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

**PARISHES OF ASCENSION, ASSUMPTION,
AND ST. JAMES, LOUISIANA**

FINANCIAL REPORT

DECEMBER 31, 2014



A Professional Accounting Corporation

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DISTRICT ATTORNEY OF THE TWENTY-THIRD
JUDICIAL DISTRICT

PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2014

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INDEPENDENT AUDITORS' REPORT

The Honorable Ricky L. Babin
District Attorney of the Twenty-Third
Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney, as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 5 through 10, and pages 31 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about methods of preparing the information and comparing the information for consistency with management's response to our inquires, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2015, on our consideration of the District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District Attorney's internal control over financial reporting and compliance.

Postlethwait & Mettenich
Gonzales, Louisiana
June 22, 2015

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

The Honorable Ricky L. Babin
District Attorney of the Twenty-Third
Judicial District
Parishes of Ascension, Assumption, and St. James, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Twenty-Third Judicial District (the "District Attorney") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements, and have issued our report thereon dated June 22, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

Postlethwait & Netturilly

Gonzales, Louisiana
June 22, 2015

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

This section of District Attorney's annual financial report presents a discussion and analysis of the District Attorney's financial performance during the fiscal year that ended on December 31, 2014. Please read it in conjunction with the District Attorney's financial statements and the accompanying notes to the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations, total net position was \$1,825,872. Net position decreased by \$170,935 from the previous year of \$1,996,807.
- Total net position is comprised of the following:
 - (1) Invested in capital assets of \$100,674 represents the net book value of property and equipment.
 - (2) Restricted net position of \$113,694 represent the portion restricted for grant programs recorded in a special revenue fund.
 - (3) Unrestricted net position of \$1,611,504 represents the portion available to maintain continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance \$1,682,673. Fund balance for governmental funds decreased by \$190,172 from the previous year \$1,872,845.
- Total spending for all judicial activities was \$4,120,515, which was \$179,742 more than the fines and costs charged, and the grants and contributions received for these activities of \$3,940,773.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) – The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

Government-wide Statements

The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position and the Statement of Activities report information about the entity 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. All 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 assets and how they have changed. Net position—the difference between the District Attorney's assets and liabilities—is 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 are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District Attorney are divided into two categories:

- Governmental activities—most of the District Attorney's basic services are included here. Fines and state and federal grants finance most of these activities.
- Fiduciary activities—Agency Funds are used to account for assets held by the Office of the District Attorney as an agent for other governments and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

Fund Financial Statements

The fund financial statements provide more detailed information about the District Attorney's most significant funds—not the District Attorney's operations as a whole. Funds are accounting devices that the District Attorney uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The District Attorney has two kinds of funds:

- Governmental funds—Most of the District Attorney's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) 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. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.
- Fiduciary funds—We exclude these activities from the District Attorney's government-wide financial statements because the District Attorney cannot use these assets to finance its operations.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE (GWFS)

The Statement of Net Position and the Statement of Activities reports have only one type of activity – governmental activities. Most of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

Our analysis below focuses on the net position of the governmental-type activities:

STATEMENTS OF NET POSITION

	2014	2013
Current and other assets	\$ 1,818,146	\$ 1,972,943
Capital assets	100,674	82,133
Total assets	1,918,820	2,055,076
Current liabilities	92,948	58,269
Total liabilities	92,948	58,269
Invested in capital assets	100,674	82,133
Restricted	113,694	114,959
Unrestricted	1,611,504	1,799,715
Total net position	\$ 1,825,872	\$ 1,996,807

As a result of this year's operations, net position decreased by \$170,935. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – absorbed most of the decrease this year. The balance in net assets of \$1,825,872 represents the accumulated results of all past years' operations.

Our analysis below focuses on the net position of the governmental-type activities:

STATEMENTS OF ACTIVITIES

	2014	2013
Total program revenue	\$ 3,940,773	\$ 3,567,600
Total program expenses	4,120,515	3,775,930
Net program loss	(179,742)	(208,330)
General revenues	8,807	14,864
Change in Net Position	(170,935)	(193,466)
Net Position:		
Beginning of the year	1,996,807	2,190,273
End of the year	\$ 1,825,872	\$ 1,996,807

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

The total revenues for the year in governmental activities were \$3,949,580 (\$1,836,143 in charges for services, \$2,104,630 in operating and grant contributions, \$772 in interest earnings, and \$8,035 in other revenues). The total cost of all judicial programs and services was \$4,120,515.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)

The District Attorney utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The governmental funds reported a combined fund balance of \$1,682,673. This reflects a decrease of \$190,172 from last year.

BALANCE SHEET

	<u>2014</u>	<u>2013</u>
Total Current Assets	<u>\$ 1,795,038</u>	<u>\$ 1,951,057</u>
Total Current Liabilities	\$ 112,365	\$ 78,212
Total Fund Balance	<u>1,682,673</u>	<u>1,872,845</u>
Total Liabilities & Fund Balance	<u>\$ 1,795,038</u>	<u>\$ 1,951,057</u>

STATEMENTS OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES

	<u>2014</u>	<u>2013</u>
Total Revenues	\$ 3,949,580	\$ 3,582,464
Expenditures:		
Current	4,079,331	3,724,614
Capital Outlay	60,421	20,621
Total Expenditures	<u>4,139,752</u>	<u>3,732,235</u>
Deficiency of revenues over expenditures	(190,172)	(162,771)
Fund Balance:		
Beginning of the year	1,872,845	2,035,616
End of the year	<u>\$ 1,682,673</u>	<u>\$ 1,872,845</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenue	\$ 3,294,431
Increase (Decrease) due to:	
Fines & Forfeitures	124,089
PTI Fees	6,196
Intergovernmental Revenue	239,712
Other	(2,565)
Interest	<u>(376)</u>

Final Budgeted Revenues **\$ 3,661,487**

Original Budgeted Expenditures	\$ 3,396,731
Increase (Decrease) due to:	
Personnel Service	301,626
Auto Repair & Maintenance	3,614
Office Operations	94,694
Travel & Conventions	(5,190)
Professional Services	87,422
Capital Outlay	<u>35,412</u>

Final Budgeted Expenditures **\$ 3,914,309**

CAPITAL ASSETS & DEBT

Capital Assets: The investment in capital assets, net of accumulated depreciation, for the governmental activity as of December 31, 2014 and 2013 was \$100,674 and \$82,133, respectively.

	<u>2014</u>	<u>2013</u>
Equipment & Furniture	\$ 237,915	\$ 245,519
Automobiles	158,157	115,467
Other Equipment	<u>38,771</u>	<u>38,771</u>
Total Cost	434,843	399,757
Accumulated Depreciation	<u>(334,169)</u>	<u>(317,624)</u>
Net Capital Assets	<u>\$ 100,674</u>	<u>\$ 82,133</u>
Depreciation Expense	<u>\$ 36,096</u>	<u>\$ 39,482</u>

This year there was \$55,239 of additions in capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements. The District Attorney also disposed of \$20,153 obsolete assets. These assets were moved out as inactive. The basis remaining totaled \$602.

Debt: The District Attorney has no debt outstanding.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2014

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2015 budget were:

1. any changes in rates and fees for the next fiscal year
2. any personnel changes
3. any new laws and regulations enacted that would apply to the upcoming year
4. any new revenue sources or expenditures not previously encountered.

The District Attorney is dependent on the State of Louisiana and the Parish of Ascension for approximately 34%-36% percent of its revenues. These entities receive a substantial part of their revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years. The budget for the 2015 year is approximately the same as the year 2014's budget.

CONTACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Sandy Sanchez, Accountant
District Attorney of the Twenty-Third Judicial District,
P.O. Box 750
Donaldsonville, LA 70346
Phone (225) 473-6777

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF NET POSITION
DECEMBER 31, 2014

ASSETS

Current Assets:

Cash and cash equivalents	\$ 828,333
Investment in LAMP	820,827
Receivables	34,986
Prepaid insurance	42,525
Due from other governments	91,475
Total Current Assets	<u>1,818,146</u>

Noncurrent Assets:

Capital assets, net of depreciation	100,674
TOTAL ASSETS	<u>\$ 1,918,820</u>

LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 28,349
Accrued payroll and benefits	52,514
Other liabilities	12,085
Total Current Liabilities	<u>92,948</u>

NET POSITION

Invested in capital assets	100,674
Restricted for grant program	113,694
Unrestricted	1,611,504
TOTAL NET POSITION	<u>\$ 1,825,872</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014.

	<u>Program Revenues</u>		<u>Net (Expense)</u>	
	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>	
	<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>	
	<u>Expenses</u>	<u>Contributions</u>	<u>Net Position</u>	
			<u>Governmental</u>	
			<u>Unit</u>	
<u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General Government - Judicial	\$ 4,120,515	\$ 1,836,143	\$ 2,104,630	\$ (179,742)
Total governmental activities	<u>\$ 4,120,515</u>	<u>\$ 1,836,143</u>	<u>\$ 2,104,630</u>	<u>(179,742)</u>
General Revenues:				
Interest				772
Other				<u>8,035</u>
Total general revenues				<u>8,807</u>
Change in net position				(170,935)
Net position - January 1, 2014				<u>1,996,807</u>
Net position - December 31, 2014				<u>\$ 1,825,872</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2014**

	General Fund	Worthless Check	Title IV-D Fund	Total
<u>ASSETS</u>				
Cash and certificates of deposit	\$ 717,115	\$ 9,621	\$ 101,597	\$ 828,333
Investment in LAMP	729,624	91,203	-	820,827
Receivable	1,370	-	33,616	34,986
Due from other funds	19,417	-	-	19,417
Due from other governments	91,475	-	-	91,475
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 1,559,001	\$ 100,824	\$ 135,213	\$ 1,795,038
	<hr/>	<hr/>	<hr/>	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 28,249	\$ -	\$ 100	\$ 28,349
Accrued payroll and benefits	47,834	728	3,952	52,514
Due to other funds	-	2,560	16,857	19,417
Other liabilities	11,475	-	610	12,085
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	87,558	3,288	21,519	112,365
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances:				
Restricted for grant programs	-	-	113,694	113,694
Assigned	-	97,536	-	97,536
Unassigned	1,471,443	-	-	1,471,443
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	1,471,443	97,536	113,694	1,682,673
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,559,001	\$ 100,824	\$ 135,213	\$ 1,795,038
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2014

Total fund balances - Governmental Funds		\$ 1,682,673
Cost of capital assets at December 31, 2014	434,843	
Less: accumulated depreciation as of December 31, 2014	<u>(334,169)</u>	100,674
Prepaid insurance		<u>42,525</u>
Total net position at December 31, 2014 - Governmental Activities		<u>\$ 1,825,872</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Worthless Check	Title IV-D Fund	Total Governmental Funds
<u>REVENUES</u>				
Fines and forfeitures	\$ 1,076,950	\$ -	\$ -	\$ 1,076,950
Pre-trial intervention fees	734,358	-	-	734,358
Check collection fees	-	24,835	-	24,835
Intergovernmental revenue:				
Police jury and parish councils	601,937	-	-	601,937
School boards	45,000	-	-	45,000
Special District	24,999	-	-	24,999
Grants	18,272	-	-	18,272
State Salary Supplement	993,338	-	-	993,338
Parish Salary Supplement	200,181	-	-	200,181
LA Dept of Social Services	-	-	220,903	220,903
Other	8,035	-	-	8,035
Interest	633	37	102	772
TOTAL REVENUES	<u>3,703,703</u>	<u>24,872</u>	<u>221,005</u>	<u>3,949,580</u>
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	3,259,348	34,266	204,299	3,497,913
Auto repair & maintenance	27,346	-	-	27,346
Office operations	482,772	225	10,223	493,220
Travel and conventions	10,033	-	304	10,337
Professional services	46,931	-	2,963	49,894
Other	621	-	-	621
Capital outlay	55,940	-	4,481	60,421
TOTAL EXPENDITURES	<u>3,882,991</u>	<u>34,491</u>	<u>222,270</u>	<u>4,139,752</u>
<u>DEFICIENCY OF REVENUES OVER EXPENDITURES</u>	<u>(179,288)</u>	<u>(9,619)</u>	<u>(1,265)</u>	<u>(190,172)</u>
Fund balances - beginning of year	<u>1,650,731</u>	<u>107,155</u>	<u>114,959</u>	<u>1,872,845</u>
Fund balances - end of year	<u>\$ 1,471,443</u>	<u>\$ 97,536</u>	<u>\$ 113,694</u>	<u>\$ 1,682,673</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Deficiency of Revenues		
Over Expenditures		\$ (190,172)
Amounts reported for governmental activities in the statement of activities (government-wide financial statements) are different because:		
Governmental funds report capital outlays as expenditures in the individual fund.		
Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.		
Capital asset purchases capitalized	55,239	
Loss on disposal of assets	(602)	
Depreciation expense	<u>(36,096)</u>	18,541
Change in prepaid insurance		<u>696</u>
Change in Net Position - Governmental Activities		<u>\$ (170,935)</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2014

	<u>Drug Forfeiture</u>	<u>Bond Forfeiture</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 5,033	\$ 8	\$ 5,041
TOTAL ASSETS	<u>\$ 5,033</u>	<u>\$ 8</u>	<u>\$ 5,041</u>
LIABILITIES			
Accounts Payable	\$ 5,033	\$ 8	\$ 5,041
TOTAL LIABILITIES	<u>\$ 5,033</u>	<u>\$ 8</u>	<u>\$ 5,041</u>

The accompanying notes are an integral part of this financial statement.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the 23rd Judicial District Attorney have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis - for State and Local Governments* and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 198 FASB and AICPA Pronouncements*. The more significant accounting policies are described below:

B. Financial Reporting Entity

This report includes all funds, which are controlled by the District Attorney of the Twenty-Third Judicial District, which was determined on the basis of criteria set forth under Governmental Accounting Standards Board (GASB).

GASB Codification Section 2100, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Even though the District Attorney is an independently elected official and is legally separate from the police jury/parish councils, the District Attorney is fiscally dependent on the police jury/parish councils and is considered a component unit of the police jury/parish councils. Since the District Attorney is a multi-parish district attorney, the District Attorney is reported as a component unit of only one police jury/parish council. The Ascension Parish council is the largest of the parish councils/police juries, therefore the District Attorney is considered to be component unit for financial reporting purposes of Ascension Parish Council. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the police juries/parish councils, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

C. **Fund Accounting**

Government-Wide Financial Statements

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting the major funds). The District Attorney uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain district attorney functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. All of the judicial and administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Net position is reported in three parts – invested in capital assets, restricted for grant program, and unrestricted.

The government-wide Statement of Activities reports both the gross and net cost of each of the functions and activities (judicial). These functions are also supported by general government revenues (interest earned and other miscellaneous revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (judicial). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (interest earned, etc). This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

Fund Financial Statements

The financial transactions are reported 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/expenses. The various funds are reported by generic classification within the financial statements.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Governmental Funds

Governmental funds account for all of the District Attorney's general activities. 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. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District Attorney. The following are the District Attorney's governmental funds:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute (R.S.) 15:571.11, which provides that 12% of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of his office. The General Fund accounts for the operations of the District Attorney's office.

Special Revenue Funds

Special Revenue Funds are used to account for fees, fines, and costs collected for a specified purpose or grants to be used for specific purposes that deal with judicial prosecution.

Fiduciary Funds

Agency Funds

Agency Funds are used to account for assets held for other funds and/or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Agency funds of the District Attorney include the:

- Drug Forfeiture Fund – The Drug Forfeiture fund accounts for monies and proceeds from the sale of property seized or obtained by judgment or settlement as a result of drug-related activities.
- Bond Forfeiture Fund – The Bond Forfeiture Fund is used to account for the collection and disbursement of proceeds from the forfeiture of District, Parish, and City Court bail and surety bonds for failure by a defendant to appear in court. The distribution of the proceeds of the bond forfeitures is in accordance with Louisiana Revised Statute 15:571:11 (L) and (M).

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Major Funds

The funds are further classified as major based on the total amount of revenue or assets per fund as follows:

- General Fund
- Worthless Check Fund
- Title IV-D Fund

D. **Basis of Accounting / Measurement Focus**

Government Wide Financial Statements (GWFS)

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

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB No. 33, *Accounting and Financial Reporting for Non-exchange transactions*.

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period or within 60 days after year end. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources. Fines, fees, and other revenues are recorded when collected and are considered susceptible to accrual.

E. **Budgets and Budgetary Accounting**

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The District Attorney prepares an annual budget for the General Fund and the Special Revenue Funds on a modified accrual basis of accounting at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing in December of the previous year and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United State of America (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

F. **Compensated Absences**

The District Attorney's policy allows employees to earn leave benefits of up to 10 days of vacation leave and up to 10 days of sick leave per calendar year. After five years of employment, an employee is entitled to have three weeks of vacation leave. Two personal days are granted to employees yearly, which cannot be accrued. Employees are allowed to accrue compensatory time when working overtime.

Employees, who resign or retire, are entitled to receive pay for all unused vacation leave and compensatory time that has been accumulated. Employees are not paid for sick leave upon leaving, and sick leave is limited to twenty-five days.

At the end of the current year, employees have accumulated \$12,085 of vacation leave and compensatory time. This amount is recorded as a payable of the General Fund \$11,475 and the IV-D Fund \$610. The entire amount is expected to be paid in the next year. The accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

G. **Cash and Certificates of Deposit**

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.

H. **Capital Assets**

All capital assets with an original cost of \$500 or more are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available and depreciated over their useful lives (excluding salvage value). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Straight-line depreciation is used based on the following estimated useful lives:

- Furniture and equipment 5 years
- Auto equipment 5 years
- Other equipment 10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the fund upon acquisition.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

I. **Operating Transfers In and Out**

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

J. **Due from Other Governments**

The receivable amounts are made up of fines and fees collected by other governments to be remitted, amounts due on reimbursement grants, and reimbursements for expenditures from other agencies. No reserve for uncollectible is considered necessary for these receivables.

K. **Interfund Receivables and Payables**

During the course of operations transactions occur between individual funds. These receivables and payables are classified as "due to or due from other funds" on the fund financial statement balance sheet.

In the process of aggregating data for the government-wide financial Statement of Net Assets and the Statement of Activities some amounts reported as due to/from balances were eliminated. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on the assets and liabilities within the governmental activities column.

L. **Equity Classifications**

Government-wide Statements

Equity is classified as net position and displayed in three components:

- Invested in capital assets, (net)—consists of capital assets net of accumulated depreciation.
- Restricted net position—consists of assets that are restricted by the DA's grantors (both federal and State)
- Unrestricted net position—consists of all other net assets that do not meet the definition of "restricted" or "invested in capital assets".

Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

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

Restricted – represents balances where constraints have been established by parties outside the District Attorney or imposed by law through constitutional provisions or enabling legislation.

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. **Equity Classifications** (continued)

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

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the District Attorney reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for the purposes for which committed, assigned, and unassigned amounts are available, the District Attorney reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

M. **Use of Estimates**

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

2. DEPOSITS

A summary of deposits follows:

Cash:

Under state law, the District Attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. The District Attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial credit risk is the risk that in an event of a bank failure, the district's deposits may not be returned to it. The government does not have a deposit policy for custodial risk. As of December 31, 2014, these deposits were completely collateralized and/or insured.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

2. **DEPOSITS** (continued)

Investments:

The District Attorney has \$820,827 investment in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana which was formed by an initiative of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

This investment pool has not been assigned a risk category since the District Attorney has not issued securities, but rather owns an undivided beneficial interest in the assets of this pool.

Credit Risk and Custodial Credit Risk. State law limits investments in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. The state investment pool (LAMP) operates in accordance with state laws and regulations. As of December 31, 2014, the District Attorney's investment in LAMP was rated AAA by Standard & Poor's.

3. **CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2014 are as follows:

	<u>Furniture & Equipment</u>	<u>Auto Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
Cost of capital assets, 12/31/13	\$ 245,519	\$ 115,467	\$ 38,771	\$ 399,757
Additions	12,549	42,690	-	55,239
Deletions	(20,153)	-	-	(20,153)
Cost of capital assets, 12/31/14	<u>237,915</u>	<u>158,157</u>	<u>38,771</u>	<u>434,843</u>
Accumulated depreciation, 12/31/13	182,284	106,062	29,278	317,624
Additions	22,577	7,363	6,158	36,096
Deletions	(19,551)	-	-	(19,551)
Accumulated depreciation, 12/31/14	<u>185,310</u>	<u>113,425</u>	<u>35,434</u>	<u>334,169</u>
Capital assets, net of accumulated depreciation, at 12/31/14	<u>\$ 52,605</u>	<u>\$ 44,732</u>	<u>\$ 3,337</u>	<u>\$ 100,674</u>

Depreciation expense for the year ended December 31, 2014 was \$36,096.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

4. ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

A portion of the salaries and benefits of the District Attorney and the Assistant District Attorneys are paid by the State of Louisiana and the Parishes of Ascension, Assumption, and St. James.

In accordance with GASB No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the amount of these salaries and benefits paid on-behalf directly to the District Attorney and the Assistant District Attorneys has been recognized by the District Attorney's Office as revenues and expenditures. The amount recognized in the current year from the State and the Parishes was \$993,338 and \$200,181, respectively.

5. CONTINGENCIES

Litigation – Various lawsuits are pending against the District Attorney. In the opinion of the District Attorney's management, the potential loss on lawsuits will not be material to the District Attorney's basic financial statements.

6. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables and payables for the individual funds were:

Individual Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 19,417	\$ -
Worthless Checks	-	2,560
IV-D Fund	-	16,857
Totals	<u>\$ 19,417</u>	<u>\$ 19,417</u>

7. RISK MANAGEMENT

The District Attorney is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omission; injuring to employees; health insurance for its employees; auto liability; and natural disasters. The District Attorney has purchased commercial insurance for each type of risk to which it is exposed. Settlements have not exceeded insurance coverage in any of the three proceeding years.

8. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2014, expenditures in the general fund, worthless check, and IV-D funds exceeded appropriations by \$179,288, \$9,619 and \$1,265, respectively. Deficits are due to decreases in intergovernmental revenues from other local governments. Available fund balance was sufficient to provide for the excess expenditure.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

9. PENSION PLANS

Plan Description. The District Attorney and Assistant District Attorneys, whose salaries are paid by the State of Louisiana and the Office of the District Attorney, are members of the Louisiana District Attorneys' Retirement System (LDARS), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant District Attorneys who earn, as a minimum, the amounts paid by the state for Assistant District Attorneys and are under the age of 60 at the time of original employment, as well as all district attorneys, are required to participate in the system.

Any member with 23 or more years of creditable service, regardless of age, may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62.

The retirement benefit is equal to 3% of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100% of his average final compensation.

For members who joined the system after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members 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. Benefits may not exceed 100% of average final compensation. The system also provides death and disability benefits. Benefits are established or amended by state statute.

The LDARS issues an annual publicly available financial report that includes financial statements and required supplementary information for the LDARS. That report may be obtained by writing to the District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

Funding Policy. Plan members are required to contribute 8.0% of their annual covered salary and the District Attorney is required to contribute an actuarially determined rate. The current rate was 9.75% of annual covered payroll from the beginning of the year to June 30, 2014 and 7.00% of annual covered payroll from June 30, 2014 to December 31, 2014. Contributions to the LDARS also include 0.2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriate by the legislature. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney's contributions to the LDARS for the years ending 2014, 2013, and 2012 were \$28,320, \$22,083, and \$21,075, respectively, equal to the required contributions for each year.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

NOTES TO FINANCIAL STATEMENTS

10. DEFERRED COMPENSATION PLAN

All current employees are eligible to participate in the State of Louisiana Public Employees Deferred Compensation Plan. Through payroll deductions, employees can make pre-tax contributions to this 457 plan from eligible pay. The amount allowed to contribute to the plan is based on taxable compensation as defined by the Internal Revenue Code (IRC). Existing deferred compensation plans with a prior employer may be transferred at anytime. In 2014 and 2013, the District Attorney's office matched employee's contributions up to 7.5%, dollar for dollar. The total employer contributions made for December 31, 2014 and 2013 were \$69,314 and \$68,756, respectively.

11. OPERATING LEASES

The District Attorney maintains operating leases for seven copiers. The lease term for each of these leases varies for 48-60 months beginning on the date the lease is signed. As of December 31, 2014, the total lease payments were \$21,101. The following is a schedule by years of future minimal lease payments.

<u>December 31,</u>	<u>Future minimum lease payments</u>
2015	\$ 21,101
2016	21,101
2017	<u>12,920</u>
Total	<u>\$ 55,122</u>

12. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 22, 2015, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

DESCRIPTION OF MAJOR FUNDS

General Fund – The General Fund accounts for the operations of the District Attorney’s office.

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

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

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Fines and forfeitures	\$ 912,900	\$ 1,036,989	\$ 1,076,950	\$ 39,961
Pre-trial intervention fees	729,500	735,696	734,358	(1,338)
Intergovernmental revenue:				
Police jury and parish councils	319,300	576,257	601,937	25,680
School boards	45,000	45,000	45,000	-
Special District	25,000	25,000	24,999	(1)
Grants	48,000	48,272	18,272	(30,000)
State Salary Supplement	1,012,800	995,283	993,338	(1,945)
Parish Salary Supplement	188,631	188,631	200,181	11,550
Other	12,300	9,735	8,035	(1,700)
Interest	1,000	624	633	9
Total Revenues	<u>3,294,431</u>	<u>3,661,487</u>	<u>3,703,703</u>	<u>42,216</u>
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	2,993,931	3,295,557	3,259,348	36,209
Auto repair & maintenance	23,800	27,414	27,346	68
Office operations	297,500	392,194	482,772	(90,578)
Travel and conventions	16,200	11,010	10,033	977
Professional services	47,300	134,722	46,931	87,791
Other	-	-	621	(621)
Capital outlay	18,000	53,412	55,940	(2,528)
Total Expenditures	<u>3,396,731</u>	<u>3,914,309</u>	<u>3,882,991</u>	<u>31,318</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER EXPENDITURES</u>	<u>(102,300)</u>	<u>(252,822)</u>	<u>(179,288)</u>	<u>73,534</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>1,650,731</u>	<u>1,650,731</u>	<u>1,650,731</u>	<u>-</u>
End of year	<u>\$ 1,548,431</u>	<u>\$ 1,397,909</u>	<u>\$ 1,471,443</u>	<u>\$ 73,534</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

WORTHLESS CHECK FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES</u>				
Check collection fees	\$ 26,500	\$ 23,321	\$ 24,835	\$ 1,514
Interest	90	36	37	1
Total Revenues	<u>26,590</u>	<u>23,357</u>	<u>24,872</u>	<u>1,515</u>
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	38,600	36,811	34,266	2,545
Office operations	100	274	-	274
Travel and conventions	-	-	225	(225)
Professional services	-	-	-	-
Total Expenditures	<u>38,700</u>	<u>37,085</u>	<u>34,491</u>	<u>2,594</u>
<u>DEFICIENCY OF REVENUES OVER EXPENDITURES</u>	<u>(12,110)</u>	<u>(13,728)</u>	<u>(9,619)</u>	<u>4,109</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>107,155</u>	<u>107,155</u>	<u>107,155</u>	<u>-</u>
End of year	<u>\$ 95,045</u>	<u>\$ 93,427</u>	<u>\$ 97,536</u>	<u>\$ 4,109</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

TITLE IV-D FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES</u>				
Intergovernmental revenue:				
Louisiana Department of Social Services	\$ 213,600	\$ 216,374	\$ 220,903	\$ 4,529
Interest	100	99	102	3
Total Revenues	<u>213,700</u>	<u>216,473</u>	<u>221,005</u>	<u>4,532</u>
<u>EXPENDITURES</u>				
General Government:				
Current operating:				
Personnel service	195,800	209,564	204,299	5,265
Office operations	13,310	11,079	10,223	856
Travel and conventions	700	373	304	69
Professional services	3,200	3,608	2,963	645
Capital outlay	300	5,429	4,481	948
Total Expenditures	<u>213,310</u>	<u>230,053</u>	<u>222,270</u>	<u>7,783</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>OVER EXPENDITURES</u>				
	<u>390</u>	<u>(13,580)</u>	<u>(1,265)</u>	<u>12,315</u>
<u>FUND BALANCES</u>				
Beginning of year	<u>114,959</u>	<u>114,959</u>	<u>114,959</u>	<u>-</u>
End of year	<u>\$ 115,349</u>	<u>\$ 101,379</u>	<u>\$ 113,694</u>	<u>\$ 12,315</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2014**

Agency Head Name/Title: Ricky Babin, District Attorney

<u>PURPOSE</u>		<u>AMOUNT</u>
Salary - State	\$	50,000
Salary - Parish Supplement		9,000
Salary - Office		79,025
Benefits - insurance		0
Benefits - retirement		6,601
Car allowance (amount included in Salary - Office)		1,225
Vehicle provided by government		0
Per diem		0
Reimbursements		0
Travel		0
Registration fees		1,390
Conference travel		1,075
Continuing professional education fees		0
Housing		0
Un-vouchered expenses		0
Special meals		0
	\$	<u>95,207</u>

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2014

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the District Attorney of the Twenty-Third Judicial District.
2. No significant deficiencies were reported in the 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*.
3. No instances of noncompliance material to the financial statements of the District Attorney of the Twenty-Third Judicial District, which would be required to be reported in accordance with *Government Auditing Standards*, were reported during the audit.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. FINDINGS – NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None

DISTRICT ATTORNEY OF THE TWENTY-THIRD JUDICIAL DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2014

A. FINDINGS-FINANCIAL STATEMENT

None

B. FINDINGS-NONCOMPLIANCE WITH STATE LAWS AND REGULATIONS

None