

**DISTRICT ATTORNEY  
OF THE ELEVENTH JUDICIAL DISTRICT  
MANY, LOUISIANA**

**ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2016**

District Attorney of the Eleventh Judicial District  
 Financial Report  
 December 31, 2016

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District Attorney of the Eleventh Judicial District  
Financial Report  
December 31, 2016

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District Attorney of the Eleventh Judicial District  
P. O. Box 1557  
Many, Louisiana 71449

**Management's Discussion and Analysis (MD&A)**

This section of the District Attorney of the Eleventh Judicial District's (hereafter referred to as the District Attorney) annual financial report presents an overview and analysis of the District Attorney's financial activities for the year ended December 31, 2016. The intent of the MD&A is to look at the District Attorney's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the District Attorney's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District Attorney as a whole and present a long-term view of the District Attorney's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the District Attorney's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as "net position". Over time, increases or decreases in the District Attorney's net position may serve as a useful indicator of whether the financial position of the District Attorney is improving or deteriorating.
- The Statement of Activities presents information showing how the District Attorney's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the District Attorney are financed through governmental funds. 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District Attorney conducts its day-to-day operations through a governmental fund, the General Fund. There are also three special revenue funds, the Title IV-D, the Sales Tax and Worthless Check Funds. The District Attorney also maintains one fiduciary fund, the Asset Forfeiture Fund. The Fiduciary Fund is simply a fund held for other parties and cannot be used for any of the District Attorney's activities, they are not included in the government-wide statements, but are separately reported in the statement of the Fiduciary Funds. These statements provide a short-term view of the District Attorney's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District Attorney.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

|  | <u>2016</u>        | <u>2015</u>        |
|--|--------------------|--------------------|
| ASSETS:  |                    |                    |
| Current and Other Assets                           | \$1,196,105        | \$1,321,943        |
| Capital Assets, Net of<br>Accumulated Depreciation | <u>336,715</u>     | <u>375,550</u>     |
| Total Assets                                       | <u>\$1,532,820</u> | <u>\$1,697,493</u> |
| DEFERRED OUTFLOWS OF RESOURCES:                    | <u>\$ 264,114</u>  | <u>\$ 97,367</u>   |
| LIABILITIES:                                       |                    |                    |
| Current-<br>Payables                               | \$ 41,884          | \$ 42,514          |
| Noncurrent-<br>Net Pension Liability               | <u>197,506</u>     | <u>30,380</u>      |
| Total Liabilities                                  | <u>\$ 239,390</u>  | <u>\$ 72,894</u>   |
| DEFERRED INFLOWS OF RESOURCES:                     | <u>\$ 62,114</u>   | <u>\$ 55,606</u>   |
| NET POSITION:                                      |                    |                    |
| Net Investment in Capital Assets<br>Unrestricted   | \$ 336,715         | \$ 375,550         |
|  | <u>1,158,715</u>   | <u>1,290,810</u>   |
| Total Net Position                                 | <u>\$1,495,430</u> | <u>\$1,666,360</u> |

## Summary of Statement of Activities

|                                    | <u>2016</u>         | <u>2015</u>         |
|------------------------------------|---------------------|---------------------|
| REVENUES:                          |                     |                     |
| Operating Grants                   | \$ 333,209          | \$ 302,443          |
| Fees, Fines & Charges for Services | 161,686             | 159,984             |
| Taxes-                             |                     |                     |
| Sales & Use                        | 404,215             | 422,601             |
| Non-Employer Pension Revenue       | 27,856              | 25,944              |
| Interest & Miscellaneous           | <u>1,410</u>        | <u>1,148</u>        |
| Total Revenues                     | <u>\$ 928,376</u>   | <u>\$ 912,120</u>   |
| EXPENSES:                          |                     |                     |
| Governmental Activities-           |                     |                     |
| Judicial-                          |                     |                     |
| Personnel Services                 | \$ 821,889          | \$ 740,602          |
| Operating Expenses                 | <u>277,417</u>      | <u>300,280</u>      |
| Total Expenses                     | <u>\$1,099,306</u>  | <u>\$1,040,882</u>  |
| Change in Net Position             | <u>\$ (170,930)</u> | <u>\$ (128,762)</u> |

- The District Attorney's assets exceeded its liabilities by \$1,495,430 (net position) for the year. For the prior year this was \$1,666,360.
- Unrestricted net position of \$1,158,715 represents the portion available to maintain the District Attorney's obligation to both citizens and creditors. For the prior year, this was \$1,290,810, a decrease of \$132,095 for the year.

#### General Fund Budgetary Highlights

There were amendments made to the budgets for all the funds in order to be in compliance with the Local Government Budget Act. In all the funds, actual revenues and expenditures were within the 5% variance allowed.

#### Economic Factors and Next Year's Budget

Revenues received by the District Attorney continue to be sufficient to maintain the normal day-to-day operational needs of the office. The District Attorney considers many factors when setting the budget for fiscal year 2017, including increasing personnel costs associated with insurance and retirement.

#### Contacting the District Attorney

This financial report is designed to provide our citizens and creditors with a general overview of the District Attorney's finances and to show the District Attorney's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Don Burkett, District Attorney of the Eleventh Judicial District at P. O. Box 1557, Many, Louisiana 71449.

# Johnson, Thomas & Cunningham

## Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
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### INDEPENDENT AUDITOR'S REPORT

To the Honorable Don Burkett, District Attorney  
Eleventh Judicial District  
P. O. Box 1557  
Many, LA 71449

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the District Attorney of the Eleventh Judicial District of Louisiana (District Attorney) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

Our responsibility is to express an opinion 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 and the *Louisiana Governmental Audit Guide*. 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.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the District Attorney as of December 31, 2016, 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, the Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, and Schedule of Employer Contributions as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and 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.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer listed as required supplementary information in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

We have applied certain limited procedures to the Management's Discussion and Analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District Attorney's financial statements.

The Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, and Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Other Reporting Required by Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2017, 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, 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 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.

Johnson, Thomas & Cunningham, CPA's  
Johnson, Thomas & Cunningham, CPA's

June 22, 2017  
Natchitoches, Louisiana

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

District Attorney of the Eleventh Judicial District  
Statement of Net Position  
December 31, 2016

ASSETS:

|                          |                    |
|--------------------------|--------------------|
| Current Assets-          |                    |
| Cash & Cash Equivalents  | \$1,084,311        |
| Revenue Receivable       | 90,884             |
| Prepaid Expenses         | <u>20,785</u>      |
| Total Current Assets     | <u>\$1,195,980</u> |
| Non-current Assets-      |                    |
| Capital Assets (Net)     | \$ 336,715         |
| Other Assets             | <u>125</u>         |
| Total Non-current Assets | <u>\$ 336,840</u>  |
| Total Assets             | <u>\$1,532,820</u> |

DEFERRED OUTFLOWS OF RESOURCES: \$ 264,114

LIABILITIES:

|                           |                   |
|---------------------------|-------------------|
| Current Liabilities-      |                   |
| Accounts Payable          | \$ 15,410         |
| Accrued Expenses          | <u>26,474</u>     |
| Total Current Liabilities | \$ 41,884         |
| Noncurrent Liabilities-   |                   |
| Net Pension Liability     | <u>\$ 197,506</u> |
| Total Liabilities         | <u>\$ 239,390</u> |

DEFERRED INFLOWS OF RESOURCES: \$ 62,114

NET POSITION:

|                                  |                    |
|----------------------------------|--------------------|
| Net Investment in Capital Assets | \$ 336,715         |
| Unrestricted                     | <u>1,158,715</u>   |
| Total Net Position               | <u>\$1,495,430</u> |

The accompanying notes are an integral part of this statement.

District Attorney of the Eleventh Judicial District  
Statement of Activities  
December 31, 2016

| <u>Activities</u>                | <u>Expenses</u>    | <u>Program Revenues</u>                             |   |   | <u>Net (Expenses)<br/>Revenues and Changes<br/>in Net Position<br/>Governmental Activities</u> |
|----------------------------------|--------------------|---|---|---|--|
|                                  |                    | <u>Fees, Fines<br/>and Charges<br/>for Services</u> | <u>Operating Grants<br/>and<br/>Contributions</u> | <u>Capital Grants<br/>and<br/>Contributions</u> |  |
| Governmental Activities:         |                    |   |   |   |  |
| Judicial-                        |                    |   |   |   |  |
| Personnel Services               | \$ 821,889         | \$161,686   | \$ 0  | \$0   | \$ (660,203)   |
| Operating Expenses               | 201,710            | 0   | 333,209   | 0   | 131,499  |
| Materials & Supplies             | 54,284             | 0   | 0   | 0   | (54,284)   |
| Travel & Other Charges           | <u>21,423</u>      | <u>0</u>  | <u>0</u>  | <u>0</u>  | <u>(21,423)</u>  |
| Total Governmental<br>Activities | <u>\$1,099,306</u> | <u>\$161,686</u>                                    | <u>\$333,209</u>                                  | <u>\$0</u>                                      | <u>\$ (604,411)</u>  |
| General Revenues:                |                    |   |   |   |  |
| Taxes-                           |                    |   |   |   |  |
| Sales & Use                      |                    |   |   |   | \$ 404,215   |
| Non-employer Pension Revenue     |                    |   |   |   | 27,856   |
| Interest & Miscellaneous         |                    |   |   |   | <u>1,410</u>   |
| Total General Revenues           |                    |   |   |   | <u>\$ 433,481</u>  |
| Change in Net Position           |                    |   |   |   | \$ (170,930)   |
| Net Position January 1, 2016     |                    |   |   |   | <u>1,666,360</u>   |
| Net Position December 31, 2016   |                    |   |   |   | <u>\$1,495,430</u>   |

The accompanying notes are an integral part of this statement.

## FUND FINANCIAL STATEMENTS

District Attorney of the Eleventh Judicial District  
Balance Sheet-Governmental Funds  
December 31, 2016

|                                       | Major Funds      |                    |                   | Non-Major<br>Fund       |                    |
|---------------------------------------|------------------|--------------------|-------------------|-------------------------|--------------------|
|                                       | General<br>Fund  | Title<br>IV-D Fund | Sales Tax<br>Fund | Worthless<br>Check Fund | Total              |
| Assets:                               |                  |                    |                   |                         |                    |
| Cash & Cash Equivalents               | \$234,751        | \$28,095           | \$813,279         | \$8,186                 | \$1,084,311        |
| Revenue Receivable                    | 25,638           | 23,800             | 41,446            | 0                       | 90,884             |
| Prepaid Expenses                      | 20,785           | 0                  | 0                 | 0                       | 20,785             |
| Other Assets                          | <u>0</u>         | <u>0</u>           | <u>125</u>        | <u>0</u>                | <u>125</u>         |
| Total Assets                          | <u>\$281,174</u> | <u>\$51,895</u>    | <u>\$854,850</u>  | <u>\$8,186</u>          | <u>\$1,196,105</u> |
| Liabilities:                          |                  |                    |                   |                         |                    |
| Accounts Payable                      | \$ 15,076        | \$ 334             | \$ 0              | \$ 0                    | \$ 15,410          |
| Accrued Expenses                      | <u>15,621</u>    | <u>10,853</u>      | <u>0</u>          | <u>0</u>                | <u>26,474</u>      |
| Total Liabilities                     | <u>\$ 30,697</u> | <u>\$11,187</u>    | <u>\$ 0</u>       | <u>\$ 0</u>             | <u>\$ 41,884</u>   |
| Fund Balance:                         |                  |                    |                   |                         |                    |
| Nonspendable:                         |                  |                    |                   |                         |                    |
| Prepaid Expenses                      | \$ 20,785        | \$ 0               | \$ 0              | \$ 0                    | \$ 20,785          |
| Utility Deposit                       | 0                | 0                  | 125               | 0                       | 125                |
| Restricted for:                       |                  |                    |                   |                         |                    |
| Support Obligation                    | 0                | 40,708             | 0                 | 0                       | 40,708             |
| Special Purposes-Operations           | 0                | 0                  | 854,725           | 8,186                   | 862,911            |
| Unassigned                            | <u>229,692</u>   | <u>0</u>           | <u>0</u>          | <u>0</u>                | <u>229,692</u>     |
| Total Fund Balances                   | <u>\$250,477</u> | <u>\$40,708</u>    | <u>\$854,850</u>  | <u>\$8,186</u>          | <u>\$1,154,221</u> |
| Total Liabilities and<br>Fund Balance | <u>\$281,174</u> | <u>\$51,895</u>    | <u>\$854,850</u>  | <u>\$8,186</u>          | <u>\$1,196,105</u> |

The accompanying notes are an integral part of this statement.



District Attorney of the Eleventh Judicial District  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
December 31, 2016

|  |                    |
|--|--------------------|
| Total Fund Balance for the Governmental Funds<br>at December 31, 2016  | \$1,154,221        |
| Total Net Position reported for Governmental Activities<br>in the Statement of Net Position is different because:  |                    |
| Capital Assets used in Governmental Activities are not<br>financial resources and, therefore, are not reported<br>in the fund. Those assets consist of:                      |                    |
| Capital Assets,<br>Net of Accumulated Depreciation   | 336,715            |
| Deferred Outflows of Resources used in Governmental Activities<br>are not financial resources and, therefore, are not represented in<br>the Governmental Fund Balance Sheet- | 264,114            |
| Long-term Liabilities are not due and payable in the current period<br>and, therefore, are not reported in the Governmental Fund<br>Balance Sheet-                           |                    |
| Net Pension Liability  | (197,506)          |
| Deferred Inflows of Resources are not due and payable in the<br>current period and, therefore, are not reported in the<br>Governmental Fund Balance Sheet-                   | <u>(62,114)</u>    |
| Total Net Position of Governmental Activities<br>at December 31, 2016  | <u>\$1,495,430</u> |

The accompanying notes are an integral part of this statement.

District Attorney of the Eleventh Judicial District  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended December 31, 2016

|  | Major Funds        |                    |                     | Non-Major<br>Fund       | Total               |
|--|--------------------|--------------------|---------------------|-------------------------|---------------------|
|  | General<br>Fund    | Title<br>IV-D Fund | Sales Tax<br>Fund   | Worthless<br>Check Fund |                     |
| REVENUES:  |                    |                    |                     |                         |                     |
| Taxes-   |                    |                    |                     |                         |                     |
| Sales & Use  | \$ 0               | \$ 0               | \$ 404,215          | \$ 0                    | \$ 404,215          |
| Charges for Services   | 154,652            | 0                  | 0                   | 7,034                   | 161,686             |
| Intergovernmental-   |                    |                    |                     |                         |                     |
| Federal Grants   | 0                  | 274,256            | 0                   | 0                       | 274,256             |
| State Grants   | 58,953             | 0                  | 0                   | 0                       | 58,953              |
| Miscellaneous  | <u>1,404</u>       | <u>0</u>           | <u>0</u>            | <u>6</u>                | <u>1,410</u>        |
| Total Revenues   | <u>\$ 215,009</u>  | <u>\$274,256</u>   | <u>\$ 404,215</u>   | <u>\$7,040</u>          | <u>\$ 900,520</u>   |
| EXPENDITURES:  |                    |                    |                     |                         |                     |
| Current-   |                    |                    |                     |                         |                     |
| General Government-  |                    |                    |                     |                         |                     |
| Personnel Services &<br>Related Benefits   | \$ 530,226         | \$256,920          | \$ 0                | \$ 0                    | \$ 787,146          |
| Operating Expenses   | 151,152            | 2,413              | 0                   | 194                     | 153,759             |
| Materials & Supplies   | 50,944             | 3,340              | 0                   | 0                       | 54,284              |
| Travel & Other Charges   | 15,865             | 5,558              | 0                   | 0                       | 21,423              |
| Capital Expenditures   | <u>9,116</u>       | <u>0</u>           | <u>0</u>            | <u>0</u>                | <u>9,116</u>        |
| Total Expenditures   | <u>\$ 757,303</u>  | <u>\$268,231</u>   | <u>\$ 0</u>         | <u>\$ 194</u>           | <u>\$1,025,728</u>  |
| Excess (Deficiency) of Revenues<br>over Expenditures                                     | <u>\$(542,294)</u> | <u>\$ 6,025</u>    | <u>\$ 404,215</u>   | <u>\$6,846</u>          | <u>\$ (125,208)</u> |
| OTHER FINANCING  |                    |                    |                     |                         |                     |
| SOURCES (USES):  |                    |                    |                     |                         |                     |
| Operating Transfers In   | \$ 600,000         | \$ 0               | \$ 0                | \$ 0                    | \$ 600,000          |
| Operating Transfers Out  | <u>0</u>           | <u>0</u>           | <u>(600,000)</u>    | <u>0</u>                | <u>(600,000)</u>    |
| Total Other Financing<br>Sources (Uses)  | <u>\$ 600,000</u>  | <u>\$ 0</u>        | <u>\$ (600,000)</u> | <u>\$ 0</u>             | <u>\$ 0</u>         |
| Excess (Deficiency) of Revenues<br>and Other Sources over<br>Expenditures and Other Uses | \$ 57,706          | \$ 6,025           | \$ (195,785)        | \$6,846                 | \$ (125,208)        |
| Fund Balances-Beginning of Year  | <u>192,771</u>     | <u>34,683</u>      | <u>1,050,635</u>    | <u>1,340</u>            | <u>1,279,429</u>    |
| Fund Balances-End of Year  | <u>\$ 250,477</u>  | <u>\$ 40,708</u>   | <u>\$ 854,850</u>   | <u>\$8,186</u>          | <u>\$1,154,221</u>  |

The accompanying notes are an integral part of this statement.

District Attorney of the Eleventh Judicial District  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of the Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2016

Net Change in Fund Balances-Governmental Funds \$(125,208)

The Change in Net Position reported for Governmental Activities  
in the Statement of Activities is different because:

Governmental Funds report Capital Outlays as expenditures.  
However, in the Statement of Activities, the cost of these  
assets is allocated over their estimated useful lives as  
depreciation expense.

The cost of capital assets recorded in the current period is 9,116

Depreciation Expense on Capital Assets is reported in the  
Government-wide Financial Statements, but does not  
require the use of current financial resources and is not  
reported in the Fund Financial Statements.

Current year depreciation expense is (47,951)

Some Revenues reported in the Statement of Activities do not  
provide current financial resources and these are not reported  
in governmental funds. Some expenses reported in the  
Statement of Activities do not require the use of current  
financial resources and, therefore, are not reported as  
expenditures in governmental fund. These timing  
differences are summarized below:

|                              |                 |
|------------------------------|-----------------|
| Non-employer Pension Revenue | 27,856          |
| Pension Expense              | <u>(34,743)</u> |

Total changes in Net Position at December 31, 2016,  
per Statement of Activities \$(170,930)

The accompanying notes are an integral part of this statement.

District Attorney of the Eleventh Judicial District  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Fund  
December 31, 2016

|                          | Asset Forfeiture<br><u>Fund</u> |
|--------------------------|---------------------------------|
| ASSETS:                  |                                 |
| Cash                     | <u>\$10,675</u>                 |
| LIABILITIES:             |                                 |
| Due to Other Governments | <u>\$10,675</u>                 |

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

District Attorney of the Eleventh Judicial District  
Notes to Financial Statements  
December 31, 2016

Introduction:

The Eleventh Judicial District is comprised of the parish of Sabine, Louisiana. As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of criminal prosecution by the State in his district, is the representative of the State before the grand jury in his district, and is legal advisor to the grand jury. The District Attorney 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.

1. Summary of Significant Accounting Policies:

A. Reporting Entity-

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. For financial reporting purposes, in conformance with GASB Statement No. 14, the District Attorney of the Eleventh Judicial District includes all funds that are within the oversight responsibility of the District Attorney. Oversight responsibility is determined on the basis of appointment of governing organization's relationship with the primary government. Based on consideration of the foregoing criteria, the District Attorney is deemed to be a separate reporting entity. Certain units of local government over which the District Attorney exercises no oversight responsibility, such as the parish police juries, parish school boards, other independently-elected officials, and municipalities within the parishes, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the District Attorney.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity except for the fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities generally are financed through fees and charges, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District Attorney's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

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C. Fund Accounting-

The accounts of the District Attorney are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District Attorney maintains five funds. They are categorized as governmental funds and a fiduciary fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. The District Attorney considers all governmental funds to be major funds, except the Worthless Check Fund.

The funds of the District Attorney are described below:

Governmental Funds

Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the District Attorney include:

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that a percentage 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 that are legally restricted to expenditures for specified purposes.

Title IV-D

The Title IV-D Fund accounts for receipt and expenditure of federal reimbursement grants passed through 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 program 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.

Sales Tax Fund

The Sales Tax Fund accounts for the collection of 1/8% sales and use tax used for the operations of the District Attorney.

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Worthless Check

The Worthless Check Collection Fee Fund accounts for revenues derived from the 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 to supplement the salary of the District Attorney.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District Attorney in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the District Attorney, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District Attorney's office as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are 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 collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.



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E. Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and cash equivalents include all interest-bearing and demand accounts of the District Attorney.

F. Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. 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. The District Attorney maintains a threshold level of \$1,000 or more for capitalizing assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of useful lives by type of asset is as follows:

|                                    |             |
|------------------------------------|-------------|
| Building and Building Improvements | 10-40 years |
| Furniture, Fixtures & Equipment    | 5 years     |
| Vehicles                           | 5 years     |

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

G. Equity Classifications-

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

- a. Net investment in capital assets - consists of the capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - all other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

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

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

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$229,692. If applicable, the District Attorney would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

#### H. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, 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 statement and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

#### I. Budget-

Prior to the beginning of each fiscal year, the District Attorney adopts a budget for the next fiscal year for its general and all special revenue funds. The budgets are open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budgets are prepared on the modified accrual basis of accounting.

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J. Pensions-

For purposes of measuring the Net Pension Liability, Deferred Outflows or Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net positions of the District Attorney's Retirement System of Louisiana and the Parochial Employees' Retirement System of Louisiana and additions to/deductions from the Systems' fiduciary net positions have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. Deferred Outflows/Inflows of Resources-

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

2. Cash and Cash Equivalents:

The cash and cash equivalents of the District Attorney are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District Attorney will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District Attorney that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District Attorney's name.

*Interest Rate Risk.* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is its fair value to changes in market interest rates. The District Attorney does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the District Attorney diversifies its investments by security type and institution.

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Cash and investments are held separately by each of the District Attorney's funds. At December 31, 2016, cash and investments totaled \$1,094,986 (book balances). Bank account and investment balances at December 31, 2016, totaled \$1,115,415. Of this amount, \$367,655 was insured by federal depository insurance and \$223,011 was secured by government and pledged securities.

Cash and cash equivalents held at December 31, 2015 include \$524,749 invested with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities 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. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP is rated AAA by Standard & Poors.

3. Compensated Absences:

Full-time employees earn ten days of vacation and sick leave annually. Vacation and sick leave may not be accumulated and there are no vesting privileges. Therefore, no accrual is made for compensated absences payable.

4. Interfund Transactions:

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds. Transfers are primarily used to move operation monies to and from various funds. Interfund operating transfers are summarized as follows:

|                        | <u>Operating<br/>Transfers In</u> | <u>Operating<br/>Transfer Out</u> |
|------------------------|-----------------------------------|-----------------------------------|
| General Fund           | \$600,000                         | \$ 0                              |
| Special Revenue Funds- |                                   |                                   |
| Sales Tax              | <u>0</u>                          | <u>600,000</u>                    |
| Total                  | <u>\$600,000</u>                  | <u>\$600,000</u>                  |

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5. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2016, is as follows:

| <u>Governmental Activities</u> | <u>Balance</u><br><u>1-1-16</u> | <u>Additions</u>  | <u>Deletions</u> | <u>Balance</u><br><u>12-31-16</u> |
|--------------------------------|---------------------------------|-------------------|------------------|-----------------------------------|
| Capital Assets Depreciated:    |                                 |                   |                  |                                   |
| Buildings & Improvements       | \$901,033                       | \$ 5,886          | \$0              | \$906,919                         |
| Vehicles                       | 14,629                          | 0                 | 0                | 14,629                            |
| Office Furniture, Equipment    | <u>38,671</u>                   | <u>3,230</u>      | <u>0</u>         | <u>41,901</u>                     |
| Total Assets                   | <u>\$954,333</u>                | <u>\$ 9,116</u>   | <u>\$0</u>       | <u>\$963,449</u>                  |
| Accumulated Depreciation:      |                                 |                   |                  |                                   |
| Buildings & Improvements       | \$532,830                       | \$ 44,747         | \$0              | \$577,577                         |
| Vehicles                       | 14,629                          | 0                 | 0                | 14,629                            |
| Office Furniture, Equipment    | <u>31,324</u>                   | <u>3,204</u>      | <u>0</u>         | <u>34,528</u>                     |
| Total Depreciation             | <u>\$578,783</u>                | <u>\$ 47,951</u>  | <u>\$0</u>       | <u>\$626,734</u>                  |
| Net Capital Assets             | <u>\$375,550</u>                | <u>\$(38,835)</u> | <u>\$0</u>       | <u>\$336,715</u>                  |

Depreciation expense of \$47,951 was charged to the judicial function.

6. Receivables:

The following is a summary of receivables at December 31, 2016:

| <u>Class of Receivable</u> | <u>General</u><br><u>Fund</u> | <u>IV-D</u><br><u>Fund</u> | <u>Sales Tax</u><br><u>Fund</u> | <u>Total</u>    |
|----------------------------|-------------------------------|----------------------------|---------------------------------|-----------------|
| Taxes                      | \$ 0                          | \$ 0                       | \$41,446                        | \$41,446        |
| Charges for Services       | 25,638                        | 0                          | 0                               | 25,638          |
| Intergovernmental Revenues | <u>0</u>                      | <u>23,800</u>              | <u>0</u>                        | <u>23,800</u>   |
| Total                      | <u>\$25,638</u>               | <u>\$23,800</u>            | <u>\$41,446</u>                 | <u>\$90,884</u> |

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7. Pension Plan:

District Attorney's Retirement System (DARS)

*Plan Description*

The Parish Government contributes to the District Attorneys' Retirement System, State of Louisiana, which is a cost-sharing multiple employer defined benefit pension plan. The System was established on the first day of August, nineteen hundred and fifty-six and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

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

*Benefit Provided*

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

**Retirement**

Members who joined the System before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with less than 23 years of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

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

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

#### **Disability Benefits**

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

#### **Survivor's Benefits**

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

#### **Cost-of-Living Increases**

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

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### Deferred Retirement Option Plan

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

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

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

#### *Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2016, the actual employer contribution rate was 7.00%.

In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions were recognized as revenue during the year ended June 30, 2016 and excluded from pension expense.

The District Attorney's contractually required composite contribution rate for the year ended December 31, 2016 was 0% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the District Attorney were \$2,918 for the year ended December 31, 2016.



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

At December 31, 2016, the District Attorney reported a liability of \$52,741 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District Attorney's proportion of the Net Pension Liability was based on a projection of the District Attorney's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the District Attorney's proportion was .275544%, which was an increase of .014892% from its proportion measured as of June 30, 2015.

For the year ended December 31, 2016, the District Attorney recognized pension expense of \$16,532 plus or minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$(1,041).

At December 31, 2016, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience   | \$ 0                              | \$21,246                         |
| Changes in assumption  | 9,948                             | 11,695                           |
| Net difference between projected and actual earnings on pension plan investments             | 40,437                            | 0                                |
| Changes in employer's proportion of beginning net pension liability                          | 2,542                             | 6,166                            |
| Differences between employer contributions and proportionate share of employer contributions | 861                               | 0                                |
| Subsequent Measurement Contributions   | 0                                 | 0                                |
| <b>Total</b>   | <b>\$53,788</b>                   | <b>\$39,107</b>                  |

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

| Year ended December 31: |                 |
|-------------------------|-----------------|
| 2017                    | \$ 2,097        |
| 2018                    | 2,097           |
| 2019                    | 2,097           |
| 2020                    | 2,097           |
| 2021                    | 2,097           |
| 2022                    | 2,097           |
| 2023                    | 2,097           |
| <b>Total</b>            | <b>\$14,679</b> |

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*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 are as follows:

|                            |   |
|----------------------------|---|
| Valuation Date             | June 30, 2016   |
| Actuarial Cost Method      | Entry Age Normal Cost   |
| Actuarial Assumptions:     |   |
| Investment Rate of Return  | 7.00%, net of investment expense  |
| Projected Salary Increases | 5.50% (2.50% Inflation, 3.00% Merit)  |
| Mortality Rates            | RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (set back 1 year for females) projected to 2032 using Scale AA were selected for employees, annuitants, and beneficiaries. RP 2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females) for disable annuitants. |
| Expected Remaining         |   |
| Service Lives              | 7 years   |
| Cost of Living Adjustments | Only those previously granted   |

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The resulting long-term rate of return is 9.04% for the year ended June 30, 2016. The best estimates of arithmetic real rates of return for each major asset class based on the System's target asset allocation as of June 30, 2016 were as follows:

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| <u>Asset Class</u>           | Long-Term<br>Target Asset<br><u>Allocation</u> | Expected Portfolio<br><u>Real Rate of Return</u> |
|------------------------------|--|--|
| Equities                     | 57.70%   | 3.56%  |
| Fixed Income                 | 33.00%   | 2.26%  |
| Alternatives                 | 4.80%  | 0.50%  |
| Real Estate                  | 4.50%  | 0.02%  |
| Totals                       | <u>100.00%</u>                                 | 6.34%  |
| Inflation                    |  | <u>2.70%</u>                                     |
| Expected Real Rate of Return |  | <u>9.04%</u>                                     |

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District Attorney's proportionate share of the Net Pension Liability using the discount rate of 7%, as well as what the District Attorney's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6%) or one percentage-point higher (8%) than the current rate:

|   | 1.0% Decrease<br>(6%) | Current Discount Rate<br>(7%) | 1.0% Increase<br>(8%) |
|---|-----------------------|-------------------------------|-----------------------|
| Employer's proportionate share of net pension liability | \$199,016             | \$52,741                      | \$(35,565)            |

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued District Attorneys' Retirement System of Louisiana Annual Financial Report at [www.la.la.gov](http://www.la.la.gov).

*Payables to the Pension Plan*

These financial statements include a payable to the pension plan of \$1,112, which is the legally required contribution due at December 31, 2016. This amount is recorded in accrued expenses.

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Parochial Employees Retirement System (PERS)

*Plan Description*

The Parish Government contributes to Parochial Employees' Retirement System of Louisiana (System) which is a cost-sharing multiple employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish. Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the "regular plan" and the "supplemental plan". Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. The System is governed by Louisiana Revised Statutes, Title 11, Section 1901 through 2025, specifically, and other general laws of the State of Louisiana. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at [www.persla.org](http://www.persla.org).

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

*Benefits Provided*

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

**Retirement**

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

For employees hired prior to January 1, 2007:

- At any age after 30 or more years of creditable service
- At age 55 after 25 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

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

District Attorney of the Eleventh Judicial District  
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For employees hired prior to January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 60 after 10 years of creditable service
- At age 65 after 7 years of creditable service

For employees hired after January 1, 2007:

- At age 55 after 30 years of creditable service
- At age 62 after 10 years of creditable service
- At age 67 after 7 years of creditable service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Generally, the monthly amount of the retirement allowance of any member of Plan B shall consist of an amount equal to two percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

#### **Survivor's Benefits**

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Plan B members need ten (10) years of service credit to be eligible for survivor benefits. Upon the death of any member of Plan B with twenty (20) or more years of creditable service who is not eligible for normal retirement, the plan provides for an automatic Option 2 benefit for the surviving spouse when he/she reaches age 50 and until remarriage, if the remarriage occurs before age 55.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married no less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

#### **Deferred Retirement Option Plan**

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

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

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

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

#### **Disability Benefits**

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

For Plan B, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and are not eligible for normal retirement and have been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of an amount equal to two percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or an amount equal to what the member's normal benefit would be based on the member's current final compensation but assuming the member remained in continuous service until his earliest normal retirement age.

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### **Cost-of-Living Increases**

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (LA R.S. 11:1937) . Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

#### *Contributions*

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2015, the actuarially determined contribution rate was 10.40% of member's compensation for Plan A and 6.91% of member's compensation for Plan B. However, the actual rate for the fiscal year ending December 31, 2015 was 14.50% for Plan A and 9.00% for Plan B.

According to state statute, the System also receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

The District Attorney's contractually required composite contribution rate for the year ended December 31, 2016 was 13.00% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the District Attorney were \$44,567 for the year ended December 31, 2016.

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

At December 31, 2016, the District Attorney reported a liability of \$144,765 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District Attorney's proportion of the Net Pension Liability was based on a projection of the District Attorney's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2015, the District Attorney's proportion was .054996%, which was a decrease of .004873% from its proportion measured as of December 31, 2014.

District Attorney of the Eleventh Judicial District  
Notes to Financial Statements  
December 31, 2016

For the year ended December 31, 2016, the District Attorney recognized pension expense of \$18,211 minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$176.

At December 31, 2016, the District Attorney reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows of<br>Resources | Deferred Inflows of<br>Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience   | \$ 0                              | \$23,007                         |
| Changes in assumption  | 32,256                            | 0                                |
| Net difference between projected and actual earnings on pension plan investments             | 132,464                           | 0                                |
| Changes in employer's proportion of beginning net pension liability                          | 671                               | 0                                |
| Differences between employer contributions and proportionate share of employer contributions | 369                               | 0                                |
| Subsequent Period Contributions  | 44,566                            |                                  |
| <b>Total</b>   | <b>\$210,326</b>                  | <b>\$23,007</b>                  |

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

| Year ended December 31: |                  |
|-------------------------|------------------|
| 2017                    | \$ 46,830        |
| 2018                    | 46,830           |
| 2019                    | 46,830           |
| 2020                    | 46,830           |
| <b>Total</b>            | <b>\$187,320</b> |

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2016 is as follows:



District Attorney of the Eleventh Judicial District  
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December 31, 2016

|                                  |  |
|----------------------------------|--|
| Valuation Date                   | December 31, 2015  |
| Actuarial Cost Method            | Entry Age Normal   |
| Actuarial Assumptions:           |  |
| Expected Remaining Service Lives | 4 years.   |
| Investment Rate of Return        | 7.00%, net of investment expense, including inflation.<br>2.50% per annum.   |
| Inflation Rate                   | RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Table was selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.   |
| Mortality                        | Experience study performed on plan data for the period January 1, 2010 through December 31, 2014.  |
| Salary Increases                 | 5.25% (2.50% Inflation, 2.75% Merit)   |
| Cost of Living Adjustments       | The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees. |

The discount rate used to measure the total pension liability was 7.00% for Plans A and B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.55% for the year ended December 31, 2015. The best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2015 are summarized in the following table:

District Attorney of the Eleventh Judicial District  
Notes to Financial Statements  
December 31, 2016

| <u>Asset Class</u>                 | <u>Target Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|------------------------------------|--------------------------|---|
| Fixed Income                       | 34%                      | 1.06%   |
| Equity                             | 51%                      | 3.56%   |
| Alternatives                       | 12%                      | 0.74%   |
| Real Assets                        | 3%                       | 0.19%   |
| Total                              | <u>100%</u>              | <u>5.55%</u>                                      |
| Inflation                          |                          | <u>2.00%</u>                                      |
| Expected Arithmetic Nominal Return |                          | <u>7.55%</u>                                      |

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the District Attorney's proportionate share of the Net Pension Liability using the discount rate of 7.00%, as well as what the District Attorney's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

|   | 1.0% Decrease<br>(6.00%) | Current Discount Rate<br>(7.00%) | 1.0% Increase<br>(8.00%) |
|---|--------------------------|----------------------------------|--------------------------|
| Employer's proportionate share of net pension liability | \$362,690                | \$144,765                        | \$(39,407)               |

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued Parochial Employees' Retirement System of Louisiana Annual Financial Report at [www.persla.org](http://www.persla.org).

*Payables to the Pension Plan*

These financial statements include a payable to the pension plan of \$10,469, which is the legally required contribution due at December 31, 2016. This amount is recorded in accrued expenses.

8. Defined Contribution Retirement Plan:

The District Attorney provides a 457b plan to full-time employees that have been employed with the District Attorney for at least three months. Employees may contribute up to \$2,500 annually. The District will match one-half of the employees' contributions. For the year ended December 31, 2016, the District's contribution amount was \$21,357. The District does not guarantee the benefits provided by the defined contribution retirement plan.

District Attorney of the Eleventh Judicial District  
Notes to Financial Statements  
December 31, 2016

9. Changes in Fiduciary Fund – Agency Fund:

The following is a summary of the change in the agency fund's unsettled balance for the year ended December 31, 2016:

| <u>Fund</u>     | <u>Balance<br/>01-01-16</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance<br/>12-31-16</u> |
|-----------------|-----------------------------|------------------|------------------|-----------------------------|
| Forfeiture Fund | <u>\$10,675</u>             | <u>\$0</u>       | <u>\$0</u>       | <u>\$10,675</u>             |

10. Accounts, Salaries and Other Payables

The current liabilities of District Attorney at December 31, 2016, are as follows:

| <u>Class of Payable</u> | <u>General<br/>Fund</u> | <u>Title IV<br/>Fund</u> | <u>Total</u>    |
|-------------------------|-------------------------|--------------------------|-----------------|
| Accounts Payable        | \$15,076                | \$ 334                   | \$15,410        |
| Payroll Liabilities     | <u>15,621</u>           | <u>10,853</u>            | <u>26,474</u>   |
| Totals                  | <u>\$30,697</u>         | <u>\$11,187</u>          | <u>\$41,884</u> |

11. Expenditures of the District Attorney Not Included in the Accompanying Financial Statements:

The accompanying financial statements do not include certain expenditures of the District Attorney paid by the Sabine Parish Police Jury or paid directly by the state. A portion of the salaries of the District Attorney and Assistant District Attorneys are paid directly by the state. The Sabine Parish Police Jury pays certain other expenditures of the District Attorney.

12. Litigation:

The District Attorney of the Eleventh Judicial District is a defendant in various lawsuits filed by inmates. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Eleventh Judicial District Attorney.

13. Federal Financial Assistance Programs:

The District Attorney participates in the United States Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance No. 93.563. This program is funded by indirect assistance payments, in the form of reimbursements of certain expenditures, received from the Louisiana Department of Social Services. For the year ended December 31, 2016, the District Attorney of the Eleventh Judicial District expended \$268,231 in reimbursement payments.

District Attorney of the Eleventh Judicial District  
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The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and include a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis.

The reimbursement payments may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

14. Post-Employment Benefits

The District Attorney does not provide any post-employment benefits; therefore, no disclosure for GASB 45 is required.

15. Subsequent Events:

Management has evaluated events through June 22, 2016, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

District Attorney of the Eleventh Judicial District  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2016

|  | Budget            |                   | Actual            | Variance-<br>Favorable<br>(Unfavorable) |
|--|-------------------|-------------------|-------------------|---|
|  | Original          | Final             |                   |   |
| REVENUES:  |                   |                   |                   |   |
| Charges for Services   | \$ 135,000        | \$ 160,000        | \$ 154,652        | \$ (5,348)                              |
| Intergovernmental-   |                   |                   |                   |   |
| State Grants   | 30,000            | 30,000            | 58,953            | 28,953                                  |
| Miscellaneous  | <u>1,000</u>      | <u>500</u>        | <u>1,404</u>      | <u>904</u>                              |
| Total Revenues   | <u>\$ 166,000</u> | <u>\$ 190,500</u> | <u>\$ 215,009</u> | <u>\$24,509</u>                         |
| EXPENDITURES:  |                   |                   |                   |   |
| Current-   |                   |                   |                   |   |
| General Government-  |                   |                   |                   |   |
| Personnel Services & Benefits  | \$ 525,000        | \$ 535,000        | \$ 530,226        | \$ 4,774                                |
| Operating Expenses   | 175,000           | 165,000           | 151,152           | 13,848                                  |
| Materials & Supplies   | 41,000            | 55,000            | 50,944            | 4,056                                   |
| Travel & Other Charges   | 20,000            | 12,000            | 15,865            | (3,865)                                 |
| Capital Expenditures   | <u>1,000</u>      | <u>0</u>          | <u>9,116</u>      | <u>(9,116)</u>                          |
| Total Expenditures   | <u>\$ 762,000</u> | <u>\$ 767,000</u> | <u>\$ 757,303</u> | <u>\$ 9,697</u>                         |
| Deficiency of Revenues<br>over Expenditures  | \$(596,000)       | \$(576,500)       | \$(542,294)       | \$34,206                                |
| OTHER FINANCING SOURCES/(USES):  |                   |                   |                   |   |
| Operating Transfers In   | <u>520,000</u>    | <u>600,000</u>    | <u>600,000</u>    | <u>0</u>                                |
| Excess (Deficiency) of Revenues and<br>Other Sources over Expenditures<br>and Other Uses | \$ (76,000)       | \$ 23,500         | \$ 57,706         | \$34,206                                |
| Fund Balance-Beginning of Year   | <u>192,771</u>    | <u>192,771</u>    | <u>192,771</u>    | <u>0</u>                                |
| Fund Balance-End of Year   | <u>\$ 116,771</u> | <u>\$ 216,271</u> | <u>\$ 250,477</u> | <u>\$34,206</u>                         |

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

District Attorney of the Eleventh Judicial District  
Title IV-D Fund  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2016

|  | Budget           |                  | Actual           | Variance-<br>Favorable<br>(Unfavorable) |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  |   |
| REVENUES:  |                  |                  |                  |   |
| Intergovernmental-   |                  |                  |                  |   |
| Federal Grants   | <u>\$240,000</u> | <u>\$270,000</u> | <u>\$274,256</u> | <u>\$4,256</u>                          |
| EXPENDITURES:  |                  |                  |                  |   |
| Current-   |                  |                  |                  |   |
| General Government-  |                  |                  |                  |   |
| Personnel Services & Benefits  | \$260,000        | \$260,000        | \$256,920        | \$3,080                                 |
| Operating Expenses   | 4,000            | 3,000            | 2,413            | 587                                     |
| Materials & Supplies   | 4,000            | 3,500            | 3,340            | 160                                     |
| Travel & Other Charges   | <u>2,000</u>     | <u>5,000</u>     | <u>5,558</u>     | <u>(558)</u>                            |
| Total Expenditures   | <u>\$270,000</u> | <u>\$271,500</u> | <u>\$268,231</u> | <u>\$3,269</u>                          |
| Excess (Deficiency) of Revenues<br>over Expenditures                                     | \$ (30,000)      | \$ (1,500)       | \$ 6,025         | \$7,525                                 |
| OTHER FINANCING SOURCES:   |                  |                  |                  |   |
| Operating Transfers Out  | <u>0</u>         | <u>0</u>         | <u>0</u>         | <u>0</u>                                |
| Excess (Deficiency) of Revenues and<br>Other Sources over Expenditures<br>and Other Uses | \$ (30,000)      | \$ (1,500)       | \$ 6,025         | \$7,525                                 |
| Fund Balance-Beginning of Year   | <u>34,683</u>    | <u>34,683</u>    | <u>34,683</u>    | <u>0</u>                                |
| Fund Balance-End of Year   | <u>\$ 4,683</u>  | <u>\$ 33,183</u> | <u>\$ 40,708</u> | <u>\$7,525</u>                          |

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

District Attorney of the Eleventh Judicial District  
Sales Tax Fund  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2016

|   | <u>Budget</u>     |                   | <u>Actual</u>     | Variance-<br>Favorable<br>(Unfavorable) |
|---|-------------------|-------------------|-------------------|---|
|   | <u>Original</u>   | <u>Final</u>      |                   |   |
| REVENUES:   |                   |                   |                   |   |
| Taxes-  |                   |                   |                   |   |
| Sales & Use   | \$ 425,000        | \$ 410,000        | \$ 404,215        | \$(5,785)                               |
| OTHER FINANCING USES:                               |                   |                   |                   |   |
| Operating Transfers Out                             | <u>(500,000)</u>  | <u>(600,000)</u>  | <u>(600,000)</u>  | <u>0</u>                                |
| Deficiency of Revenues<br>over Other Financing Uses | \$ (75,000)       | \$ (190,000)      | \$ (195,785)      | \$(5,785)                               |
| Fund Balance-Beginning of Year                      | <u>1,050,635</u>  | <u>1,050,635</u>  | <u>1,050,635</u>  | <u>0</u>                                |
| Fund Balance-End of Year                            | <u>\$ 975,635</u> | <u>\$ 860,635</u> | <u>\$ 854,850</u> | <u>\$(5,785)</u>                        |

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



District Attorney of the Eleventh Judicial District  
Schedule of Employer's Share of Net Pension Liability  
For the Year Ended December 31, 2016

| <u>Year</u>                                   | <u>Employer's Proportion of the Net Pension Liability (Asset)</u> | <u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u> | <u>Employer's Covered Employee Payroll</u> | <u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u> | <u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u> |
|---|---|--|--|---|--|
| District Attorney's Retirement System (DARS)  |   |  |  |   |  |
| 2015  | 0.260652%   | \$ 14,039  | \$166,750                                  | 8.42%   | 98.56%   |
| 2016  | 0.275544%   | 52,741   | 166,750                                    | 31.63%  | 95.09%   |
| Parochial Employees' Retirement System (PERS) |   |  |  |   |  |
| 2015  | 0.059869%   | \$ 16,341  | \$315,321                                  | 5.18%   | 99.15%   |
| 2016  | 0.054996%   | 144,765  | 342,826                                    | 42.23%  | 99.99%   |

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

District Attorney of the Eleventh Judicial District  
Schedule of Employer's Contributions  
For the Year Ended December 31, 2016

| <u>Year</u>                                   | <u>Contractually<br/>Required<br/>Contributions</u> | <u>Contributions<br/>in Relation to<br/>Contractually<br/>Required Contributions</u> | <u>Contribution<br/>Deficiency (Excess)</u> | <u>Employer's<br/>Covered Payroll</u> | <u>Contributions as<br/>a Percentage of<br/>Covered Employee<br/>Payroll</u> |
|---|---|--|---|---------------------------------------|--|
| District Attorney's Retirement System (DARS)  |   |  |   |                                       |  |
| 2015  | \$ 8,754  | \$ 8,754   | \$0   | \$166,750                             | 5.25%  |
| 2016  | 2,918   | 2,918  | 0   | 166,750                               | 1.75%  |
| Parochial Employees' Retirement System (PERS) |   |  |   |                                       |  |
| 2015  | \$45,722  | \$45,722   | \$0   | \$315,321                             | 14.50%   |
| 2016  | 44,567  | 44,567   | 0   | 342,826                               | 13.00%   |

District Attorney of the Eleventh Judicial District  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2016

Agency Head Name: Don Burkett, District Attorney

| <u>Purpose</u>                      | <u>Amount</u>    |
|-------------------------------------|------------------|
| <u>Paid by the DA's Office:</u>     |                  |
| Salary                              | \$116,250        |
| Benefits-Retirement                 | 11,899           |
| Insurance                           | 13,226           |
| Conferences & Travel                | 3,620            |
| Other Travel                        | 2,497            |
| Cell Phone Allowance                | 300              |
| <u>Paid by the State Treasurer:</u> |                  |
| State of LA - RS 16:10              |                  |
| Salary                              | 50,000           |
| Retirement                          | 875              |
| Payroll Taxes                       | <u>725</u>       |
| Total                               | <u>\$199,392</u> |

# Johnson, Thomas & Cunningham

## Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation  
Roger M. Cunningham, CPA - A Professional Corporation  
Jessica H. Broadway, CPA - A Professional Corporation  
Ryan E. Todtenbier, CPA - A Professional Corporation

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

To the Honorable Don Burkett, District Attorney  
Eleventh Judicial District  
P. O. Box 1557  
Many, LA 71449

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, the fiduciary fund, and the aggregate remaining fund information as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District Attorney of the Eleventh Judicial District of Louisiana (District Attorney) basic financial statements and have issued our report thereon dated June 22, 2017.

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District Attorney's financial statements are free from material misstatement, 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 did not disclose any 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. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Johnson, Thomas & Cunningham, CPA's  
Johnson, Thomas & Cunningham, CPA's  
Natchitoches, Louisiana

June 22, 2017

District Attorney of the Eleventh Judicial District  
Schedule of Audit Results  
Year Ended December 31, 2016

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the District Attorney of the Eleventh Judicial District.
2. There were no material weaknesses identified in internal control during the audit of the financial statements.
3. There were no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. Findings in Accordance with Governmental Auditing Standards

None.

III. Prior Year Findings

None.