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ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

REPORT ON AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 DEC 15 1999

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

JUNE 30, 1999

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Bain, Freibaum, Sagona & Co., L.L.P.

Certified Public Accountants and Consultants

Gus Freibaum, Jr., CPA*
Elliott M. Bain, CPA*
Nick O. Sagona, Jr., CPA*
David J. Bourg, JD, CPA/PFS*
William F. Matthew, CPA*

MEMBER
American Institute of CPAs
Society of Louisiana CPAs
SC International
(Associates in Principal Cities Worldwide)

*A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT

Honorable Lena R. Torres
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the accompanying general-purpose financial statements of the St. Bernard Parish Clerk of Court as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the management of the St. Bernard Parish Clerk of Court. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The St. Bernard Parish Clerk of Court has not presented the disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about year 2000 Issues*, as amended by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that the St. Bernard Parish Clerk of Court is or will become year 2000 compliant, that the St. Bernard Parish Clerk of Court's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the St. Bernard Parish Clerk of Court does business are or will become year 2000 compliant.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Bernard Parish Clerk of Court as of June 30, 1999, and the results of its operations and its changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying fiduciary funds - agency funds supplemental information schedules, combining balance sheets and the statements of changes in unsettled deposits contained on pages 18, 19 and 20 are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the St. Bernard Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects, in relation to the general-purpose financial statements taken as a whole.

Bain, Freilbaum, Agona & Co.

Certified Public Accountants
September 22, 1999

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
GOVERNMENTAL FUND - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 1999

REVENUES:

Licenses and permits	\$ 8,238
Fees, charges, and commissions for services:	
Court costs, fees, and charges	853,176
Fees for recording legal documents	585,716
Fees for copies of documents	12,384
Miscellaneous	16,296
Use of money and property - interest earnings	<u>55,966</u>

TOTAL REVENUES 1,531,776

EXPENDITURES:

General government:	
Personnel services and related benefits	1,147,319
Operating services	159,072
Travel and other charges	8,648
Capital outlay	42,616
Capital lease payments	7,944
Intergovernmental	<u>10,487</u>

TOTAL EXPENDITURES 1,376,086

EXCESS OF REVENUES OVER EXPENDITURES 155,690

FUND BALANCE AT BEGINNING OF YEAR 870,074

FUND BALANCE AT END OF YEAR \$1,025,764

See notes to financial statements.

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
GOVERNMENTAL FUND - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Licenses and permits	\$ 8,000	\$ 8,238	\$ 238
Fees, charges, and commissions for services:			
Court costs, fees, and charges	815,500	853,176	37,676
Fees for recording legal documents	553,000	585,716	32,716
Fees for copies of documents	12,000	12,384	384
Miscellaneous	14,500	16,296	1,796
Use of money and property - interest earnings	<u>55,000</u>	<u>55,966</u>	<u>966</u>
TOTAL REVENUES	<u>1,458,000</u>	<u>1,531,776</u>	<u>73,776</u>
EXPENDITURES:			
General government:			
Personnel services and related benefits	1,161,000	1,147,319	13,681
Operating services	155,500	159,072	(3,572)
Travel and other charges	8,900	8,648	252
Capital outlay	45,000	42,616	2,384
Capital lease payments	-	7,944	(7,944)
Intergovernmental	<u>11,000</u>	<u>10,487</u>	<u>513</u>
TOTAL EXPENDITURES	<u>1,381,400</u>	<u>1,376,086</u>	<u>5,314</u>
EXCESS OF REVENUES OVER EXPENDITURES	76,600	155,690	79,090
FUND BALANCE AT BEGINNING OF YEAR	<u>870,074</u>	<u>870,074</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 946,674</u>	<u>\$1,025,764</u>	<u>\$79,090</u>

See notes to financial statements.

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

INTRODUCTION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public, the recorder of conveyances, mortgages, and other acts, and has other duties and powers provided by law. The clerk of court is elected for a four-year term.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The accompanying financial statements of the St. Bernard Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the council to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

Reporting entity - Continued

Because the parish council pays certain operating expenditures of the clerk's office as required by Louisiana law, the clerk of court was determined to be a component unit of the St. Bernard Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the council, the general government services provided by that governmental unit, or the other government units that comprise the financial reporting entity.

Fund accounting - The clerk of court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the clerk of court are classified into two categories: governmental (General Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the clerk of court and accounts for the operations of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Agency Funds

The Advance Deposit and Registry of Court Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of accounting - Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental funds use the following practice in recording revenues and expenditures:

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

Basis of accounting - Continued

Revenues

Recordings, cancellations, court attendance, criminal cost, etc., are recorded in the year in which they are earned. Interest income on investments is recorded when the investments have matured and the income is available. Substantially all other revenues are recorded when received.

Expenditures

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

Budget practices - The proposed budget for the 1999 fiscal year was made available for public inspection at the clerk's office on June 11, 1998. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 13 days prior to the public hearing. The budget hearing was held at the clerk's office on June 12, 1998. The budget is legally adopted and amended, as necessary, by the clerk. The budget for the 1999 fiscal year was amended, adopted and published in the official journal on March 26, 1999. All appropriations lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

Cash and cash equivalents - Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Uncollectible accounts receivable - The clerk of court uses the allowance method to account for uncollectible accounts receivable. The allowance for uncollectible accounts is based on prior years experience and management's analysis of possible bad debts. Bad debt recoveries are charged against the allowance account as realized. The clerk of court considers all accounts receivable at June 30, 1999 to be fully collectible. Accordingly, no allowance for uncollectible accounts is required.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (Continued)

General fixed assets and long-term obligations - Fixed assets are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets are provided by the parish police jury and are recorded within the general fixed assets account group. All purchased fixed assets are valued at historical cost. Fixed assets provided by the parish police jury are valued at their estimated fair value on the date received. No depreciation has been provided on general fixed assets.

The account group is not a fund. It is concerned only with the measurement of financial position and does not involve the measurement of results of operations.

Compensated absences - Employees of the clerk of court's office earn two weeks vacation leave and up to four weeks sick leave each year. The leave time accrues on a calendar year basis and must be used in the calendar year earned and is not payable upon separation from service. The accrued accumulated leave which had been unused by employees at June 30, 1999 has been included in the long term liability account group in the accompanying financial statements.

Fund equity - Reserves represent those portions of fund equity not appropriable for expenditure or are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Total columns on statements - Total columns on the statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

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

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

B. CASH AND CASH EQUIVALENTS

At June 30, 1999, the clerk of court has cash and cash equivalents (book balances) totaling \$2,290,680 as follows:

Checking accounts	\$1,359,990
Time deposits	650,000
Savings passbooks	<u>280,690</u>
Total Deposits	<u>\$2,290,680</u>

The deposits are stated at cost, which approximates market. Under state law, the 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 bank. 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 June 30, 1999, the clerk has \$2,415,681 in deposits (collected bank balances). These deposits are secured from risk by \$390,705 of federal deposit insurance and \$3,700,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are not considered collateral under the provisions of GASB Statement 3 (Category 3), 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 clerk of court that the fiscal agent has failed to pay deposited funds upon demand.

C. RECEIVABLES

The receivables of \$14,071 at June 30, 1999, are as follows:

	Governmental Fund - <u>General Fund</u>
Regular	\$10,801
Court Attendance	1,320
Criminal Court Costs	1,917
Other	<u>33</u>
	<u>\$14,071</u>

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

D. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) follows:

Balance, July 1, 1998	\$234,768
Additions - purchased by:	
General fund	137,944
Parish council	2,401
Department of elections	386
Disposals	<u>(13,031)</u>
Balance, June 30, 1999	<u>\$362,468</u>

E. PENSION PLAN

Plan Description. Substantially all employees of the St. Bernard Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The system provides retirement, survivor, disability and terminated benefits to plan members and beneficiaries.

Funding Policy. All regular employees earning at least \$500 per month who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to an annual retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. 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 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the full benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute. Contributions to the System include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer's 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.

Annual Pension Cost. For 1999, the Clerk's annual pension cost of \$89,550 was greater than the Clerk's required contribution of \$62,327. The required contribution was determined as part of the June 30, 1998 actuarial valuation. The actuarial assumptions included a 8% investment rate of return (net of administrative expenses) and a projected salary increase of 6% per year.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

E. PENSION PLAN – (Continued)

Three year trend information for the St. Bernard Parish Clerk of Court

<u>Fiscal Year</u> <u>Funding</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
6/30/97	\$74,379	100%	\$ 0
6/30/98	70,160	100%	0
6/30/99	89,550	100%	0

Required supplemental information – Schedule of Funding Program of PERS

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u> <u>(a)</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL) –</u> <u>Entry</u> <u>Age (b)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(b-a)</u>	<u>Funded</u> <u>Ratio</u> <u>(a/b)</u>	<u>Covered</u> <u>Payroll</u> <u>(c)</u>	<u>UAAL as a</u> <u>Percentage</u> <u>of Covered</u> <u>Payroll</u> <u>((b-a)/c)</u>
6/30/96	\$112,216,664	\$179,297,050	\$67,080,386	63%	\$47,314,712	142%
6/30/97	131,204,391	189,475,992	58,271,601	70%	48,901,964	120%
6/30/98	163,469,063	204,123,432	40,654,369	80%	51,914,876	79%

The following provides certain additional disclosures for the clerk and the retirement system:

	<u>Year Ended</u> <u>June 30, 1999</u>
<u>St. Bernard Parish Clerk of Court</u> Total current-year payroll	\$935,582
Total current-year covered payroll - employer	\$895,502
Total current-year covered payroll - employees (excluding DROP wages)	\$824,827
Actuarially required contribution: Dollar amount	\$ 64,393
Percent of total actuarially required contribution of all participating employers and employees	.85%

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

E. PENSION PLAN – (Continued)

	<u>Required</u> <u>by Statute</u>		<u>Actual</u> <u>Contribution</u>	
Contributions:				
Employees	8.25%	\$ 68,048	8.25%	\$ 68,048
Employer	<u>6.96</u>	<u>62,327</u>	<u>10.00</u>	<u>89,550</u>
TOTAL	<u>15.21%</u>	<u>\$130,375</u>	<u>18.25%</u>	<u>\$157,598</u>

Actuarial information about the System for its most recent year available, the year ended June 30, 1998, is presented below.

Louisiana Clerks of Court Retirement and Relief Fund

Estimated payroll for current year \$51,914,876

Actuarially required contributions:

Actuarially required contribution for dedicated taxes:

Dollar amount \$ 3,853,775

Percent of estimated payroll 7.42%

Actuarially required contribution for employers and employees:

Dollar amount \$ 3,733,045

Percent of estimated payroll 7.19%

Total actuarially required contribution:

Dollar amount \$ 7,586,820

Percent of estimated payroll 14.61%

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

E. **PENSION PLAN** – (Continued)

Louisiana Clerks of Court and Relief Fund - Continued

Net assets, fair value	\$163,469,063
Pension benefit obligation	<u>204,123,432</u>
Unfunded pension benefit obligation	<u>\$ 40,654,369</u>

The pension benefit obligation is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employers.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's comprehensive annual financial report. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

The St. Bernard Parish Clerk of Court does not guarantee the benefits granted by the System.

F. **LEASE OBLIGATIONS**

The clerk's office is obligated under a certain capital lease. The leased asset and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. The asset under the capitalized lease totaled \$95,328 at June 30, 1999, and accumulated amortization on the asset totaled \$49,650. The following is a schedule of future minimum lease payments under the capital lease.

Years Ending	
<u>June 30:</u>	
2000	\$23,832
2001	<u>21,846</u>
Present value of minimum lease payments	<u>\$45,678</u>

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Continued)

G. OTHER POST-EMPLOYMENT BENEFITS

The St. Bernard Parish Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the clerk's employees become eligible for these benefits if they reach normal retirement age while working for the clerk of court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the clerk of court. The clerk of court recognizes the cost of providing these benefits (the clerk's portion of the premiums) as an expenditure when the monthly premiums are due. The cost of such premiums borne by the clerk of court for both active and retired participants amounted to \$110,852 for 1999. These benefits are provided in accordance with the provisions of the Louisiana Clerks of Court Retirement and Relief System in which the St. Bernard Parish Clerk of Court's office participates as described in note E.

The cost of providing these benefits for the 10 retired participants for the year ended June 30, 1999 is as follows:

Retirees' contributions	\$ 9,681
Clerk of Court's contributions	<u>9,682</u>
Total contributions	<u>\$19,363</u>

H. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	<u>Unsettled Deposits Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Unsettled Deposits End of Year</u>
Agency funds:				
Advance deposit	\$ 916,886	\$1,417,452	\$1,354,528	\$ 979,810
Registry of court	<u>282,753</u>	<u>838,932</u>	<u>830,981</u>	<u>290,704</u>
TOTAL	<u>\$1,199,639</u>	<u>\$2,256,384</u>	<u>\$2,185,509</u>	<u>\$1,270,514</u>

Advance Deposit Fund

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999
(Continued)

H. **CHANGES IN AGENCY FUND BALANCES** – (Continued)

Registry of Court Fund

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds that have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

I. **EXCESS FUND BALANCE**

Louisiana Revised Statute 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund balance that exceeds one-half of the revenues of the last year of the clerk's term of office. At June 30, 1999, there was no amount due the parish treasurer as this was not the last year of the clerk's four-year term of the office, and no determination of the amount that will be due, if any, can be made at this time.

J. **LITIGATION AND CLAIMS**

There were no litigation or claims outstanding at June 30, 1999, in which the clerk of court's office was involved.

K. **EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL**

Certain operating expenditures of the clerk's office are paid by the parish council and are not included in the accompanying financial statements. These expenditures are summarized as follows:

Operating services less court attendance	\$60,056
Capital outlay	<u>2,401</u>
TOTAL	<u>\$62,457</u>

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

ADDITIONAL INFORMATION

YEAR ENDED JUNE 30, 1999

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS

SUPPLEMENTAL INFORMATION SCHEDULES

YEAR ENDED JUNE 30, 1999

ADVANCE DEPOSIT FUND

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

REGISTRY OF COURT FUND

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds that have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING BALANCE SHEETS

JUNE 30, 1999

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	<u>\$979,810</u>	<u>\$290,704</u>	<u>\$1,270,514</u>
<u>LIABILITIES</u>			
Unsettled deposits	<u>\$979,810</u>	<u>\$290,704</u>	<u>\$1,270,514</u>

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS

STATEMENTS OF CHANGES IN UNSETTLED DEPOSITS

YEAR ENDED JUNE 30, 1999

	Advance Deposit <u>Fund</u>	Registry of Court <u>Fund</u>	<u>Total</u>
UNSETTLED DEPOSITS, BEGINNING OF YEAR	\$ <u>916,886</u>	\$ <u>282,753</u>	\$ <u>1,199,639</u>
ADDITIONS:			
Deposits:			
Suits and successions	1,417,452	-	1,417,452
Judgments	-	834,141	834,141
Interest earnings on investments	<u>-</u>	<u>4,791</u>	<u>4,791</u>
TOTAL ADDITIONS	<u>1,417,452</u>	<u>838,932</u>	<u>2,256,384</u>
SUBTOTAL	<u>2,334,338</u>	<u>1,121,685</u>	<u>3,456,023</u>
REDUCTIONS:			
Clerk's costs (transferred to General Fund)	801,206	-	801,206
Settlements to litigants	131,561	830,969	962,530
Attorney, curator, and notary fees	49,398	-	49,398
Sheriff's fees	104,236	-	104,236
Judges' supplemental compensation fund	41,037	-	41,037
Judicial Clerk's fund	70,992	-	70,992
Parish Council	43,990	-	43,990
Other reductions	<u>112,108</u>	<u>12</u>	<u>112,120</u>
TOTAL REDUCTIONS	<u>1,354,528</u>	<u>830,981</u>	<u>2,185,509</u>
UNSETTLED DEPOSITS, END OF YEAR	\$ <u>979,810</u>	\$ <u>290,704</u>	\$ <u>1,270,514</u>

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 1999

We have audited the general-purpose financial statements of the St. Bernard Parish Clerk of Court as of and for the year ended June 30, 1999, and have issued our report thereon dated September 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ___ Yes X No Reportable Conditions ___ Yes X No

Compliance

Compliance Issues Material to Financial Statements ___ Yes X No

b. Federal Awards - None

c. Identification of Major Programs - None

Section II Financial Statement Findings - No matters were reported.

Section III Federal Award Findings and Questioned Costs - None

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF GENERAL-PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

YEAR ENDED JUNE 30, 1999

Bain, Freibaum, Sagona & Co., L.L.P.
Certified Public Accountants and Consultants

Gus Freibaum, Jr., CPA*
Elliott M. Bain, CPA*
Nick O. Sagona, Jr., CPA*
David J. Bourg, JD, CPA/PFS*
William F. Matthew, CPA*

MEMBER
American Institute of CPAs
Society of Louisiana CPAs
SC International
(Associates in Principal Cities Worldwide)

*A Professional Accounting Corporation

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

Honorable Lena R. Torres
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the general-purpose financial statements of the St. Bernard Parish Clerk of Court (the Clerk) as of and for the year ended June 30, 1999, and have issued our report thereon dated September 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Honorable Lena R. Torres
St. Bernard Parish Clerk of Court
Page Two

This report is intended for the information of management and the legislative auditor. However, this report is a matter of public record and its distribution is not limited.

Bain, Freibaum, Sagona & Co.
Certified Public Accountants
September 22, 1999