

OFFICIAL  
FILE COPY  
DO NOT SEND OUT  
(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
OBERLIN, LOUISIANA

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2007

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

Release Date 7/16/08

## CONTENTS

Page

INDEPENDENT AUDITOR'S REPORT

3

BASIC FINANCIAL STATEMENTS:

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

Statement of Net Assets

6

Statement of Activities

7

FUND FINANCIAL STATEMENTS:

Governmental Funds:

Balance Sheet

9

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

10

Statement of Revenues, Expenditures and Changes  
in Fund Balances

11

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

12

Notes to the Financial Statements

14

REQUIRED SUPPLEMENTAL INFORMATION

Budgetary Comparison Schedule  
General Fund

23

INDEPENDENT AUDITOR'S REPORT SECTION:

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*

25

Schedule of Findings & Responses

27

Status of Prior Audit Findings

28

# **Stutzman & Gates, LLC**

## **Certified Public Accountants**

**Members:**  
*American Institute of Certified Public Accountants*  
*Society of Louisiana Certified Public Accountants*

### **INDEPENDENT AUDITOR'S REPORT**

Honorable Douglas L. Hebert, Jr.  
District Attorney of the Thirty-Third Judicial District  
A Component Unit of the  
Allen Parish Police Jury  
P. O. Box 839  
Oberlin, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Thirty-Third Judicial District, a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2007, which collectively comprise the District Attorney's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District Attorney of the Thirty-Third Judicial District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

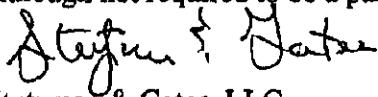
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Thirty-Third Judicial District, as of December 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2008, on our consideration of the District Attorney of the Thirty-Third Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Honorable Douglas L. Hebert, Jr.  
District Attorney of the Thirty-Third Judicial District  
Page 2

The budgetary comparison information on page 23 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The District Attorney of the Thirty-Third Judicial District has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.



Stutzman & Gates, LLC  
June 26, 2008

**BASIC FINANCIAL STATEMENTS**

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES  
For the Year Ended December 31, 2007

ASSETS

Current assets:

Cash	\$ 191,481
Receivables:	
Other governments	21,388
Interest	<u>66</u>
TOTAL CURRENT ASSETS	<u>212,935</u>

Noncurrent assets:

Capital assets, net accumulated depreciation	<u>128,814</u>
TOTAL ASSETS	<u>341,749</u>

LIABILITIES

Current liabilities:

Accounts payable and accrued liabilities	<u>33,697</u>
TOTAL LIABILITIES	<u>33,697</u>

NET ASSETS:

Invested in capital assets	128,814
Unrestricted	<u>179,238</u>
TOTAL NET ASSETS	<u>\$ 308,052</u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES  
For the Year Ended December 31, 2007

FUNCTIONS/PROGRAMS	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants	
Judicial Activities	\$ 915,650	\$ 457,169	\$ 225,324	\$ (233,157)
Total governmental activities	<u>\$ 915,650</u>	<u>\$ 457,169</u>	<u>\$ 225,324</u>	<u>\$ (233,157)</u>
GENERAL REVENUES				
				4,063
				131,818
				90,972
				<u>946</u>
			Total General Revenues	<u>227,799</u>
			CHANGES IN NET ASSETS (DECREASE)	(5,358)
			NET ASSETS - BEGINNING	<u>313,410</u>
			NET ASSETS - ENDING	<u>\$ 308,052</u>

The accompanying notes are an integral part of this statement.

**FUND FINANCIAL STATEMENTS**

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
Balance Sheet, Governmental Funds  
For the Year Ended December 31, 2007

	GENERAL FUND	WORTHLESS CHECK FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash	\$ 135,641	\$ 2,571	\$ 53,269	\$ 191,481
Receivables	21,454	-	-	21,454
<b>TOTAL ASSETS</b>	<b>\$ 157,095</b>	<b>\$ 2,571</b>	<b>\$ 53,269</b>	<b>\$ 212,935</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 33,697	\$ -	\$ -	\$ 33,697
<b>Total Liabilities</b>	<b>33,697</b>	<b>-</b>	<b>-</b>	<b>33,697</b>
<b>Fund balances:</b>				
Unreserved-undesignated	123,398	2,571	53,269	179,238
<b>Total Fund Balances</b>	<b>123,398</b>	<b>2,571</b>	<b>53,269</b>	<b>179,238</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 157,095</b>	<b>\$ 2,571</b>	<b>\$ 53,269</b>	<b>\$ 212,935</b>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET ASSETS  
For the Year Ended December 31, 2007

TOTAL FUND BALANCE FOR GOVERNMENTAL FUNDS AT DECEMBER 31, 2007	\$ 179,238
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets, net of accumulated depreciation	<u>128,814</u>
TOTAL NET ASSETS OF GOVERNMENTAL ACTIVITIES AT DECEMBER 31, 2007	<u>\$ 308,052</u>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 2007

	GENERAL FUND	WORTHLESS CHECK FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>				
<i>Commissions on fines and forfeitures and fees for collection of worthless checks</i>	\$ 177,045	\$ 45,227	\$ 234,897	\$ 457,169
<b>Intergovernmental revenues:</b>				
Parish police jury grants	90,972	-	-	90,972
Parish school board	40,000	-	-	40,000
Federal grants	118,796	-	-	118,796
State revenues	66,528	-	-	66,528
Interest earnings	1,750	35	2,278	4,063
<b>Other revenues:</b>				
Gaming revenues	131,818	-	-	131,818
Worthless checks	-	157,189	-	157,189
Miscellaneous	946	-	-	946
<b>TOTAL REVENUES</b>	<b>627,855</b>	<b>202,451</b>	<b>237,175</b>	<b>1,067,481</b>
<b>EXPENDITURES</b>				
Auto expenses	13,436	-	-	13,436
Bank charges	494	-	400	894
Drug education	1,628	-	-	1,628
Dues and subscriptions	2,493	-	-	2,493
Insurance	8,322	-	-	8,322
Intergovernmental transfers	-	10,995	84,333	95,328
Joint service agreement	6,095	-	-	6,095
Medical	823	-	-	823
Office	16,789	-	-	16,789
Penalties	750	-	-	750
Postage	3,215	-	-	3,215
Public relations	268	-	-	268
Rent	88	-	-	88
Restitution	-	-	34,564	34,564
Repairs	6,107	-	-	6,107
Salaries and benefits	685,136	-	-	685,136
Seminars	17,589	-	-	17,589
Telephone	6,088	-	-	6,088
Travel	2,209	-	-	2,209
Uniforms	29	-	-	29
Worthless check disbursements	-	157,187	-	157,187
<b>TOTAL EXPENDITURES</b>	<b>771,559</b>	<b>168,182</b>	<b>119,297</b>	<b>1,059,038</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	(143,704)	34,269	117,878	8,443
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	139,109	-	-	139,109
Operating transfers out	-	(34,233)	(104,876)	(139,109)
<b>Total other financing sources (uses)</b>	<b>139,109</b>	<b>(34,233)</b>	<b>(104,876)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,595)</b>	<b>36</b>	<b>13,002</b>	<b>8,443</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>127,993</b>	<b>2,535</b>	<b>40,267</b>	<b>170,795</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 123,398</b>	<b>\$ 2,571</b>	<b>\$ 53,269</b>	<b>\$ 179,238</b>

The accompanying notes are an integral part of this statement.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 For the Year Ended December 31, 2007

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

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS INCREASE (DECREASE)	\$ 8,443
---	----------

Governmental funds report capital outlays as expenditures, however, in the statement of activities the capitalized cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

This is the amount by which capital outlay exceeded depreciation expense:

Capital outlay	\$ -	
Depreciation expense	<u>(13,801)</u>	<u>(13,801)</u>

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (DECREASE)	<u>\$ (5,358)</u>
---	-------------------

The accompanying notes are an integral part of this statement.

**NOTES TO THE FINANCIAL STATEMENTS**

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended December 31, 2007

## INTRODUCTION

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district. He is also the representative of the state before the grand jury in his district, and is the legal advisor to the grand jury, and performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the parish of Allen, Louisiana. The District Attorney has approximately twenty employees.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District Attorney of the Thirty-Third Judicial District of Allen Parish is considered a component unit of the Allen Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the District Attorney of the Thirty-Third Judicial District of Allen Parish. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

### B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.*

Reimbursements and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Interfund transfers are made to meet current or anticipated needs.

The District Attorney's office reports the following governmental funds:

**General Fund** - The general operating fund of the District Attorney and accounts for all financial resources, except those required to be accounted for in other funds. To account for fines collected and bonds forfeited used to operate the District Attorney's office. Also to account for the State Department of Social Service's grant reimbursement used to fund family and child support enforcement services.

**Special Revenue Funds:**

**Worthless Checks** - To account for the collection and processing of worthless checks. Fees collected vary according to the check amount.

**Intervention** - To account for the pre-trial intervention and diversion programs.

**Forfeiture** - To account for the collection and distribution of seized and forfeited assets.

**Probation** - To account for the probation program.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the District Attorney's policy to use restricted resources first, then unrestricted resources as they are needed.

**C. Budgets**

A budget is adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end. Encumbrance accounting is not used.

In December of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. A budget was not prepared for the Worthless Checks Fund for 2007.

**D. Cash and Cash Equivalents**

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

**E. Investments**

Investments are limited by R.S. 33:2955 and the District Attorney's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**F. Prepaid Items**

The District Attorney records as prepaid assets, expenditures during the current period that will benefit the subsequent period.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., drainage structures, bridges, and similar items), are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. The District Attorney has established a \$5,000 capitalization threshold.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**G. Capital Assets**

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

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20-40 years
Furniture, fixtures and equipment	5-10 years
Vehicles	5 years

**H. Compensated Absences**

The District Attorney's leave policy does not provide for the accumulation and vesting of leave.

**I. Fund Balances**

**Reserves**

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific use.

**J. Estimates**

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

**K. Interfund Transfers**

Transfers are made into the General Fund from the Special Revenue Funds to assist in the payment of normal operating expenditures.

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
Notes to the Financial Statements (Continued)

**NOTE 2 - CASH AND CASH EQUIVALENTS**

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it.

In accordance with a fiscal agency agreement that is approved by the District Attorney, the District Attorney maintains demand and time deposits through local depository banks that are members of the Federal Reserve System.

Interest rate risk. 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.

Concentration of credit risk. The District Attorney places no limit on the amount the District Attorney may invest in any one issuer.

At December 31, 2007, the District Attorney has cash and cash equivalents (book balances) totaling \$191,481 as follows:

Interest-bearing demand deposits	\$ 126,388
Time deposits	65,093
Total	<u>\$ 191,481</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the 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. At December 31, 2007, the District Attorney has \$204,806 in deposits (collected bank balances). These deposits are secured from risk by \$204,806 of federal deposit insurance.

**NOTE 3 - RECEIVABLES**

The following is a summary of receivables at December 31, 2007:

<u>Class of Receivable</u>	<u>General Fund</u>
Federal grant	\$ 9,278
Fines and reimbursements	12,110
Interest	66
Total	<u>\$ 21,454</u>

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
Notes to the Financial Statements (Continued)

**NOTE 4 - CHANGES IN CAPITAL ASSETS**

The following is a summary of changes in capital assets for the year ending December 31, 2007:

	Building Improvements	Furniture, Fixtures & Equipment	Vehicles	Total
<b>Capital assets:</b>				
Cost at December 31, 2006	\$ 120,696	\$ 54,829	\$ 50,169	\$ 225,694
Additions	-	-	-	-
Deletions	-	-	-	-
Cost at December 31, 2007	<u>120,696</u>	<u>54,829</u>	<u>50,169</u>	<u>225,694</u>
<b>Depreciation:</b>				
Accumulated depreciation - December 31, 2006	(6,188)	(48,805)	(28,086)	(83,079)
Additions	(3,259)	(1,970)	(8,572)	(13,801)
Deletions	-	-	-	-
Accumulated depreciation - December 31, 2007	<u>(9,447)</u>	<u>(50,775)</u>	<u>(36,658)</u>	<u>(96,880)</u>
Capital assets, net of accumulated depreciation at December 31, 2007	<u>\$ 111,249</u>	<u>\$ 4,054</u>	<u>\$ 13,511</u>	<u>\$ 128,814</u>

Depreciation expense was \$13,801 for the year 2007.

**NOTE 5 - PENSION PLANS**

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

Assistant district attorneys who earn, as a minimum, the amount paid by the state for assistant district attorneys and are under the age of 60 at the time of original employment and all district attorneys are required to participate in the System. For members who joined the System before July 1, 1990, and who elected not to be covered by the new provisions, the following applies: Any member with 23 or more years of creditable service regardless of age may retire with a 3% benefit reduction for each year below age 55, provided that no reduction is applied if the member has 30 or more years of service. Any member with at least 18 years of service may retire at age 55 with a 3% benefit reduction for each year below age 60. In addition, any member with at least 10 years of service may retire at age 60 with a 3% benefit reduction for each year retiring below the age of 62. The retirement benefit is equal to 3% of the member's average final compensation multiplied by the number of years of his membership service, not to exceed 100% of his average final compensation.

For members who joined the System after July 1, 1990, or who elected to be covered by the new provisions the following applies: Members are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30

**NOTE 5 - PENSION PLANS**

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 early retirement if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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

*Funding Policy.* Plan members are required by state statute to contribute 7.0% of their annual covered salary. Contributions to the System also include .2% of the ad valorem taxes collected throughout the state and revenue sharing funds as appropriated by the legislature. The contribution requirements of plan members may be amended by state statute. The District Attorney, effective July 1, 2004, began making a matching contribution. Contributions for 2007, 2006, and 2005 totaled \$2,387, \$7,517, and \$8,599, respectively.

*Plan Description.* Substantially all other employees of the District Attorney are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District Attorney are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980 plus 3% of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

**NOTE 5 - PENSION PLANS**

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

*Funding Policy.* Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District Attorney is required to contribute at an actuarially determined rate. The 2007 rate is 13.25% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the District Attorney are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District Attorney's contributions to the System under Plan A for the years ending December 31, 2007, 2006, and 2005 were \$47,556, \$48,874, and \$47,698 respectively, equal to the required contributions for each year.

**NOTE 6 - RISK MANAGEMENT**

The District Attorney is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District Attorney maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**NOTE 7 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES**

The utilities used by the District Attorney in the office building that it occupies are paid for by the Allen Parish Police Jury. The Allen Parish Police Jury also pays for certain insurance coverages.

**REQUIRED SUPPLEMENTAL INFORMATION**

DISTRICT ATTORNEY OF THE THIRTY-THIRD JUDICIAL DISTRICT  
Oberlin, Louisiana  
GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended December 31, 2007

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Commissions on fines and other costs	\$ 135,000	\$ 177,045	\$ 42,045
<b>Intergovernmental revenues:</b>			
Parish police jury grants	90,000	90,972	972
Parish school board	40,000	40,000	-
Federal grants	100,000	118,796	18,796
State revenues	70,000	66,528	(3,472)
Interest earnings	2,000	1,750	(250)
<b>Other revenues:</b>			
Gaming revenues	131,000	131,818	818
Miscellaneous	-	946	946
<b>TOTAL REVENUES</b>	<u>568,000</u>	<u>627,855</u>	<u>59,855</u>
<b>EXPENDITURES</b>			
Auto expenses	13,000	13,436	(436)
Bank charges	500	494	6
Contract labor	2,200	-	2,200
Drug education	1,500	1,628	(128)
Dues and subscriptions	2,200	2,493	(293)
Insurance	7,500	8,322	(822)
Joint service agreement	6,000	6,095	(95)
Medical	900	823	77
Miscellaneous	500	-	500
Office	15,000	16,789	(1,789)
Penalties	-	750	(750)
Postage	3,500	3,215	285
Public relations	550	268	282
Rent	-	88	(88)
Repairs	7,500	6,107	1,393
Salaries and benefits	700,000	685,136	14,864
Seminars	17,500	17,589	(89)
Telephone	6,000	6,088	(88)
Travel	2,200	2,209	(9)
Uniforms	100	29	71
<b>TOTAL EXPENDITURES</b>	<u>786,650</u>	<u>771,559</u>	<u>15,091</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(218,650)</u>	<u>(143,704)</u>	<u>74,946</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	175,000	139,109	(35,891)
<b>Total other financing sources (uses)</b>	<u>175,000</u>	<u>139,109</u>	<u>(35,891)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(43,650)</u>	<u>(4,595)</u>	<u>39,055</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>127,993</u>	<u>127,993</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 84,343</u>	<u>\$ 123,398</u>	<u>\$ 39,055</u>

Notes to the Schedule:

The budget is adopted on a basis consistent with generally accepted accounting principles. There were no amendments to the budget in 2007.

The accompanying notes are an integral part of this statement.

**INDEPENDENT AUDITOR'S REPORT SECTION**

# Stutzman & Gates, LLC

## Certified Public Accountants

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

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

Honorable Douglas L. Hebert, Jr.  
District Attorney of the Thirty-Third Judicial District  
Oberlin, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District Attorney of the Thirty-Third Judicial District, as of and for the year ended December 31, 2007, which collectively comprise the District Attorney of the Thirty-Third Judicial District's basic financial statements and have issued our report thereon dated June 26, 2008. 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.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District Attorney of the Thirty-Third Judicial District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District Attorney of the Thirty-Third Judicial District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District Attorney of the Thirty-Third Judicial District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District Attorney of the Thirty-Third Judicial District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District Attorney of the Thirty-Third Judicial District's financial statements that is more than inconsequential will not be prevented or detected by the District Attorney of the Thirty-Third Judicial District's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting. Significant deficiencies are described in the accompanying schedule of findings and responses as items 2007-1 and 2007-2.

Honorable Douglas L. Hebert, Jr.  
District Attorney of the Thirty-Third Judicial District  
Page 2

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

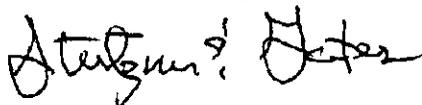
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiency described above, we consider items 2007-1 and 2007-2 to be material weaknesses.

#### Compliance and Other Matters

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

The District Attorney of the Thirty-Third Judicial District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the District Attorney of the Thirty-Third Judicial District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the District Attorney of the Thirty-Third Judicial District, the Allen Parish Police Jury, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Stutzman & Gates, LLC  
June 26, 2008

**District Attorney of the Thirty-Third Judicial District  
Schedule of Findings & Responses  
For the Year Ended December 31, 2007**

**2007-1 Segregation of Duties**

<b>Condition:</b>	Because of the entity's size and the limited number of accounting personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control.
<b>Criteria:</b>	Effective internal control requires adequate segregation of duties among client personnel.
<b>Effect:</b>	Without proper segregation of duties, errors within the financial records or fraud could go undetected.
<b>Recommendation:</b>	To the extent cost effective, duties should be segregated and management should attempt to mitigate this weakness by supervision and review procedures.
<b>Response:</b>	We concur with this recommendation. Management has implemented supervision and review procedures to the extent possible.

**2007-2 Controls over Financial Reporting**

<b>Condition:</b>	In our judgment, the personnel of the Office of the District Attorney of the Thirty-Third Judicial District do not have the specialized accounting training necessary to generate the financial statements, together with related notes in accordance with generally accepted accounting principles (GAAP).
<b>Criteria:</b>	The Auditing Standards Board recently issued guidance to auditors related to entity's internal controls over financial reporting. Many small organizations rely on their auditor to generate the annual financial statements including footnotes. SAS No. 112 emphasizes that the auditor cannot be part of your system of internal control over financial reporting.
<b>Effect:</b>	Material misstatements in financial statements could go undetected.
<b>Recommendation:</b>	In our judgment, due to the lack of resources available to management to correct this material weakness in financial reporting, we recommend management mitigate this weakness by having a heightened awareness of all transactions being reported.
<b>Response:</b>	The District Attorney has evaluated the cost vs. benefit of establishing internal controls over the preparation of the financial statements in accordance with (GAAP) and determined that it is the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

**District Attorney of the Thirty-Third Judicial District  
Status of Prior Audit Findings  
For the Year Ended December 31, 2007**

**2006-1 Segregation of Duties**

Corrective action taken – Due to the lack of sufficient financial resources, this finding cannot be resolved. See 2007-1.