

**DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 2006
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/15/07

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana

Annual Financial Statements
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DISTRICT ATTORNEY OF THE
 FIFTH JUDICIAL DISTRICT
 Parishes of Franklin, Richland, and West Carroll, Louisiana
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Independent Auditor's Report

HONORABLE WILLIAM R. COENEN, JR.
DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana

I have audited the basic financial statements of the District Attorney of the Fifth Judicial District, a component unit of the Richland Parish Police Jury, as of December 31, 2006, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the District Attorney of the Fifth Judicial District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

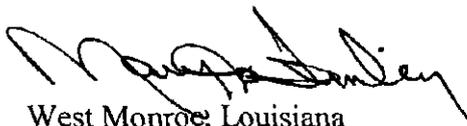
In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Fifth Judicial District as of December 31, 2006, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Management's discussion and analysis, and supplementary information on pages 6 through 9 and 29 through 31, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the District Attorney of the Fifth Judicial District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland
and West Carroll Parish, Louisiana
Independent Auditor's Report,
December 31, 2006

In accordance with *Government Auditing Standards*, I have also issued a report dated June 26, 2007, on the District Attorney of the Fifth Judicial District's compliance with laws and regulations, and my consideration of the agency's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



West Monroe, Louisiana
June 26, 2007

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana
Management's Discussion and Analysis
December 31, 2006

As management of the District Attorney of the Fifth Judicial District, I offer readers of the District Attorney of the Fifth Judicial District's financial statements this narrative overview and analysis of the financial activities of the District Attorney of the Fifth Judicial District for the year ended December 31, 2006. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the District Attorney of the Fifth Judicial District exceeded liabilities by \$383,559. Approximately 5% of the District Attorney of the Fifth Judicial District's net assets reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

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

STATEMENT OF NET ASSETS
Governmental Funds

	<u>2005</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$333,337	\$339,387
Receivables	20,942	39,094
Prepaid expenses	812	748
Capital assets (net of accumulated depreciation)	<u>21,918</u>	<u>21,852</u>
TOTAL ASSETS	<u>\$377,009</u>	<u>\$401,081</u>
LIABILITIES		
Accounts payable	\$781	\$1,987
Payroll withholdings payable	5,782	9,814
Long-term debt payable:		
Due within one year	3,790	3,996
Due in more than one year	<u>5,721</u>	<u>1,725</u>
TOTAL LIABILITIES	<u>16,074</u>	<u>17,522</u>
NET ASSETS		
Invested in capital assets, net of related debt	12,407	16,131
Unrestricted	<u>348,528</u>	<u>367,428</u>
TOTAL NET ASSETS	<u>\$360,935</u>	<u>\$383,559</u>

STATEMENT OF ACTIVITIES

	<u>2005</u>	<u>2006</u>
EXPENSES		
Judicial:		
Personal services	\$420,657	\$419,752
Operating services	36,945	27,968
Materials and supplies	12,963	9,723
Travel	26,550	32,031
Depreciation expense	6,051	3,279
Interest expense	<u>608</u>	<u>413</u>
Total Program Expenses	<u>503,774</u>	<u>493,166</u>
REVENUES		
Program revenues:		
Commissions on fines and forfeitures	307,398	329,065
Operating grants and contributions	<u>185,709</u>	<u>175,223</u>
Total program revenues	<u>493,107</u>	<u>504,288</u>
Net Program Expenses	(10,667)	11,122
General revenue:		
Local revenue	3,000	3,000
Use of money and property	<u>5,832</u>	<u>8,502</u>
Total general revenue	<u>8,832</u>	<u>11,502</u>
Change in Net Assets	(1,835)	22,624
Net Assets - Beginning of year	<u>362,770</u>	<u>360,935</u>
Net Assets - End of year	<u>\$360,935</u>	<u>\$383,559</u>

Financial Analysis of the Government's Funds

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

As of December 31, 2006, combined governmental fund balances of \$367,428 shows an increase of \$18,900 over December 31, 2005. The General Fund's portion of the unreserved, undesignated fund balance of \$298,632 shows an increase (of approximately \$13,007) from the prior year amount.

General Fund Budgetary Highlights

There were no budget amendments for the year ending December 31, 2006.

Capital Asset and Debt Administration

Capital assets. The District Attorney of the Fifth Judicial District's investment in capital assets for its governmental activities as of December 31, 2006, amounts to \$21,852 (net of accumulated depreciation). This investment includes furniture and equipment. The increase in capital assets was \$3,213.

Long-term debt. The District Attorney of the Fifth Judicial District has debt outstanding of \$5,721 consisting of a lease payable.

Requests for Information

This financial report is designed to provide a general overview of the District Attorney of the Fifth Judicial District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Attorney of the Fifth Judicial District, P.O. Box 389, Rayville, LA 71269.

June 26, 2007

BASIC FINANCIAL STATEMENTS

Statement A

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana
Governmental Activities
Statement of Net Assets
December 31, 2006

Assets	
Cash and cash equivalents	\$339,387
Receivables	39,094
Prepaid expenses	748
Capital assets (net)	<u>21,852</u>
Total Assets	<u><u>\$401,081</u></u>
Liabilities	
Accounts payable	\$1,987
Payroll withholding payable	9,814
Long-term liabilities:	
Due within one year	3,996
Due in more than one year	<u>1,725</u>
Total Liabilities	<u>17,522</u>
Net Assets	
Invested in capital assets, net of related debt	16,131
Unrestricted	<u>367,428</u>
Total Net Assets	<u><u>\$383,559</u></u>

See accompanying notes to basic financial statements.

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

STATEMENT OF ACTIVITIES
December 31, 2006

EXPENSES

Judicial:

Personal services	\$419,752
Operating services	27,968
Materials and supplies	9,723
Travel	32,031
Depreciation expense	3,279
Interest expense	413
Total Program Expenses	<u>493,166</u>

REVENUES

Program revenues:

Commissions on fines and forfeitures	329,065
Operating grants and contributions	<u>175,223</u>
Total program revenues	<u>504,288</u>
Net Program Expenses	11,122

General revenue:

Local revenue	3,000
Use of money and property	<u>8,502</u>
Total general revenue	<u>11,502</u>

Change in Net Assets	22,624
Net Assets - Beginning of year	<u>360,935</u>
Net Assets - End of year	<u><u>\$383,559</u></u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE
Fifth JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana
GOVERNMENTAL FUNDS

Combined Balance Sheet, December 31, 2006

	...MAJOR FUNDS...		
	GENERAL	IV-D SPECIAL REVENUE	
	FUND	FUND	TOTAL
ASSETS			
Cash	\$296,424	\$42,963	\$339,387
Receivables	9,375	29,719	39,094
Prepaid expenses	748		748
TOTAL ASSETS	<u>\$306,547</u>	<u>\$72,682</u>	<u>\$379,229</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$1,842	\$145	\$1,987
Payroll deducts payable	6,073	3,741	9,814
Total Liabilities	<u>7,915</u>	<u>3,886</u>	<u>11,801</u>
Fund Equity - fund balance - unreserved - undesignated	<u>298,632</u>	<u>68,796</u>	<u>367,428</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$306,547</u>	<u>\$72,682</u>	<u>\$379,229</u>

See accompanying notes and accountant's compilation report.

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

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

For the Year Ended December 31, 2006

Total Fund Balances at December 31 Governmental Funds (Statement C)		<u>\$367,428</u>
Cost of capital assets	\$109,453	
Less: Accumulated depreciation	<u>(87,601)</u>	<u>21,852</u>
Long term liabilities at December 31:		
Lease payable		<u>(5,721)</u>
Net Assets at December 31 (Statement A)		<u><u>\$383,559</u></u>

Statement D

District Attorney of the Fifth Judicial District
 Parishes of Franklin, Richland, and West Carroll, Louisiana
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended December 31, 2006

Major Funds....		
	<u>General</u>	<u>IV-D</u>	<u>Total</u>
REVENUES			
Intergovernmental revenues:			
Federal grants		\$175,223	\$175,223
Local grants	\$3,000		3,000
Commissions on fines and forfeitures	329,065		329,065
Use of money and property - interest earnings	7,244	1,258	8,502
Total revenues	<u>339,309</u>	<u>176,481</u>	<u>515,790</u>
EXPENDITURES			
Current:			
Judicial:			
Personal services and related benefits	274,263	145,489	419,752
Operating services	11,126	16,842	27,968
Materials and supplies	6,211	3,512	9,723
Travel and other charges	30,499	1,532	32,031
Debt service	4,203		4,203
Capital outlay		3,213	3,213
Total expenditures	<u>326,302</u>	<u>170,588</u>	<u>496,890</u>
EXCESS OF REVENUES OVER EXPENDITURES	13,007	5,893	18,900
FUND BALANCES - BEGINNING	<u>285,625</u>	<u>62,903</u>	<u>348,528</u>
FUND BALANCES - ENDING	<u>\$298,632</u>	<u>\$68,796</u>	<u>\$367,428</u>

See accompanying notes to basic financial statements.

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

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

For the Year Ended December 31, 2006

Total net change in fund balances - governmental funds (Statement D)	\$18,900
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	(66)
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	<u>3,790</u>
Change in net assets of governmental activities (Statement B)	<u><u>\$22,624</u></u>

District Attorney of the Fifth Judicial District
 Parishes of Franklin, Richland, and West Carroll, Louisiana

Statement of Fiduciary Net Assets - Agency Fund

December 31, 2006

	<u>SPECIAL ASSET FORFEITURE</u>	<u>WORTHLESS CHECK FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	<u>\$22,091</u>	<u>\$6,279</u>	<u>\$28,370</u>
LIABILITIES			
Deposits due others	<u>\$22,091</u>	<u>\$6,279</u>	<u>\$28,370</u>

District Attorney of the Fifth Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the district attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury. He performs other duties as provided by law. The district attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the Parishes of Franklin, Richland, and West Carroll, Louisiana.

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

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Richland Parish Police Jury is the financial reporting entity for Richland Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the district attorney to impose its will on that organization and/or

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the district attorney.
2. Organizations for which the district attorney does not appoint a voting majority but are fiscally dependent on the district attorney.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the district attorney's office is located and provides partial funding for equipment, furniture and supplies of the district attorney's office, the district attorney was determined to be a component unit of the Richland 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 Richland Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

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

The district attorney reports the following major governmental funds:

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

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

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

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

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

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

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

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

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

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

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

DISTRICT ATTORNEY OF THE
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Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

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

Governmental Fund Type

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

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

Special Revenue Funds

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

Fiduciary Fund Type - Agency Fund

The agency worthless check fund is used as a depository for partial payments on the collection of worthless checks. Disbursements are made to merchants and to the sheriff's office when full amount is collected. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The Special Asset Forfeiture Agency Fund accounts for all transactions involving money seized during controlled substance cases, sale of property seized during controlled substance cases and later declared forfeited by the courts, and the distribution of the above funds in accordance with Louisiana Revised Statute 40:2616. The fund was created by the Seizure and Controlled Dangerous Substance Property Forfeiture Act of 1989 and became effective January 1, 1990.

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

2. Modified Accrual:

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

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

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

Revenues

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

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

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

Expenditures

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

E. CAPITAL ASSETS

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

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

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

F. VACATION AND SICK LEAVE

All employees are entitled to two weeks of non-cumulative vacation leave and seven days of non-cumulative sick leave each year. Unused vacation and sick leave cannot be carried

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

forward to the succeeding year. At December 31, 2006, there are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure.

G. RISK MANAGEMENT

The district attorney is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the district attorney maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2006.

H. CASH AND CASH EQUIVALENTS

Under state law, the district attorney may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district attorney may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2006, the district attorney has cash and cash equivalents (book balances) totaling \$367,757.

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. Deposit balances (bank balances) at December 31, 2006, total \$380,790 and are fully secured by federal deposit insurance and pledged securities.

2. RECEIVABLES

The following is a summary of receivables at December 31, 2006:

	General Fund	Title IV-D Special Revenue Fund	Total
Intergovernmental revenues: Federal - Department of Health and Human Services		\$29,719	\$29,719
Fees, charges and commissions, etc.	\$9,375		9,375
Total	<u>\$9,375</u>	<u>\$29,719</u>	<u>\$39,094</u>

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

3. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

Balance, January 1, 2006	\$106,240
Additions	3,213
Deletions	<u>NONE</u>
Balance at December 31, 2006	109,453
Less accumulated depreciation	<u>(87,601)</u>
Net capital assets	<u>\$21,852</u>

4. PENSION PLAN

The district attorney and assistant district attorneys of the Fifth Judicial District are members of the Louisiana District Attorneys Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Assistant district attorneys who earn, as a minimum, the amount paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3 percent 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 percent 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 percent benefit reduction for each year retiring below age 62. The retirement benefit is equal to 3 percent of the members' average final compensation multiplied by the number of years of his membership service, not to exceed 100 percent 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. The normal retirement benefit is equal to 3.5 percent of the members' final average compensation multiplied by years of membership service. A member is eligible for early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced by 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100 percent of average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT

Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

The system issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana District Attorneys Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116-2091, or by calling (504) 947-5551.

Plan members are required by state statute to contribute 7.0 per cent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate. The current rate is 3.5 per cent of annual covered payroll. Contributions to the system include .2 per cent of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated 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 Louisiana Revised Statute 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 Fifth Judicial Districts' contributions to the System for the years ending December 31, 2006, 2005, and 2004, were \$8,408 and \$8,629, and \$3,319 respectively, equal to the required contributions for the year.

5. LEASES

The district attorney's office records items under capital leases as an asset and an obligation in the accompanying financial statements. Capital leases at December 31, 2006, is comprised of a lease-purchase agreement for the purchase of a 2004 Chevrolet Impala, entered into on June 4, 2004, due in 48 monthly installments of \$350.27 through May, 2008, with an interest rate of 5.3 per cent per annum.

The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments, as of December 31, 2006:

<u>Year</u>	<u>Payments</u>
2006	\$4,203
2008	<u>1,752</u>
Total minimum lease payments	5,955
Less - amount representing interest	<u>(234)</u>
Present value of net minimum lease payments	<u><u>\$5,721</u></u>

6. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligation transactions for the year ended December 31, 2006:

DISTRICT ATTORNEY OF THE
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Parishes of Franklin, Richland, and West Carroll, Louisiana
Notes to the Financial Statements (Continued)

Long-term obligations at January 1, 2006	\$9,511
Additions	NONE
Deductions	<u>(3,790)</u>
Long-term obligations at December 31, 2006	<u>\$5,721</u>

7. CHANGES IN AGENCY FUND BALANCES

A summary of changes in unsettled deposits due to others for the year ended December 31, 2006, follows:

Balance, January 1, 2006	\$11,557
Additions	422,388
Deductions	<u>(405,575)</u>
Balance, December 31, 2006	<u>\$28,370</u>

8. LITIGATION AND CLAIMS

At December 31, 2006, the district attorney is not involved in any litigation, nor is he aware of any unasserted claims.

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

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

Required Supplemental Information (Part II)

District Attorney for the 5th Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2006

	<u>Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues			
Local grants	\$3,000	\$3,000	
Commissions on fines and forfeitures	283,000	329,065	\$46,065
Use of money and property - interest earnings	3,500	7,244	3,744
Total revenues	<u>289,500</u>	<u>339,309</u>	<u>49,809</u>
Expenditures			
Current:			
Judicial:			
Personal services and related benefits	285,000	274,263	10,737
Operating services	25,000	11,126	13,874
Materials and supplies	5,000	6,211	(1,211)
Travel and other charges	20,000	30,499	(10,499)
Debt Service		4,203	(4,203)
Capital outlay	5,000		5,000
Total expenditures	<u>340,000</u>	<u>326,302</u>	<u>13,698</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(50,500)</u>	<u>13,007</u>	<u>63,507</u>
Fund Balance - Beginning	<u>290,913</u>	<u>285,625</u>	<u>(5,288)</u>
Fund Balance - Ending	<u>\$240,413</u>	<u>\$298,632</u>	<u>\$58,219</u>

(Continued)

District Attorney for the 5th Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana

Budgetary Comparison Schedule
IV-D Fund
For the Year Ended December 31, 2006

	Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues			
Intergovernmental revenues - Federal	\$183,260	\$175,223	(\$8,037)
Use of money and property - interest earned	50	1,258	1,208
Total revenues	<u>183,310</u>	<u>176,481</u>	<u>(6,829)</u>
Expenditures			
Current:			
Judicial:			
Personal services and related benefits	156,304	145,489	10,815
Operating services	5,014	16,842	(11,828)
Materials and supplies	2,400	3,512	(1,112)
Travel and other charges	3,488	1,532	1,956
Capital outlay	16,054	3,213	12,841
Total expenditures	<u>183,260</u>	<u>170,588</u>	<u>12,672</u>
Excess (Deficiency) of Revenues over Expenditures	<u>50</u>	<u>5,893</u>	<u>(5,843)</u>
Fund Balance - Beginning	<u>60,209</u>	<u>62,903</u>	<u>2,694</u>
Fund Balance - Ending	<u>\$60,259</u>	<u>\$68,796</u>	<u>\$8,537</u>

(Concluded)

**District Attorney for the 5th Judicial District
Parishes of Franklin, Richland, and West Carroll, Louisiana**

**Required Supplementary Information
Budgetary Comparison Schedules for Major Funds
For the Year Ended December 31, 2006**

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

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget. There were not budget amendments.

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

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

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

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

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

HONORABLE WILLIAM R. COENEN, JR
DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland,
And West Carroll, Louisiana

I have audited the basic financial statements of the District Attorney of the Fifth Judicial District as of and for the year ended December 31, 2006, and have issued my report thereon dated June 26, 2007. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered District Attorney of the Fifth Judicial District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Fifth Judicial District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the District Attorney of the Fifth Judicial District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District Attorney of the Fifth Judicial District's financial statements that is more than inconsequential will not be prevented or detected by the District Attorney of the Fifth Judicial District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District Attorney of the Fifth Judicial District's internal control.

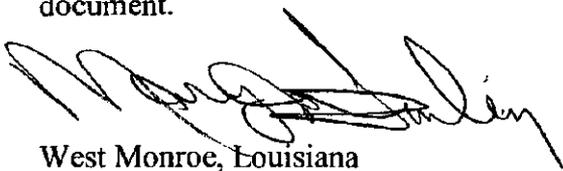
DISTRICT ATTORNEY OF THE
FIFTH JUDICIAL DISTRICT
Parishes of Franklin, Richland,
And West Carroll, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 2006

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the District Attorney of the Fifth Judicial District, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana
June 26, 2007

DISTRICT ATTORNEY OF THE FIFTH
JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2006

A. SUMMARY OF AUDIT RESULTS

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

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

DISTRICT ATTORNEY OF THE FIFTH
JUDICIAL DISTRICT
Parishes of Franklin, Richland, and West Carroll, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2006

There were no audit findings reported in the audit for the year ended December 31, 2005.