the cash basis of accounting.

## CAPITAL ASSETS

At the end of December 31, 2021, the District Attorney had invested \$54,644 in capital assets, compared to \$76,330 at December 31, 2020. (see table 3 below)

**Table 3**  
**Capital Assets at Year End**  
**(Net Depreciation)**

|              | Governmental Activities |                  |
|--------------|-------------------------|------------------|
|              | 2021                    | 2020             |
| Equipment    | \$ 38,900               | \$ 50,943        |
| Vehicles     | 15,744                  | 25,387           |
| Total assets | <u>\$ 54,644</u>        | <u>\$ 76,330</u> |

There were no additions for the year ended December 31, 2021.

The addition for the year ended December 31, 2020 was \$57,624 for the purchase of a media center video cart.

More detailed information about the capital assets is presented in Note 6 to the financial statements.

## DEBT ADMINISTRATION

Long-term liabilities of the District Attorney are summarized as follows:

|   | Governmental Activities |                     |
|---|-------------------------|---------------------|
|   | 2021                    | 2020                |
| Compensated absences                        | \$ 43,719               | \$ 32,857           |
| Net pension liability                       | 182,277                 | 831,699             |
| Other post-employment<br>benefit obligation | 2,116,527               | 1,919,413           |
| Totals                                      | <u>\$ 2,342,523</u>     | <u>\$ 2,783,969</u> |

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The District Attorney of the Twenty-Sixth Judicial District's management considered many factors when setting a fiscal year December 31, 2022 budget. Amounts available for appropriation in the governmental funds are expected to be consistent with the 2021 year. It is anticipated that management will consider and monitor the economic uncertainties of COVID-19 and the impact on available financial resources.

## CONTACTING THE DISTRICT ATTORNEY OF THE TWENTY-SIXTH JUDICIAL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the District Attorney of the Twenty-Sixth Judicial District and to show the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact John Schuyler Marvin, District Attorney, P.O. Box 69, Benton, LA 71006.

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Statement of Net Position  
 December 31, 2021

|  | <u>Governmental Activities</u> |
|--|--------------------------------|
| <b>ASSETS</b>                            |                                |
| Cash and cash equivalents                | \$ 470,653                     |
| Receivables                              | 222,700                        |
| Net pension asset                        | 229,474                        |
| Depreciable capital assets (net)         | <u>54,644</u>                  |
| <br>Total assets                         | <u>977,471</u>                 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>    |                                |
| Pension related                          | 668,742                        |
| Other post-employment benefits           | <u>471,796</u>                 |
| <br>Total deferred outflows of resources | <u>1,140,538</u>               |
| <b>LIABILITIES</b>                       |                                |
| Accounts payable                         | 760,087                        |
| Long-term liabilities:                   |                                |
| Due within one year                      | 43,719                         |
| Due in more than one year                | <u>2,298,804</u>               |
| <br>Total liabilities                    | <u>3,102,610</u>               |
| <b>DEFERRED INFLOWS OF RESOURCES</b>     |                                |
| Pension related                          | 1,032,743                      |
| Other post-employment benefits           | <u>166,973</u>                 |
| <br>Total deferred inflows of resources  | <u>1,199,716</u>               |
| <b>NET POSITION (DEFICIT)</b>            |                                |
| Investment in capital assets             | 54,644                         |
| Restricted for                           |                                |
| Family justice center                    | 21,082                         |
| Truancy                                  | 98,191                         |
| Unrestricted (deficit)                   | <u>(2,358,234)</u>             |
| <br>Total net position (deficit)         | <u>\$ (2,184,317)</u>          |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Statement of Activities  
 For the Year Ended December 31, 2021

| <u>FUNCTIONS/PROGRAMS</u>          | <u>Program Revenues</u> |                             |   | <u>Net(Expense)</u>                        |
|------------------------------------|-------------------------|-----------------------------|---|--|
|                                    | <u>Expenses</u>         | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Revenue and Changes in Net Position</u> |
|                                    |                         |                             |   | <u>Governmental Activities</u>             |
| Governmental activities:           |                         |                             |   |  |
| Judicial                           | \$ 1,799,649            | \$ 1,067,654                | \$ 796,469                                | \$ 64,474                                  |
| Truancy programs                   | 471,237                 |                             | 470,234                                   | (1,003)                                    |
| Family justice center program      | 292,030                 |                             | 261,426                                   | (30,604)                                   |
| Total governmental activities      | <u>2,562,916</u>        | <u>1,067,654</u>            | <u>1,528,129</u>                          | <u>32,867</u>                              |
| General Revenues:                  |                         |                             |   |  |
| Other                              |                         |                             |   | 4,479                                      |
| Interest income                    |                         |                             |   | <u>156</u>                                 |
| Total general revenues             |                         |                             |   | <u>4,635</u>                               |
| Change in net position             |                         |                             |   | 37,502                                     |
| Net position (deficit) - beginning |                         |                             |   | <u>(2,221,819)</u>                         |
| Net position (deficit) - ending    |                         |                             |   | <u>\$ (2,184,317)</u>                      |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Balance Sheet  
 Governmental Funds  
 December 31, 2021

|  | General                  | Truancy                  | Family<br>Justice<br>Center | Total<br>Governmental<br>Funds |
|--|--------------------------|--------------------------|-----------------------------|--------------------------------|
| <b>Assets</b>                              |                          |                          |                             |                                |
| Cash and cash equivalents                  | \$ 357,867               | \$ 112,786               |                             | \$ 470,653                     |
| Receivables                                | <u>101,626</u>           | <u>42,538</u>            | <u>78,536</u>               | <u>222,700</u>                 |
| <b>Total assets</b>                        | <b><u>\$ 459,493</u></b> | <b><u>\$ 155,324</u></b> | <b><u>\$ 78,536</u></b>     | <b><u>\$ 693,353</u></b>       |
| <b>Liabilities</b>                         |                          |                          |                             |                                |
| Accounts payable                           | \$ 645,500               | \$ 57,133                | \$ 57,454                   | \$ 760,087                     |
| <b>Total liabilities</b>                   | <b><u>645,500</u></b>    | <b><u>57,133</u></b>     | <b><u>57,454</u></b>        | <b><u>760,087</u></b>          |
| <b>Fund balances (deficit)</b>             |                          |                          |                             |                                |
| Restricted for truancy                     |                          | 98,191                   |                             | 98,191                         |
| Restricted for family justice center       |                          |                          | 21,082                      | 21,082                         |
| Unassigned (deficit)                       | (186,007)                |                          |                             | (186,007)                      |
| <b>Total fund balances (deficit)</b>       | <b><u>(186,007)</u></b>  | <b><u>98,191</u></b>     | <b><u>21,082</u></b>        | <b><u>(66,734)</u></b>         |
| <b>Total liabilities and fund balances</b> | <b><u>\$ 459,493</u></b> | <b><u>\$ 155,324</u></b> | <b><u>\$ 78,536</u></b>     | <b><u>\$ 693,353</u></b>       |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Reconciliation of the Balance Sheet of the Governmental Funds  
 to the Statement of Net Position  
 December 31, 2021

|  |             |
|--|-------------|
| Fund balances (deficit) - total governmental funds | \$ (66,734) |
|--|-------------|

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. 54,644

Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are not available in the governmental funds.

|   |         |
|---|---------|
| Net pension asset   | 229,474 |
| Deferred outflows of resources - pension related                | 668,742 |
| Deferred outflows of resources - other-post employment benefits | 471,796 |

Long-term liabilities and other amounts, including compensated absences, net pension liabilities, and other post-employment benefit obligations, are not due and payable in the current period and therefore are not reported in the governmental funds:

|   |                    |
|---|--------------------|
| Other post-employment benefits                    | 2,116,527          |
| Compensated absences                              | 43,719             |
| Net pension liability                             | 182,277            |
| Deferred inflows - pension related                | 1,032,743          |
| Deferred inflows - other post-employment benefits | <u>166,973</u>     |
|   | <u>(3,542,239)</u> |

|   |                       |
|---|-----------------------|
| Net position (deficit) of governmental activities | <u>\$ (2,184,317)</u> |
|---|-----------------------|

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended December 31, 2021

|  | General             | Truancy          | Family<br>Justice<br>Center | Total<br>Governmental<br>Funds |
|--|---------------------|------------------|-----------------------------|--------------------------------|
| <b>Revenues:</b>                             |                     |                  |                             |                                |
| Fines and forfeitures                        | \$ 1,067,654        | \$               | \$                          | \$ 1,067,654                   |
| State and federal grants:                    |                     |                  |                             |                                |
| Title IV-D reimbursement                     | 451,822             |                  |                             | 451,822                        |
| Juvenile tracker program                     | 102,720             |                  |                             | 102,720                        |
| Victims assistance grants                    | 60,000              |                  |                             | 60,000                         |
| Vertical prosecution                         | 29,919              |                  |                             | 29,919                         |
| Truancy                                      |                     | 158,782          |                             | 158,782                        |
| Family justice center                        |                     |                  | 261,426                     | 261,426                        |
| Check collection fees                        | 35,370              |                  |                             | 35,370                         |
| State appropriation - truancy                |                     | 311,452          |                             | 311,452                        |
| Appropriation - Bossier Parish Police Jury   | 318,642             |                  |                             | 318,642                        |
| Other  |                     |                  | 4,479                       | 4,479                          |
| Interest income                              | 156                 |                  |                             | 156                            |
| <b>Total revenues</b>                        | <b>2,066,283</b>    | <b>470,234</b>   | <b>265,905</b>              | <b>2,802,422</b>               |
| <br><b>Expenditures:</b>                     |                     |                  |                             |                                |
| General government:                          |                     |                  |                             |                                |
| Current operating:                           |                     |                  |                             |                                |
| Judicial                                     | 2,003,871           |                  |                             | 2,003,871                      |
| Truancy programs                             |                     | 471,237          |                             | 471,237                        |
| Family justice center program                |                     |                  | 292,030                     | 292,030                        |
| <b>Total expenditures</b>                    | <b>2,003,871</b>    | <b>471,237</b>   | <b>292,030</b>              | <b>2,767,138</b>               |
| Net change in fund balances                  | 62,412              | (1,003)          | (26,125)                    | 35,284                         |
| Fund balances (deficit) - beginning of year  | (248,419)           | 99,194           | 47,207                      | (102,018)                      |
| <b>Fund balances (deficit) - end of year</b> | <b>\$ (186,007)</b> | <b>\$ 98,191</b> | <b>\$ 21,082</b>            | <b>\$ (66,734)</b>             |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2021

|  |           |
|--|-----------|
| Net change in fund balances - total governmental funds | \$ 35,284 |
|--|-----------|

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as a depreciation expense. This is the amount by which depreciation expense (\$21,686) is exceeded by capital outlays (\$0). (21,686)

Revenues that are not available to pay current obligations are reported in the governmental funds.

|  |         |
|--|---------|
| Nonemployer contributions to cost-sharing pension plan | 116,638 |
|--|---------|

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

|                                |                  |
|--------------------------------|------------------|
| Compensated absences           | (10,862)         |
| Pension expense                | 28,707           |
| Other post-employment benefits | <u>(110,579)</u> |

|   |                         |
|---|-------------------------|
| Change in net position of governmental activities | <u><u>\$ 37,502</u></u> |
|---|-------------------------|

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

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2021

|                           | <u>Custodial<br/>Funds</u> |
|---------------------------|----------------------------|
| <b>Assets</b>             |                            |
| Cash and cash equivalents | \$ 244,344                 |
| Total assets              | <u>244,344</u>             |
| <b>Liabilities</b>        |                            |
| Total liabilities         | <u>                </u>    |
| <b>Net Position</b>       |                            |
| Held for others           | 244,344                    |
| Total net position        | <u>\$ 244,344</u>          |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Statement of Changes in Fiduciary Net Position  
 Fiduciary Funds  
 For the Year Ended December 31, 2021

|   | Custodial<br>Funds |
|---|--------------------|
| <b>Additions:</b>                           |                    |
| Investment income - interest                | \$ 408             |
| Fines and forfeitures                       | <u>229,128</u>     |
| Total additions                             | <u>229,536</u>     |
| <br><b>Deductions:</b>                      |                    |
| Payments of fines and forfeitures to others | <u>193,639</u>     |
| Total deductions                            | <u>193,639</u>     |
| <br>Change in net position                  | 35,897             |
| <br>Net position - beginning                | <u>208,447</u>     |
| <br>Net position - ending                   | <u>\$ 244,344</u>  |

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

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021

## Introduction

As provided in the laws of the State of Louisiana, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. The District Attorney also performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of 6 years. The Twenty-Sixth Judicial District encompasses the parishes of Bossier and Webster, Louisiana.

### (1) Summary of Significant Accounting Policies

The District Attorney of the Twenty-Sixth Judicial District's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District Attorney of the Twenty-Sixth Judicial District (District Attorney) are discussed below.

#### A. Reporting Entity

The District Attorney is an independent elected official; however, the District Attorney is fiscally dependent on the Bossier Parish Police Jury. The police jury maintains and operates the parish courthouse in which the District Attorney's office is located and provides funds for equipment and furniture and other operating expenses of the District Attorney's office. In addition, the police jury's general purpose financial statements would be incomplete or misleading without inclusion of the District Attorney. For these reasons, the District Attorney was determined to be a component unit of the Bossier 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 financial reporting entity.

#### B. Basic Financial Statements – Government-Wide Statements

The District Attorney's basic financial statements include both government-wide (reporting the funds maintained by the District Attorney as a whole) and fund financial statements (reporting the District Attorney's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District Attorney's General Fund, Truancy Fund, and Family Justice Center Fund are classified as governmental activities. The District Attorney does not have any business-type activities. The government-wide statements include all funds of the District Attorney except for fiduciary funds.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The District Attorney's net position is reported in three parts – investment in capital assets, restricted, and unrestricted net position (deficit).

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the District Attorney's functions. The functions are supported by program revenues and general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. Program revenues of the District Attorney consist of fines and forfeitures, state and federal grants, check collection fees, nonemployer contributions to cost-sharing pension plan, and state appropriation revenues. The net costs (by function) are normally covered by general revenues.

This government-wide focus is more on the sustainability of the District Attorney as an entity and the change in the District Attorney's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the District Attorney are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District Attorney:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District Attorney:

General Fund – the general fund accounts for the operations of the District Attorney's office. Included in the general fund, to offset or defray the necessary expenditures of the District Attorney, are fines collected and bonds forfeited in compliance with Louisiana Revised Statute (R.S.) 15:571.11; certain percentage of asset forfeiture revenue in regards to the Special Asset Forfeiture Trust Fund established by Louisiana Revised Statute 40:2616; reimbursements received from the Louisiana Department of Social Services for operation of the family and child support programs (Title IV-D Reimbursement); worthless check collection fees collected in accordance with Louisiana Revised Statute 16:15; and all other financial resources not accounted for and reported in another fund.

Special Revenue Fund – the special revenue fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. The special revenue fund of the District Attorney consists of the Truancy Program and Family Justice Center operations.

Fiduciary Fund – the fiduciary fund is used to report assets held in a trust or agency capacity for others and therefore are not available to support District Attorney programs. Included in this fund type is the Asset Forfeiture Trust Fund established by Louisiana Revised Statute 40:2616. The funds accounted for in this category by the District Attorney are custodial funds.

The emphasis in fund financial statements is on the major funds in the governmental category. Non-major funds by category are summarized into a single column. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds. The General Fund, the Truancy Fund and the Family Justice Center Fund of the District Attorney were determined to be major funds.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Truancy Program Fund – accounts for the operation of certain truancy programs.

Family Justice Center – accounts for the operation of certain family justice center operations.

**D. Basis of Accounting**

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

1. Accrual:

The governmental funds 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 funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

**E. Budgets**

The District Attorney uses the following budget practices:

1. The District Attorney prepares an operating budget for the general and special revenue funds.
2. The budget is made available for public inspection prior to the public hearing held to obtain taxpayer comment.
3. The budget is adopted at the public hearing.
4. The budget is adopted on a cash basis.
5. The budget may be revised during the year.
6. Appropriations lapse at the end of each fiscal year.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**F. Cash, Cash Equivalents, and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law, or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**G. Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

|           |             |
|-----------|-------------|
| Vehicles  | 5 years     |
| Equipment | 3 – 7 years |

**H. Compensated Absences**

The District Attorney has an informal policy for vacation and sick leave. Employees of the District Attorney earn from 5 to 15 days of vacation leave each year, depending on their lengths of service. Employees may carry no more than one-half of their normal yearly benefit forward to the next benefit year. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the District Attorney's policy.

Employees of the District Attorney will accrue sick leave benefits which are calculated on the basis of a "benefit year" at the rate of 6 days per year. Unused sick leave will be allowed to accumulate without limit. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

**I. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District Attorney has deferred outflows of resources related to pensions and the other post-employment benefits reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element *deferred inflows of resources* reflects an increase in net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District Attorney has deferred inflows of resources related to pensions and the other post-employment benefits reported in the government-wide statement of net position.

**K. Net Position**

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the District Attorney or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District Attorney's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**L. Interfund Activity**

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**M. Long-Term Obligations**

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets.

**N. Fund Balance**

In the governmental fund financial statements, fund balances are classified as follows:

1. Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the District Attorney (the District Attorney's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the District Attorney removes those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the District Attorney's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

The District Attorney's policy is to apply expenditures against restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

#### (2) Cash and Cash Equivalents

At December 31, 2021, the District Attorney had cash and cash equivalents (book balances) as follows:

|                 |                   |
|-----------------|-------------------|
| Demand deposits | \$ 704,476        |
| Time deposits   | 10,521            |
| Total           | <u>\$ 714,997</u> |

Reconciliation to government-wide Statement of Net Position:

|  |                   |
|--|-------------------|
| Cash and cash equivalents  | \$ 470,653        |
| Fiduciary (Custodial) funds<br>(not on government-wide statements) | 244,344           |
|  | <u>\$ 714,997</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank.

#### Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2021, \$355,228 of the District Attorney's bank balances of \$777,682, were exposed to custodial credit risk. Those funds were exposed to custodial credit risk as uninsured and collateral held by the pledging bank's trust department, not in the District Attorney's name.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**(3) Pension Plan – District Attorney and Assistant District Attorneys**

The district attorney and assistant district attorneys are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing multiple-employer plan administered by a separate board of trustees. The District Attorneys' Retirement System (System) was created 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 retirements and death benefit, are provided as specified in the plan.

**Plan Description**

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

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association, except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the Louisiana District Attorneys' Retirement System's Board of Trustees. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

**Retirement Benefits:**

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

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

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

Disability Benefits:

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to 3% (3.5% for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than 15 years) or projected continued service to age 60.

Survivor Benefits:

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

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

Permanent Benefit Increases/Cost-of-Living Adjustments:

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed \$60 per month) and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the Board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Back-Deferred Retirement Option Program:

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

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

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

**Deferred Retirement Option Program:**

Prior to January 1, 2009, eligible members could elect to participate in the Deferred Retirement Option Program (DROP) for up to 36 months in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to  $\frac{1}{2}$  of 1%. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the Board of Trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

**Employer Contributions**

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2021, the actual employer contribution rate was 4.00%. For the period of July 1, 2021 through June 30, 2022, the actual employer contribution rate is 9.50%. The District Attorney contributions to the System for the years ended December 31, 2021, 2020, and 2019 were \$45,494, \$26,935, and \$17,182, respectively.

**Non-Employer Contributions**

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions totaling \$105,635 are recognized as revenue during the year ended December 31, 2021 and excluded from pension expense.

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

At December 31, 2021, the District Attorney reported a liability of \$182,277 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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 the employer's contributions to the System during the year ended June 30, 2021, as compared to the total of all employers' contributions to the System for the year ended June 30, 2021. At June 30, 2021, the District Attorney's proportion was 1.023844%, which was a decrease of .017824% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the District Attorney recognized pension expense of \$102,724, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$2,095.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

At December 31, 2021, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience  | \$ 58,478                         | \$ 55,970                        |
| Changes of assumptions  | 343,977                           |                                  |
| Net difference between projected and actual earnings<br>on pension plan investments                                 |                                   | 495,750                          |
| Changes in proportion and differences between<br>employer contributions and proportionate share of<br>contributions | 11,838                            | 34,128                           |
| Employer contributions subsequent to the measurement<br>Date  | <u>33,882</u>                     |                                  |
| Total   | <u>\$ 448,175</u>                 | <u>\$ 585,848</u>                |

The District Attorney reported a total of \$33,882 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability in the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

| Year  | Amount                     |
|-------|----------------------------|
| 2022  | \$ (28,589)                |
| 2023  | (7,200)                    |
| 2024  | (60,393)                   |
| 2025  | (75,373)                   |
| Total | <u><u>\$ (171,555)</u></u> |

#### Actuarial Methods and Assumptions

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

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

|                               |   |
|-------------------------------|---|
| Valuation Date                | June 30, 2021   |
| Actuarial Cost Method         | Entry Age Normal Cost   |
| <b>Actuarial Assumptions:</b> |   |
| Investment Rate of Return     | 6.10%, net of Pension Plan investment expense,<br>including inflation |
| Projected Salary Increases    | 5.00% (2.20% Inflation, 2.80% merit)                                  |

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

|                                  |  |
|----------------------------------|--|
| 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 | 5 years – June 30, 2021<br>6 years – June 30, 2020<br>6 years – June 30, 2019<br>6 years – June 30, 2018<br>7 years – June 30, 2017<br>7 years – June 30, 2016   |
| 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 credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 8.25% for the year ended June 30, 2021.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2021 were as follows:

| Asset Class                        | Long-Term<br>Target Asset<br>Allocation | Rates of Return |                     |
|------------------------------------|---|-----------------|---------------------|
|                                    |   | Real            | Nominal             |
| Equities                           | 57.11%                                  | 6.43%           |                     |
| Fixed Income                       | 30.19%                                  | 94.00%          |                     |
| Alternatives                       | 12.67%                                  | 89.00%          |                     |
| Cash                               | 0.03%                                   | 0.00%           |                     |
| System Total                       | <u><u>100.00%</u></u>                   |                 | 5.80%               |
| Inflation                          |   |                 | <u><u>2.45%</u></u> |
| Expected Arithmetic Nominal Return |   |                 | <u><u>8.25%</u></u> |

The discount rate used to measure the total pension liability was 6.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.10%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.10%) or one percentage point higher (7.10%) than the current rate.

|                               | Changes in Discount Rate |                             |                |              |
|-------------------------------|--------------------------|-----------------------------|----------------|--------------|
|                               | 1%<br>Decrease           | Current<br>Discount<br>Rate | 1%<br>Increase |              |
|                               |                          | 5.10%                       | 6.10%          | 7.10%        |
| Net Pension Liability (Asset) |                          | \$ 893,743                  | \$ 182,277     | \$ (413,779) |

#### Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2021 were recognized in the current reporting period as pension expense except as follows:

##### Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

##### Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**Changes of Assumptions or Other Inputs:**

Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

**Change in Proportion:**

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

**Contributions – Proportionate Share**

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

**Pension Plans Fiduciary Net Positions**

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated mounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended June 30, 3021. Access to these reports can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

**(4) Pension Plan – Other Employees**

Substantially all employees of the District Attorney, except for the district attorney and his assistants, are members of the Parochial Employees' Retirement System of Louisiana (System), a cost- sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The System is governed by Louisiana Revised Statutes, Title 11, Sections 1901 through 2025, specifically, and other general laws of the State of Louisiana.

All employees of the District Attorney are members of Plan A.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**Plan Description**

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

**Eligibility Requirements:**

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

**Retirement Benefits:**

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

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. 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 to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

**Survivor Benefits:**

Upon the death of any member of Plan A with five (5) 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. 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. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

**Deferred Retirement Option 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 the Deferred Retirement Option Plan (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.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

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 into 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.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination DROP will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

**Disability Benefits:**

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, 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 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2017 and to age 62 for those members who are enrolled January 1, 2007 and later.

**Cost of Living Increases:**

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% 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 2% 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.

**Employer Contributions**

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2020, the actuarially determined contribution rate was 11.11% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2020 was 12.25% for Plan A. The actual rate for the fiscal year ending December 31, 2021 was 12.25%. The District Attorney's contributions to the System for the years ended December 31, 2021, 2020, and 2019 were \$98,196, \$93,960, and \$86,935, respectively.

According to state statute, the System also receives ¼ of 1% 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

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

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. Non-employer contributions received by the System and attributable to the District Attorney for the year ended December 31, 2021 and 2020 were \$11,003 and \$11,026, respectively.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the District Attorney reported a net pension asset of \$229,474 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contribution to the plan during the fiscal year ended December 31, 2020 as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2020.

At December 31, 2020, the District Attorney's proportion was .127701%, which was a decrease of .008555% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the District Attorney recognized pension expense of \$31,542, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$(2,623).

At December 31, 2021, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experience  | \$ 48,471                                 | \$ 26,725                                |
| Changes of assumptions  | 75,636                                    |  |
| Net difference between projected and actual earnings on pension plan investments                              |   | 420,170                                  |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 643                                       |  |
| Employer contributions subsequent to the measurement Date   | 95,817                                    |  |
| Total   | <u>\$ 220,567</u>                         | <u>\$ 446,895</u>                        |

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

The District Attorney reported a total of \$98,196 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2020, which will be recognized as a reduction in net pension liability in the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

| <u>Year</u> | <u>Amount</u>       |
|-------------|---------------------|
| 2022        | \$ (88,840)         |
| 2023        | (27,400)            |
| 2024        | (134,819)           |
| 2025        | (71,074)            |
| Total       | <u>\$ (322,133)</u> |

**Actuarial Methods and Assumptions**

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

A summary of the actuarial methods and assumptions used in determining the total pension asset as of December 31, 2020, are as follows:

|                                  |   |
|----------------------------------|---|
| Valuation Date                   | December 31, 2020   |
| Actuarial Cost Method            | Plan A – Entry Age Normal   |
| Investment Rate of Return        | 6.40% net of investment, including inflation  |
| Expected Remaining Service lives | 4 years   |
| Projected Salary Increases       | Plan A – 4.75%  |
| Inflation Rate                   | 2.30%   |
| Cost of Living Adjustments       | The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees. |

(Continued)

**District Attorney of the Twenty–Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana**  
**Notes to the Financial Statements**  
**December 31, 2021**  
**(Continued)**

Mortality Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 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.

The discount rate used to measure the total pension asset was 6.40% for Plan A. 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 System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM 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 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2020.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2020 are summarized in the following table:

| Asset Class                        | Target Asset Allocation | Long-Term Expected Portfolio Real Rate of Return |
|------------------------------------|-------------------------|--|
| Fixed income                       | 33%                     | .86%   |
| Equity                             | 51%                     | 3.36%  |
| Alternatives                       | 14%                     | 0.67%  |
| Real assets                        | 2%                      | 0.11%  |
| Totals                             | <u>100%</u>             | <u>5.00%</u>                                     |
| Inflation                          |                         | 2.00%  |
| Expected Arithmetic Nominal Return |                         | 7.00%  |

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

The mortality 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.

**Sensitivity to Change in Discount Rate**

The following presents the net pension liability of the participating employers as of December 31, 2020 calculated using the discount rate of 6.40%, as well as what the employers' net pension asset would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

|                               | PLAN A                   |               |              |
|-------------------------------|--------------------------|---------------|--------------|
|                               | Changes in Discount Rate |               |              |
|                               | 1%                       | Current       | 1%           |
| Decrease                      |                          | Discount Rate | Increase     |
|                               | 5.40%                    | 6.40%         | 7.40%        |
| Net Pension Liability (Asset) | \$ 469,480               | \$ (229,474)  | \$ (804,615) |

**Change in Net Pension Liability (Asset)**

The changes in the net pension liability for the year ended December 31, 2021 were recognized in the current reporting period as pension expense except as follows:

**Differences between Expected and Actual Experience:**

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension asset were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

**Differences between Projected and Actual Investment Earnings:**

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five year period.

**Change in Assumptions:**

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

**Change in Proportion:**

Changes in the employer's proportionate shares of the collective net pension asset and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using a the straight- line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**Contributions – Proportionate Share**

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

**Retirement System Audit Report**

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2020. Access to the audit report can be found on the System's website: [www.persla.org](http://www.persla.org) or on the Office of Louisiana Legislative Auditor's official website: [www.llia.state.la.us](http://www.llia.state.la.us).

**Plan Fiduciary Net Position**

Plan fiduciary net position is a significant component of the System's collective net pension asset. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended December 31, 2020. Access to these reports can be found on the Louisiana Legislative Auditor's website, [www.llia.la.gov](http://www.llia.la.gov).

**(5) Receivables**

The following is a summary of receivables at December 31, 2021:

|                                      |                   |
|--------------------------------------|-------------------|
| Commissions on fines and forfeitures | \$ 31,708         |
| State and federal grants:            |                   |
| Title IV-D reimbursement             | 47,778            |
| Vertical prosecution grant           | 8,220             |
| Tracker contract                     | 8,920             |
| Truancy contracts                    | 42,538            |
| Victims assistance grants            | 5,000             |
| Family Justice Center contract       | 78,536            |
| Totals                               | <u>\$ 222,700</u> |

(Continued)

**District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana**  
**Notes to the Financial Statements**  
**December 31, 2021**  
**(Continued)**

(6) Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

| <u>Government Activities</u>                                  | Balance<br>12/31/2020 | Additions          | Deletions       | Balance<br>12/31/2021 |
|---|-----------------------|--------------------|-----------------|-----------------------|
| Capital assets being depreciated                              |                       |                    |                 |                       |
| Equipment   | \$ 142,510            | \$                 | \$              | \$ 142,510            |
| Vehicles  | <u>68,660</u>         | <u>      </u>      | <u>      </u>   | <u>68,660</u>         |
| Total capital assets being depreciated,<br>at historical cost | <u>211,170</u>        | <u>      </u>      | <u>      </u>   | <u>211,170</u>        |
| Less accumulated depreciation                                 |                       |                    |                 |                       |
| Equipment   | (91,567)              | (12,043)           | (103,610)       |                       |
| Vehicles  | <u>(43,273)</u>       | <u>(9,643)</u>     | <u>      </u>   | <u>(52,916)</u>       |
| Total accumulated depreciation                                | <u>(134,840)</u>      | <u>(21,686)</u>    | <u>      </u>   | <u>(156,526)</u>      |
| Governmental activities<br>capital assets, net                | <u>\$ 76,330</u>      | <u>\$ (21,686)</u> | <u>\$      </u> | <u>\$ 54,644</u>      |

Depreciation expense was charged to governmental activities as follows:

Judicial \$ 21,686

(7) Expenditures of the District Attorney Not Included in the Accompanying Financial Statements

The accompanying financial statements do not include certain expenditures of the District Attorney paid from criminal court funds, the parish governments, or directly by the state.

The District Attorney has offices located in the courthouses in Bossier and Webster Parish. Expenditures for operation and maintenance of the parish courthouses are paid by Bossier Parish Police Jury and Webster Parish Police Jury and are not included in the expenditures of the District Attorney. Also, certain salaries of the District Attorney and his assistants are paid out of the general fund of the Bossier Parish Police Jury and the Webster Parish Police Jury and are not included in the expenditures of the District Attorney.

(8) Accounts Payable

Accounts payable at December 31, 2021 consisted of the following:

|                       |                   |
|-----------------------|-------------------|
| Salaries and benefits | \$ 747,848        |
| Accounts              | 12,239            |
|                       | <u>\$ 760,087</u> |

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

**(9) Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2021, was as follows:

|   | Beginning<br>Balance | Additions         | Reductions        | Ending<br>Balance   | Amounts Due<br>Within<br>One Year |
|---|----------------------|-------------------|-------------------|---------------------|-----------------------------------|
| Compensated absences  | \$ 32,857            | \$ 43,719         | \$ 32,857         | \$ 43,719           | \$ 43,719                         |
| Other post-employment<br>benefit obligation   | 1,919,413            | 197,114           |                   | 2,116,527           |                                   |
| Net pension liability-DA system   | 825,285              |                   | 643,008           | 182,277             |                                   |
| Net pension liability-<br>Parochial system  | <u>6,414</u>         |                   | <u>6,414</u>      |                     |                                   |
| Governmental Activities<br>long-term liabilities                                    | <u>\$ 2,783,969</u>  | <u>\$ 240,833</u> | <u>\$ 682,279</u> | 2,342,523           | 43,719                            |
| Less amounts due within<br>period of availability -<br>recorded in accounts payable |                      |                   |                   |                     |                                   |
| Total long-term liabilities,<br>government-wide statements                          |                      |                   |                   | <u>\$ 2,342,523</u> | <u>\$ 43,719</u>                  |

**(10) Leases**

The District Attorney leases certain office space under operating leases. Rental costs for the year ended December 31, 2021 was \$6,000. There are no commitments under lease agreements having terms in excess of one year.

**(11) Postemployment Health Care and Life Insurance Benefits**

**General Information about the OPEB Plan**

*Plan description* – The District Attorney provides certain continuing health care and life insurance benefits for its retired employees. The District Attorney's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the District Attorney. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the District Attorney. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021  
(Continued)

**Benefits Provided** – Medical benefits are provided through comprehensive plan and are made available to employees upon actual retirement. The employer pays 80% of the cost of retiree medical insurance. Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or age 65 and 7 years of service. For employees hired on and after January 1, 2007, retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or age 67 and 7 years of service. To obtain retiree medical coverage, a retiree must have been in the medical plan for at least fifteen years. For the few employees not covered by the Parochial system, the same retirement eligibility has been assumed.

Life insurance coverage is available to retirees and is based on a blended rate (active and retired). The employer pays 80% of the cost of the retiree life insurance, but it is based on the blended rate. Retiree insurance coverage amounts are reduced to a flat \$9,000.

Dental insurance coverage is provided to retirees. The employer pays 80% of the cost of the dental insurance for the retirees only, not dependents. The unblended rate has been used. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance. The dental actuarial costs and liabilities are included in the medical results.

**Employees covered by benefit terms** – At December 31, 2021, the following employees were covered by the benefit terms:

|  |           |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefit payments | 4         |
| Inactive employees entitled to but not yet receiving benefit payments    |           |
| Active employees   | <u>27</u> |
|  | <u>31</u> |

**Total OPEB Liability**

The District Attorney's total OPEB liability of \$2,116,527 was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and other inputs** – The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                             |   |
|-----------------------------|---|
| Inflation                   | 2.5%  |
| Salary increases            | 4.0%, including inflation   |
| Discount rate               | 2.12% annually (Beginning of Year to Determine ADC)<br>2.06%, annually (As of End of Year Measurement Date) |
| Healthcare cost trend rates | 5.5% annually for ten years, 4.5% thereafter  |
| Mortality                   | SOA RP-2000 Table   |

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2021, the end of the applicable measurement period.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2021.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

**Changes in the Total OPEB Liability**

|                              |                     |
|------------------------------|---------------------|
| Balance at December 31, 2020 | <u>\$ 1,919,413</u> |
|------------------------------|---------------------|

Changes for the year:

|  |                 |
|--|-----------------|
| Service cost                                       | 64,037          |
| Interest   | 40,403          |
| Differences between expected and actual experience | 94,880          |
| Changes in assumptions                             | 25,028          |
| Benefit payments and net transfers                 | <u>(27,234)</u> |

|             |                |
|-------------|----------------|
| Net changes | <u>197,114</u> |
|-------------|----------------|

|                              |                     |
|------------------------------|---------------------|
| Balance at December 31, 2021 | <u>\$ 2,116,527</u> |
|------------------------------|---------------------|

Changes of assumptions and other inputs reflect a change in the discount rate from 2.12% in 2020 to 2.06% in 2021.

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the District Attorney, as well as what the District Attorney's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06%) or 1-percentage-point higher (3.06%) than the current discount rate:

|                      | 1.0% Decrease<br>(1.06%) | Current Discount<br>Rate (2.06%) | 1.0% Increase<br>(3.06%) |
|----------------------|--------------------------|----------------------------------|--------------------------|
| Total OPEB liability | \$ 2,557,936             | \$ 2,116,527                     | \$ 1,775,816             |

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the District Attorney, as well as what the District Attorney's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

|                      | 1.0% Decrease<br>(4.5%) | Current Healthcare<br>Trent Rate (5.5%) | 1.0% Increase<br>(6.5%) |
|----------------------|-------------------------|---|-------------------------|
| Total OPEB liability | \$ 1,818,674            | \$ 2,116,527                            | \$ 2,505,916            |

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2021, the District Attorney recognized OPEB expense of \$121,569. At December 31, 2021, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Notes to the Financial Statements  
 December 31, 2021  
 (Continued)

|   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected<br>and actual experience | \$ 112,459                                | \$ (50,267)                              |
| Changes in assumptions                                | <u>359,337</u>                            | <u>(116,706)</u>                         |
| Total   | <u><u>\$ 471,796</u></u>                  | <u><u>\$ (166,973)</u></u>               |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Years ending December 31:</u> |           |
|----------------------------------|-----------|
| 2021                             | \$ 36,228 |
| 2022                             | 36,228    |
| 2023                             | 36,228    |
| 2024                             | 36,228    |
| 2025                             | 44,670    |
| Thereafter                       | 115,241   |

#### (12) Subsequent Events

Subsequent events have been evaluated through June 29, 2022, the date the financial statements were available to be issued.

#### (13) Deferred Inflows and Deferred Outflows of Resources

The Statement of Net Position reports deferred inflows of resources at December 31, 2021, consisting of the following:

|                                    |                            |
|------------------------------------|----------------------------|
| Pension related – DA system        | \$ 585,848                 |
| Pension related – Parochial system | 446,895                    |
| Other post-employment benefits     | 166,973                    |
|                                    | <u><u>\$ 1,199,716</u></u> |

The Statement of Net Position reports deferred outflows of resources at December 31, 2021, consisting of the following:

|                                    |                            |
|------------------------------------|----------------------------|
| Pension related – DA system        | \$ 448,175                 |
| Pension related – Parochial system | 220,567                    |
| Other post-employment benefits     | 471,796                    |
|                                    | <u><u>\$ 1,140,538</u></u> |

#### (14) General Fund Deficit

The General Fund of the District Attorney of the Twenty-Sixth Judicial District reports a fund balance deficit of \$(186,007) at December 31, 2021. The deficit was created as a result in the decrease of collections of fines, forfeitures and fees. The District Attorney is analyzing the current budget for savings on operational expenditures.

(Continued)

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Notes to the Financial Statements  
December 31, 2021

**(15) Litigation and Claims**

At December 31, 2021, the District Attorney of the Twenty-Sixth Judicial District was involved in two lawsuits. The potential loss on this lawsuit, if any, is not presently determinable.

**(16) Uncertainty**

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2021

|   | Budget Amounts   |                  | Actual<br>Amounts<br>(Budgetary Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------------|--|---|
|   | Original         | Final            |  |   |
|   |                  |                  |  |   |
| <b>Revenues:</b>                              |                  |                  |  |   |
| Fines and forfeitures                         | \$ 1,281,500     | \$ 1,114,879     | \$ 1,070,383                           | \$ (44,496)   |
| State and federal grants                      | 667,948          | 668,659          | 683,588                                | 14,929  |
| Appropriations - Bossier Parish Police Jury   | 20,000           | 318,642          | 318,642                                |   |
| Check collection fees                         | 35,000           | 38,825           | 35,370                                 | (3,455)   |
| Interest income                               | 115              | 187              | 156                                    | (31)  |
| <b>Total revenues</b>                         | <b>2,004,563</b> | <b>2,141,192</b> | <b>2,108,139</b>                       | <b>(33,053)</b>   |
| <br><b>Expenditures:</b>                      |                  |                  |  |   |
| <b>General government:</b>                    |                  |                  |  |   |
| <b>Current operating</b>                      |                  |                  |  |   |
| <b>Judicial</b>                               | <b>2,344,135</b> | <b>2,350,181</b> | <b>1,808,154</b>                       | <b>542,027</b>  |
| <b>Total expenditures</b>                     | <b>2,344,135</b> | <b>2,350,181</b> | <b>1,808,154</b>                       | <b>542,027</b>  |
| <br><b>Net change in fund balance</b>         |                  |                  |  |   |
|   | (339,572)        | (208,989)        | 299,985                                | 508,974   |
| <br><b>Fund balances at beginning of year</b> | <b>339,572</b>   | <b>208,989</b>   | <b>57,882</b>                          | <b>(151,107)</b>  |
| <br><b>Fund balances at end of year</b>       | <b>\$</b>        | <b>\$</b>        | <b>\$ 357,867</b>                      | <b>\$ 357,867</b>                                       |

See accompanying note to the required supplementary schedule.

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Truancy Fund  
 For the Year Ended December 31, 2021

|                                    | Budget Amounts |                | Actual<br>Amounts | Variance with<br>Final Budget |
|------------------------------------|----------------|----------------|-------------------|-------------------------------|
|                                    | Original       | Final          | (Budgetary Basis) | Positive<br>(Negative)        |
| <b>Revenues:</b>                   |                |                |                   |                               |
| State and federal grants           | \$ 575,000     | \$ 562,719     | \$ 562,719        | \$ _____                      |
| Total revenues                     | <u>575,000</u> | <u>562,719</u> | <u>562,719</u>    | <u>_____</u>                  |
| <b>Expenditures:</b>               |                |                |                   |                               |
| General government:                |                |                |                   |                               |
| Current operating                  |                |                |                   |                               |
| Truancy programs                   | 470,852        | 479,828        | 455,212           | 24,616                        |
| Total expenditures                 | <u>470,852</u> | <u>479,828</u> | <u>455,212</u>    | <u>24,616</u>                 |
| Net change in fund balance         | 104,148        | 82,891         | 107,507           | 24,616                        |
| Fund balances at beginning of year |                |                | 5,279             | 5,279                         |
| Fund balances at end of year       | \$ 104,148     | \$ 82,891      | \$ 112,786        | \$ 29,895                     |

See accompanying note to the required supplementary schedule.

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Family Justice Center Fund  
 For the Year Ended December 31, 2021

|                                    | Budget Amounts   |                | Actual<br>Amounts<br>(Budgetary Basis) | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|------------------------------------|------------------|----------------|--|---|
|                                    | Original         | Final          |  |   |
|                                    |                  |                |  |   |
| <b>Revenues:</b>                   |                  |                |  |   |
| State and federal grants           | \$ 265,000       | \$ 433,512     | \$ 426,230                             | \$ (7,282)  |
| Total revenues                     | <u>265,000</u>   | <u>433,512</u> | <u>426,230</u>                         | <u>(7,282)</u>  |
| <b>Expenditures:</b>               |                  |                |  |   |
| General government:                |                  |                |  |   |
| Current operating                  |                  |                |  |   |
| Truancy programs                   | 249,346          | 508,901        | 439,486                                | 69,415  |
| Total expenditures                 | <u>249,346</u>   | <u>508,901</u> | <u>439,486</u>                         | <u>69,415</u>   |
| Net change in fund balance         | 15,654           | (75,389)       | (13,256)                               | 62,133  |
| Fund balances at beginning of year | <u>75,389</u>    | <u>75,389</u>  | <u>13,256</u>                          | <u>(62,133)</u>   |
| Fund balances at end of year       | <u>\$ 91,043</u> | <u>\$</u>      | <u>\$</u>                              | <u>\$</u>   |

See accompanying note to the required supplementary schedule.

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Note to Required Supplementary Information  
 December 31, 2021

Budget comparison schedule included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. Budgets are adopted on a cash basis. There was one budget amendment during 2021. The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the statement of revenues, expenditures and changes in fund balance (budget basis) with amounts shown on the statement of revenues, expenditures and changes in fund balances (GAAP basis):

|   | <u>General Fund</u> | <u>Truancy Fund</u> | <u>Family Justice Center Fund</u> |
|---|---------------------|---------------------|-----------------------------------|
| Excess (deficiency) of revenues<br>over expenditures (budget basis) | \$ 299,985          | \$ 107,507          | \$ ( 13,256)                      |
| <b>Adjustments:</b>   |                     |                     |                                   |
| Revenue accruals – net  | ( 41,856)           | ( 92,485)           | ( 160,325)                        |
| Expenditure accruals – net  | <u>( 195,717)</u>   | <u>( 16,025)</u>    | <u>147,456</u>                    |
| Excess (deficiency) of revenues<br>over expenditures (GAAP basis)   | <u>\$ 62,412</u>    | <u>\$ ( 1,003)</u>  | <u>\$ ( 26,125)</u>               |

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Schedule of Changes in Total OPEB Liability and Related Ratios  
 For the Year Ended December 31, 2021

|  | 2018                | 2019                | 2020                | 2021                |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>                                      |                     |                     |                     |                     |
| Service cost   | \$ 59,027           | \$ 70,780           | \$ 62,060           | \$ 64,037           |
| Interest   | 47,189              | 53,310              | 51,229              | 40,403              |
| Differences between expected and actual experience               | (6,502)             | 40,472              | (68,245)            | 94,880              |
| Changes of assumptions   | (159,146)           | 424,005             | 17,591              | 25,028              |
| Benefit payments   | (11,777)            | (12,434)            | (25,814)            | (27,234)            |
| <b>Net change in total OPEB liability</b>                        | <b>(71,209)</b>     | <b>576,133</b>      | <b>36,821</b>       | <b>197,114</b>      |
| <b>Total OPEB liability - beginning</b>                          | <b>1,377,658</b>    | <b>1,306,449</b>    | <b>1,882,592</b>    | <b>1,919,413</b>    |
| <b>Total OPEB liability - ending</b>                             | <b>\$ 1,306,449</b> | <b>\$ 1,882,582</b> | <b>\$ 1,919,413</b> | <b>\$ 2,116,527</b> |
| Covered-employee payroll   | \$ 1,076,728        | \$ 1,119,798        | \$ 1,000,763        | \$ 1,040,794        |
| Total OPEB liability as a percentage of covered-employee payroll | 121.34%             | 168.12%             | 191.79%             | 203.36%             |

Notes to Schedule:

|                                |         |         |          |          |
|--------------------------------|---------|---------|----------|----------|
| <i>Benefit Changes:</i>        | None    | None    | None     | None     |
| <i>Changes of Assumptions:</i> |         |         |          |          |
| <i>Discount Rate:</i>          | 4.10%   | 2.74%   | 2.12%    | 2.06%    |
| <i>Mortality:</i>              | RP-2000 | RP-2000 | RP-2000  | RP-2000  |
| <i>Trend:</i>                  | 5.5%    | 5.5%    | Variable | Variable |

*No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.*

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Required Supplementary Information  
 Schedule of Contributions  
 For the Year Ended December 31, 2021

**District Attorneys' Retirement System**

|      |    | Contractually required contribution | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | Covered employee payroll | Contributions as a percentage of covered employee payroll |
|------|----|-------------------------------------|--|----------------------------------|--------------------------|---|
| 2021 | \$ | 45,494                              | \$ 45,494  | \$                               | \$ 646,938               | 7.03%   |
| 2020 |    | 26,935                              | 26,935   |                                  | 673,963                  | 4.00%   |
| 2019 |    | 17,182                              | 17,182   |                                  | 662,390                  | 2.59%   |
| 2018 |    | 4,378                               | 4,378  |                                  | 697,547                  | 0.63%   |
| 2017 |    |                                     |  |                                  | 696,755                  | 0.00%   |
| 2016 |    | 11,243                              | 11,243   |                                  | 662,920                  | 1.70%   |
| 2015 |    | 32,883                              | 32,883   |                                  | 625,772                  | 5.25%   |

**Parochial Employees' Retirement System**

|      |    | Contractually required contribution | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | Covered employee payroll | Contributions as a percentage of covered employee payroll |
|------|----|-------------------------------------|--|----------------------------------|--------------------------|---|
| 2021 | \$ | 98,196                              | \$ 98,196  | \$                               | \$ 801,577               | 12.25%  |
| 2020 |    | 93,960                              | 93,960   |                                  | 767,017                  | 12.25%  |
| 2019 |    | 86,935                              | 86,935   |                                  | 755,954                  | 11.50%  |
| 2018 |    | 92,318                              | 92,318   |                                  | 802,765                  | 11.50%  |
| 2017 |    | 96,610                              | 96,610   |                                  | 772,877                  | 12.50%  |
| 2016 |    | 93,680                              | 93,680   |                                  | 720,625                  | 13.00%  |
| 2015 |    | 115,290                             | 115,290  |                                  | 795,107                  | 14.50%  |

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

District Attorney of the Twenty-Sixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Required Supplementary Information  
 Schedule of Proportionate Share of Net Pension Liability  
 For the Year Ended December 31, 2021

**District Attorneys' Retirement System**

|      | Proportion of the net pension liability | Proportionate share of the net pension liability | Covered employee payroll | Proportionate share of the net pension liability as a percentage of covered employee payroll | Plan fiduciary net position as a percentage of the total pension liability |
|------|---|--|--------------------------|--|--|
| 2021 | 1.023844%                               | \$ 182,277                                       | \$ 641,753               | 28.40%   | 96.79%   |
| 2020 | 1.041668%                               | 825,285  | 646,224                  | 127.71%  | 84.86%   |
| 2019 | 1.171620%                               | 376,913  | 688,944                  | 54.71%   | 93.13%   |
| 2018 | 1.129750%                               | 363,544  | 699,027                  | 52.01%   | 92.92%   |
| 2017 | 1.282306%                               | 345,866  | 706,845                  | 48.93%   | 93.57%   |
| 2016 | 1.053690%                               | 201,683  | 633,278                  | 31.85%   | 95.09%   |
| 2015 | 1.103191%                               | 59,424   | 631,271                  | 9.41%  | 98.56%   |

**Parochial Employees' Retirement System**

|      | Proportion of the net pension liability | Proportionate share of the net pension liability (asset) | Covered employee payroll | Proportionate share of the net pension liability as a percentage of covered employee payroll | Plan fiduciary net position as a percentage of the total pension liability |
|------|---|--|--------------------------|--|--|
| 2021 | 0.127701%                               | \$ (229,474)   | \$ 943,858               | -24.31%  | 104.00%  |
| 2020 | 0.136256%                               | 6,414  | 755,954                  | 0.85%  | 99.89%   |
| 2019 | 0.142590%                               | 507,122  | 802,765                  | 63.17%   | 88.86%   |
| 2018 | 0.124677%                               | (92,542)   | 772,877                  | -11.97%  | 101.98%  |
| 2017 | 0.001289%                               | 265,557  | 720,625                  | 36.85%   | 94.15%   |
| 2016 | 0.001293%                               | 340,225  | 795,107                  | 42.79%   | 92.23%   |
| 2015 | 0.001666%                               | 45,555   | 720,562                  | 6.32%  | 99.15%   |

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

District Attorney of the TwentySixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Other Supplementary Information  
Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For The Year Ended December 31, 2021

**Agency Head: John Schyler Marvin - District Attorney**

**SECTION I**

**Paid by the District Attorney of the Twenty-Sixth Judicial District:**

| <b>Purpose</b>              |    | <b>Amount</b> |
|-----------------------------|----|---------------|
| Salary                      | \$ | 51,756        |
| Benefits - health insurance |    | 20,958        |
| Benefits - retirement       |    | 3,603         |
| Travel                      |    | 3,586         |

**SECTION II**

**Paid by the Webster Parish Police Jury:**

| <b>Purpose</b>        |    | <b>Amount</b> |
|-----------------------|----|---------------|
| Salary                | \$ | 30,300        |
| Benefits - retirement |    | 2,345         |

**Paid by the State of Louisiana:**

| <b>Purpose</b>        |    | <b>Amount</b> |
|-----------------------|----|---------------|
| Salary                | \$ | 53,527        |
| Benefits - retirement |    | 3,771         |

**Paid by Bossier Parish Police Jury:**

| <b>Purpose</b>        |    | <b>Amount</b> |
|-----------------------|----|---------------|
| Salary                | \$ | 53,240        |
| Benefits - retirement |    | 3,718         |

District Attorney of the TwentySixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Justice System Funding Schedule  
Receiving Schedule  
As Required by Act 87 of 2020 Regular Legislative Session  
For The Year Ended December 31, 2021

|                                       |  |
|---------------------------------------|--|
| <u>January, 2021 -<br/>June, 2021</u> | <u>July, 2021 -<br/>December, 2021</u> |
|---------------------------------------|--|

Cash Basis Presentation

Receipts From:

|  |                    |                    |
|--|--------------------|--------------------|
| Bossier City Court   | \$ 2,173           | \$ 2,811           |
| Minden City Court  | 30,096             | 24,487             |
| Springhill City Court  | 2,996              | 3,890              |
| Bossier District Court   | 191,996            | 169,718            |
| Webster District Court   | 21,049             | 22,560             |
| <br><b>Subtotal Receipts</b>                                   | <br><b>248,310</b> | <br><b>223,466</b> |
| <br><b>Ending Balance of Amounts Assessed but Not Received</b> | <br>-              | <br>-              |

District Attorney of the TwentySixth Judicial District  
 Parishes of Bossier and Webster, Louisiana  
 Justice System Funding Schedule  
 Collecting/Disbursing Schedule  
 As Required by Act 87 of 2020 Regular Legislative Session  
 For The Year Ended December 31, 2021

|  | January, 2021 -<br>June, 2021 | July, 2021 -<br>December, 2021 |
|--|-------------------------------|--------------------------------|
| <b>Cash Basis Presentation</b>   |                               |                                |
| <b>Beginning Balance of Amounts Collected (i.e. cash on hand)</b>                                | <b>\$ 208,447</b>             | <b>\$ 300,314</b>              |
| <b>Add: Collections</b>  |                               |                                |
| Asset Forfeiture/Sale  | 100,372                       | 128,756                        |
| Pre-Trial Diversion Program Fees   | 221,793                       | 194,233                        |
| Criminal Fines - Other   | 11,292                        | 22,975                         |
| Service/Collection Fees  | 85,643                        | 81,390                         |
| Interest Earnings on Collected Balances  | 197                           | 210                            |
| <b>Subtotal Collections</b>  | <b>419,297</b>                | <b>427,564</b>                 |
| <b>Less: Disbursements to Governments and Nonprofits:</b>  |                               |                                |
| Bossier Parish Police Jury - Asset Forfeiture/Sale   | 17,654                        |                                |
| Louisiana State Police - Asset Forfeiture/Sale   | 27,402                        |                                |
| Bossier Parish Sheriff's Office - Asset Forfeiture/Sale  | 14,677                        |                                |
| Bossier City Police Department - Asset Forfeiture/Sale   | 14,101                        |                                |
| NARC Task Force - Asset Forfeiture/Sale  | 892                           |                                |
| City of Haughton Police Department - Asset Forfeiture/Sale                                       | 9,088                         |                                |
| Bossier Parish Clerk of Court - Asset Forfeiture/Sale  | 400                           |                                |
| City of Minden Police Department - Asset Forfeiture/Sale   | 3,346                         | 226                            |
| Webster Parish Sheriff's Office - Asset Forfeiture/Sale  |                               | 9,992                          |
| Webster Parish Police Jury - Asset Forfeiture/Sale   | 1,115                         | 53,109                         |
| Webster Parish Clerk of Court - Asset Forfeiture/Sale  |                               | 50                             |
| Louisiana District Attorney's Association - Asset Forfeiture/Sale                                | 56                            | 370                            |
| Webster Parish Sheriff's Office - Criminal Fines-Other   | 2,556                         |                                |
| <b>Less: Amounts Retained by Collecting Agency:</b>  |                               |                                |
| Amounts "Self Disbursed" to Collecting Agency  |                               |                                |
| Asset Forfeiture/Sale  | 1,116                         | 25,567                         |
| Criminal Fines - Other   | 8,736                         | 22,975                         |
| Service/Collection Fees  | 85,643                        | 81,390                         |
| Pre-Trial Diversion Program Fees   | 221,793                       | 194,233                        |
| <b>Less: Disbursement to Individuals/3rd Party Collection or Processing Agencies:</b>            |                               |                                |
| Other Disbursement to Individuals  | 3,069                         | 11,408                         |
| <b>Subtotal Disbursements/Retainage</b>  | <b>327,430</b>                | <b>483,534</b>                 |
| <b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b> | <b>\$ 300,314</b>             | <b>\$ 244,344</b>              |
| <b>Ending Balance of "Partial Payments" Collected but not Disbursed</b>                          | <b>N/A</b>                    | <b>N/A</b>                     |

**Other Information:**

|   |     |     |
|---|-----|-----|
| Ending Balance of Total Amounts Assessed but yet Collected  | N/A | N/A |
| Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service) | N/A | N/A |

## COOK & MOREHART

*Certified Public Accountants*

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA  
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA  
J. PRESTON DELAUNE, CPA

MEMBER  
AMERICAN INSTITUTE  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

### 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

#### Independent Auditor's Report

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Sixth Judicial District, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District Attorney of the Twenty-Sixth Judicial District's basic financial statements, and have issued our report thereon dated June 29, 2022.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District Attorney of the Twenty-Sixth Judicial District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Twenty-Sixth Judicial District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District Attorney of the Twenty-Sixth Judicial District's internal control.

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

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District Attorney of the Twenty-Sixth Judicial District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart  
Certified Public Accountants  
June 29, 2022

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
Schedule of Audit Findings for Louisiana Legislative Auditor  
For the Year Ended December 31, 2021

**Summary Schedule of Prior Year Audit Findings**

There was one finding for the prior year audit for the year ended December 31, 2020.

**2020-001 Article VII, Section 14 of the 1974 Louisiana Constitution**

- Finding: A vehicle owned by the District Attorney of the Twenty-Sixth Judicial District's Office was loaned to a person not employed by the Office. This appears to be a violation of Article VII Section 14 of the 1974 Louisiana Constitution. This vehicle was involved in an accident and declared a total loss. The individual's personal insurance provided reimbursement to the District Attorney's Office for the value of the vehicle as determined by the insurance company.
- Criteria: Article VII Section 14 of the 1974 Louisiana Constitution sets forth prohibited uses of funds, credit, property, or things of value of any political subdivision.
- Recommendation: We recommend the District Attorney's Office adhere to the prohibitions in Article VII Section 14 of the 1974 Louisiana Constitution.
- Current Status: Finding not repeated

**Current Year Audit Findings**

There were no findings for the current year audit for the year ended December 31, 2021.

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AMERICAN INSTITUTE  
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SOCIETY OF LOUISIANA  
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### Independent Accountants' Report on Applying Agreed-Upon Procedures

District Attorney of the Twenty-Sixth Judicial District  
Parishes of Bossier and Webster, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The District Attorney of the Twenty-Sixth Judicial District's management is responsible for those C/C areas identified in the SAUPs.

District Attorney of the Twenty-Sixth Judicial District (the District Attorney) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledges that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

#### ***Written Policies and Procedures***

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving.
  - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collection for each type of revenue or agency fund additions (including periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statutes (R.S.)42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosures/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Management provided written policies and procedures addressing all of the above

#### ***Board or Finance Committee***

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

The District Attorney is an independently elected official and is not required to have board or finance committee meetings.

### **Bank Reconciliations**

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

Management provided the requested information, along with management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

*Exception:* Two of the bank reconciliations tested were prepared more than 2 months after the related statement closing date.

*Management's Response:* Management will put in place procedures that will ensure that bank reconciliations are prepared within 2 months of the related statement closing date.

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

Bank reconciliations selected included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

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

*Exception:* There were numerous outstanding checks on two of the bank reconciliations selected for testing that were more than 12 months old. There was no indication that management had researched these outstanding items.

*Management's Response:* Management will document the research and follow up on old outstanding items.

### **Collections**

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Management provided the requested information, along with management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Management provided the requested information, along with management's representation that the listing was complete.

Each person responsible for collecting cash does not share cash drawers, was not responsible for preparing/making deposits, unless another employee is responsible for reconciling collection documentation to the deposit, was not responsible for posting collection entries to the general ledger or subsidiary ledgers; and was not responsible for reconciling cash collection to the general ledger and/or subsidiary ledger.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

The District Attorney has a crime policy which includes coverage for employee theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

For the 10 deposits selected for testing there were no exceptions noted for the procedures above except for the following:

*Exception:* One of the ten deposits made was not within one day of the receipt at the collection location.

*Management's Response:* It is management's policy to have deposits made within 2 days of collections.

- Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***
8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5). Management provided the requested information, along with management's representation that the listing is complete.
  9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to

employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
- b) At least two employees are involved in processing and approving payments to vendors.
- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

The District Attorney's written policies and procedures and employee job duties provide for segregation of duties as noted above.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Management provided the requested information, along with management's representation that the listing is complete. For the transactions selected for testing, the disbursement matched the related original invoice, included supporting documentation indicating deliverables were received by the District, and included evidence of segregation of duties.

#### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Management provided the requested information, along with management's representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.].

For each card selected for testing, there were attributes indicating that someone other than the authorized card holder reviewed and approved the monthly statements and supporting documentation for the items selected for testing.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

None of the statements selected for testing contained finance charges and or late fees.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny. For each transaction, report whether the transaction is supported by:

- 1) An original itemized receipt (i.e., identifies precisely what was purchased)  
Transactions tested were supported by original itemized receipts.
- 2) Written documentation of the business/public purpose.  
Transactions tested were supported with the business purpose documentation
- 3) Documentation of the individuals participating in meals (for meal charges only).

None of the transactions selected for testing were for meal charges.

***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Management provided the requested information, along with management's representation that the listing is complete. The reimbursements selected for testing were reimbursed using a per diem rate that was not more than the established rates either by the State of Louisiana or the GSA, or were for actual costs and were supported by an original itemized receipt that identified what was purchased, supported by documentation of business purpose, and was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

### ***Contracts***

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

The contracts selected for testing were not required to be bid.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

The contracts selected for testing were approved by the District Attorney.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

None of the contracts selected for testing were amended during the testing period.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

The payment selected for testing from each of the vendor contracts was supported by invoices that agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Management provided the requested information, along with management's representation that the listing is complete. For the 5 employees selected for testing, the paid salaries agreed with the authorized salaries/pay rates in the personnel files.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Daily attendance and leave was documented for the employees selected for testing.

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

For the transactions selected for testing, supervisors approved the attendance and leave.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.  
For the transactions selected for testing, leave taken was reflected in the District Attorney's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.  
For the transactions selected for testing, the rate of pay to the employees agreed to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- Management provided he requested information, along with management's representation that the list is complete. For the two transactions selected for testing, hours paid were in agreement with cumulative leave records, pay rates were in agreement with authorized pay rates in personnel files, and payments agreed with entity's policy.
19. Obtain management's representation that employer and employee portions of third party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc) have been paid, and any associated forms have been filed, by required deadlines.
- Management provided representation that employer and employee portions of third party payroll related amounts, including payroll taxes, retirement contributions, health insurance premiums, garnishments, and workers' compensation premiums, have been paid, and any associated forms have been filed, by required deadlines.

#### ***Ethics***

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.  
The District Attorney maintained documentation to demonstrate that required ethics training was completed.
  - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.  
The District Attorney did not make any changes to the ethics policy during the fiscal period.

#### ***Debt Service***

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
- The District Attorney did not issue any debt during the fiscal period.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

The District Attorney did not have any outstanding debt during the fiscal period.

#### ***Fraud Notice***

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

The District Attorney's management represented that there were no misappropriations of public funds and assets during the fiscal period.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds

We observed the District Attorney has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud waste, or abuse of public funds.

#### ***Information Technology Disaster Recovery/Business Continuity***

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedures and discussed the results with management.

#### ***Sexual Harassment***

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

*Exception:* Employees of the District Attorney did not obtain the required sexual harassment training.

*Management's Response:* The District Attorney will implement procedures for ensuring that employees obtain sexual harassment training in the future.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

The District Attorney's sexual harassment policy and complaint procedure was posted on its website.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

*Exception:* The District Attorney's report did not contain the amount of time it took to resolve each compliant.

*Management's Response:* The District Attorney will complete the required report, with the required elements in the future.

We were engaged by District Attorney of the Twenty-Sixth Judicial District, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of District Attorney of the Twenty-Sixth Judicial District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Cook & Morehart  
Certified Public Accountants  
June 29, 2022