

**LIVINGSTON PARISH CLERK OF COURT
LIVINGSTON, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS**

STATEMENT A

Combined Balance Sheet
June 30, 1996

	GOVERNMENTAL FUNDS		ACCOUNT GROUP	TOTAL (Minus Cash)
	General Fund	Agency Funds	General Fund Assets	
ASSETS				
Assets:				
Cash and Cash Equivalents	\$26,340	\$1,666,684	\$ -	\$1,700,024
Restricted Cash	226,475	-	-	226,475
Receivables	14,238	-	-	14,130
Due from Other Funds	23,408	18,462	-	63,836
Due from Other Governments	3,769	-	-	3,780
Land, Buildings and Equipment	-	-	366,866	366,866
Total Assets	<u>306,660</u>	<u>\$1,785,146</u>	<u>\$366,866</u>	<u>\$2,778,672</u>
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$26,528	\$ -	\$ -	\$26,528
Payroll Taxes Payable	12,219	-	-	12,215
Accrued Insurance Claims	4,868	-	-	4,880
Due to Other Funds	38,462	25,488	-	63,850
Unsettled deposits	-	1,675,136	-	1,675,136
Total Liabilities	<u>92,527</u>	<u>1,785,146</u>	<u>-</u>	<u>1,787,781</u>
Equity and Other Credits:				
Investments in General Fund Assets	-	-	366,866	366,866
Fund Balances:				
Reserved	226,475	-	-	226,475
Unreserved	587,828	-	-	587,828
Total Equity and Other Credits	<u>814,303</u>	<u>-</u>	<u>366,866</u>	<u>1,181,169</u>
Total Liabilities, Equity and Other Credits	<u>\$206,830</u>	<u>\$1,785,146</u>	<u>\$366,866</u>	<u>\$2,778,022</u>

The accompanying notes are an integral part of these statements.

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Lucian Peterson
Livingston Parish Clerk of Court
Livingston, Louisiana 70412

We have audited the accompanying component unit financial statements of the Livingston Parish Clerk of Court, Livingston, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These component unit financial statements are the responsibility of the Clerk of Court's management. Our responsibility is to express an opinion on these component unit 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 component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Livingston Parish Clerk of Court, Livingston, Louisiana, as of June 30, 1998, and the results of its operations 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 component unit financial statements taken as a whole. The supplemental information schedules (Subsidiary Funds - Agency Funds) listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Livingston Parish Clerk of Court, Livingston, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements, and in our opinion, such information is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

October 16, 1998

**LIVINGSTON PARISH CLERK OF COURT
LIVINGSTON, LOUISIANA**

**Component Unit Financial Statements
As of and for the Year Ended June 30, 1990
With Supplemental Information Schedules**

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LIVINGSTON PARISH CLERK OF COURT

LIVINGSTON, LOUISIANA

FINANCIAL REPORT

June 30, 1995

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, and other appropriate public officials. The report is available for public inspection at the Parish Court Office of the Livingston Parish for and, when appropriate, at the office of the parish clerk of court. Release Date: MAY 29 1997

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)

As of and for the Year Ended June 30, 1996

All regular employees who are under the age of 68 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 a retirement benefit payable monthly for life, equal to 3 per cent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 35 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 benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Belkossan Avenue, Suite 24, Baton Rouge, Louisiana 70816, or by calling (504) 293-1142.

Funding Policy: Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Livingston Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.50 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collected by the tax rolls of each parish. The contribution requirements of plan members and the Livingston Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:303, 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 Livingston Parish Clerk of Court contributions to the System for the years ending June 30, 1996, 1995, and 1994, were \$38,063, \$32,898, and \$41,061, respectively, equal to the required contribution for each year.

7. OTHER POSTEMPLOYMENT BENEFITS

The clerk of court offers all retired employees health insurance benefits. The clerk pays the premiums. At June 30, 1996, 5 retired employees were covered under the clerk's health insurance plan. The cost to the clerk of court for the year ended June 30, 1996, was \$5,813.

8. COMPENSATED ABSENCES

At June 30, 1996, employees of the clerk of court have no accumulated leave benefits.

9. LEASES

The clerk of court had no capital leases at the end of the year.

The clerk of court has cancellable operating leases for computer equipment, computer software, microfilm equipment and a warehouse, expiring monthly through \$7,393. The clerk of court may terminate these agreements on any anniversary date at a cost not to exceed 25% of the annual lease cost.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)
As of and for the Year Ended June 30, 1996

18. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unencumbered deposits follows:

	Advance Deposit Fund	Registry of Court Fund	Total
Unencumbered Deposits at Beginning of Year	<u>\$ 1,293,314</u>	<u>\$ 365,179</u>	<u>\$ 1,658,493</u>
Additions			
Deposits:			
Fees and successions	973,223	-	973,223
Judgments	-	734,934	734,934
Interest earned on investments	-	26,379	26,379
Total additions	<u>973,223</u>	<u>761,313</u>	<u>1,734,536</u>
Reductions			
Clerk's costs (General Fund transfers)	578,328	-	578,328
Payments to litigants	140,258	785,647	925,905
Sheriff's fees	77,428	-	77,428
Other	181,696	-	181,696
Total reductions	<u>977,710</u>	<u>785,647</u>	<u>1,663,357</u>
Unencumbered Deposits at End of Year	<u>\$ 1,318,109</u>	<u>\$ 340,839</u>	<u>\$ 1,658,948</u>

19. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The clerk has no general long-term obligations at June 30, 1996.

20. 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 treasury the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office. At June 30, 1996, there was no amount due the parish treasury.

LIVINGSTON PARISH CLERK OF COURT
LIVINGSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1996

FIDUCIARY TYPE FUNDS - AGENCY FUNDS

ADVANCE DEPOSIT FUND

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:942, 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 this 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.

LIVINGSTON PARISH CLERK OF COURT
 LIVINGSTON, LOUISIANA
 FIDUCIARY FUNDS - AGENCY FUNDS

SCHEDULE 1

Continued Balance Sheet
 June 30, 1996

	Advance Deposit Fund	Registry of Court Fund	Total
ASSETS			
Cash and cash equivalents	\$1,344,513	\$322,167	\$1,666,680
Due from Other Funds	-	38,462	38,462
Total Assets	<u>\$1,344,513</u>	<u>\$360,629</u>	<u>\$1,705,142</u>
LIABILITIES			
Due to General Fund	\$25,408	-	\$25,408
Due to taxing bodies and others	1,318,189	360,629	1,678,818
Total Liabilities	<u>\$1,344,517</u>	<u>\$360,629</u>	<u>\$1,705,146</u>

The accompanying notes are an integral part of these statements.

LIVINGSTON PARISH CLERK OF COURT
 LIVINGSTON, LOUISIANA
 FIDUCIARY FUNDS - AGENCY FUNDS

SCHEDULE 1

Schedule of Changes in Unsettled Balances
 For the Year Ended June 30, 1996

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	<u>\$1,215,585</u>	<u>\$295,133</u>	<u>\$1,510,718</u>
ADDITIONS			
Deposits:			
Suits and Successions	933,323	-	933,323
Judgments	-	734,924	734,924
Interest	-	26,179	26,179
Total additions	<u>933,323</u>	<u>761,103</u>	<u>1,694,426</u>
Total	<u>2,148,908</u>	<u>1,056,236</u>	<u>3,205,144</u>
REDUCTIONS			
Clerk's costs (transferred to General Fund)	378,238	-	378,238
Settlements to litigants	348,288	385,647	733,935
Sheriff's fees	71,829	-	71,829
Other reductions	<u>107,686</u>	<u>-</u>	<u>107,686</u>
Total reductions	<u>865,961</u>	<u>385,647</u>	<u>1,251,608</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u>\$1,282,947</u>	<u>\$670,629</u>	<u>\$1,953,576</u>

The accompanying notes are an integral part of these statements.

OTHER INDEPENDENT AUDITOR'S REPORTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF
THE COMPONENT UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Lucius Patterson
Livingston Parish Clerk of Court
Livingston, Louisiana 70422

We have audited the component unit financial statements of the Livingston Parish Clerk of Court, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Livingston Parish Clerk of Court, is the responsibility of the Livingston Parish Clerk of Court's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Livingston Parish Clerk of Court's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the component unit financial statements was not to provide an opinion on overall compliance with such provisions. 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.

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



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

October 18, 1996

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN
AUDIT OF COMPONENT UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT ACCOUNTING STANDARDS**

To the Honorable Lucius Patterson
Livingston Parish Clerk of Court
Livingston, Louisiana 70022

We have audited the component unit financial statements of the Livingston Parish Clerk of Court, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 16, 1996.

We have conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

The management of the Livingston Parish Clerk of Court, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the component unit financial statements of the Livingston Parish Clerk of Court, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the component unit financial statements.

Due to the limited number of personnel, the clerk of court does not have a proper segregation of duties.

BRUCE HARRELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

To the Honorable Lucian Patterson
Livingston Parish Clerk of Court
Page 2

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

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



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

October 18, 1996

**LIVINGSTON PARISH CLERK OF COURT
LIVINGSTON, LOUISIANA
GOVERNMENTAL FUND**

STATEMENT B

**Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 1996**

	<u>GENERAL FUND</u>
REVENUES	
Licenses and permits	\$23,888
Fees, charges, and commissions for services:	
Recordings	488,714
Cancellations	27,327
Mortgage Certificates	13,828
Court Attendance	11,308
Copies	166,212
Bond Profits	12,819
Sales & Surrenders	378,278
Other Revenues:	
Interest	38,234
Other	111,899
Total revenues	<u>1,433,715</u>
EXPENDITURES	
General government:	
Salaries	548,585
Office Expenditures	243,792
Insurance	131,924
Automated	5,057
Clerk's Allowance	4,311
Other	182,762
Capital Expenditures	181,918
Total expenditures	<u>1,278,149</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>155,566</u>
OTHER FINANCING SOURCES:	
Gains on Sale of Fixed Assets	13,308
Total other financing sources	<u>13,308</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>168,874</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>181,768</u>
FUND BALANCE AT END OF YEAR	<u>350,642</u>

The accompanying notes are an integral part of these statements.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)
As of and for the Year Ended June 30, 1996

13. LITIGATION AND CLAIMS

At June 30, 1996, the clerk of court was involved in one law suit. It is the opinion of the Clerk's attorney that the insurance will cover this matter, and there will be no liability to the Clerk's Office.

Attorney costs of \$3,800 were incurred in the current year and have been recorded as a current-year expenditure in the General Fund.

14. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY

Certain operating expenditures of the clerk's office are paid by the parish police jury and are not included in the accompanying financial statements.

15. RESERVED FUND BALANCE

On April 17, 1993, the 21st Judicial District Court ordered the clerk of court to deposit \$126,475 in an escrow account to be administered by the court to be used for the construction of clerk of court offices.

LIVINGSTON PARISH CLERK OF COURT
LIVINGSTON, LOUISIANA

STATEMENT C

GOVERNMENTAL FUND - GENERAL FUND
Statement of Revenues, Expenditures, and
Change in Fund Balances - Budget
(GAAP Basis) and Actual
For the Year Ended June 30, 1996

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES			
Licenses and permits	\$24,000	\$23,800	(\$191)
Fees, charges, and -commissions for services:			
Recordings	258,000	468,716	110,716
Concessions	22,000	23,327	1,327
Marriage Certificates	14,000	15,920	1,920
Court Attendance	8,500	11,280	4,780
Copies	118,000	108,202	(\$9,798)
Road Permits	11,000	12,039	1,039
Sales & Successions	518,000	578,278	60,278
Other Revenues:			
Interest	28,000	38,224	4,224
Other	87,000	111,599	24,599
Total revenues	<u>1,085,100</u>	<u>1,445,773</u>	<u>360,673</u>
EXPENDITURES			
General government:			
Salaries	554,153	546,365	7,788
Office Expenditures	275,000	247,792	27,208
Insurance	130,100	131,924	(\$1,824)
Autos/travel	6,000	5,697	303
Clerk's Allowance	5,825	6,311	(\$486)
Other	283,900	182,363	101,537
Capital Expenditures	182,000	181,918	82
Total expenditures	<u>1,525,478</u>	<u>1,393,358</u>	<u>132,120</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(440,378)</u>	<u>213,643</u>	<u>653,021</u>
OTHER FINANCING SOURCES			
Gain on Sale of Fixed Asset	12,500	12,500	-
Total other financing sources	<u>12,500</u>	<u>12,500</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>(427,878)</u>	<u>226,143</u>	<u>653,021</u>
FUND BALANCE BEGINNING OF YEAR	<u>587,368</u>	<u>587,368</u>	<u>-</u>
FUND BALANCE END OF YEAR	<u>\$161,490</u>	<u>\$813,511</u>	<u>\$653,021</u>

The accompanying notes are an integral part of these statements.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1996

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Livingston Parish 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.

II. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Livingston Parish Police Jury is the financial reporting entity for Livingston Parish. The financial reporting entity consists of (a) the primary government (police jury), (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 inclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 34 established criteria for determining which component units should be considered part of the Livingston Parish Police Jury 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 police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose special financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.
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.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)

As of and for the Year Ended June 30, 1996

Because the clerk of court is financially dependent on the police jury, the clerk of court was determined to be a component unit of the Livingston Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. 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 governmental 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 33:781, 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 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.

D. 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 component unit financial statements have been prepared on the modified accrual basis of accounting. The governmental funds use the following practices in recording revenues and expenditures.

Revenues

Revenues from recordings, copies, and other services are recognized when they become measurable and available to pay current claims (i.e. when the service is performed). Substantially all other revenues are recorded when received.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)

As of and for the Year Ended June 30, 1998

Expenditures

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

E. BUDGET PRACTICES

The proposed budget for the 1998 fiscal year was made available for public inspection at the clerk's office on June 14, 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 30, 1998. The budget is legally adopted by the clerk. All appropriations lapse at year end.

Formal budget integration is not employed as a management control device. Budget accounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. ENCUMBRANCES

The clerk of court does not use an encumbrance accounting system.

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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.

Under state law, the clerk of court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

I. COMPENSATED ABSENCES

Employees earn vacation leave of one to three weeks per year, depending on the length of service. Sick leave is earned at the rate of ten days per year after six months of employment. Vacation and sick leave must be used in the year earned. Accordingly, no provision is made in the financial statements for unpaid vacation and sick leave.

LIVINGSTON PARISH CLERK OF COURT
Livingston, Louisiana

Notes to the Financial Statements
(Continued)

As of and for the Year Ended June 30, 1996

J. LONG-TERM OBLIGATIONS:

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due. As of June 30, 1996, the clerk's office had no long-term obligations.

K. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

L. TOTAL COLUMNS ON STATEMENTS

Total columns on the statements are captioned Miscellaneous Daily to indicate that they are presented only to facilitate financial 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.

2. CASH AND CASH EQUIVALENTS

At June 30, 1996, the clerk of court has cash and cash equivalents (bank balances) totaling \$2,529,586, as follows:

Demand Deposits	\$ 1,515,172
Interest-bearing Demand Deposits	867,066
Certificates of Deposits	627,298
Total	<u>\$2,529,586</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 deposits with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or control of bank that is mutually acceptable to both parties. At June 30, 1996, the clerk has \$2,489,229 in deposits (collected bank balances). These deposits are secured from risk by \$200,212 of federal deposit insurance and \$1,496,817 of pledged securities held by the collateral bank in the name of the fiscal agent bank (Category 3).

LIVINGSTON PARISH CLERK OF COURT
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Notes to the Financial Statements
(Continued)
As of and for the Year Ended June 30, 1996

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1219 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.

3. DUE TO/FROM OTHER FUNDS

The due to/from other funds of \$63,870, at June 30, 1996, is as follows:

	Due From	Due To
General Fund	\$ 39,462	\$ 39,462
Advance Deposit Fund	-	24,408
Registry of Court Fund	24,408	-
Total	\$ 63,870	\$ 63,870

4. RECEIVABLES

The receivables of \$ 14,350 at June 30, 1996, are from only 18 vendors that are allowed to charge during the month. All amounts due are to be paid by the 30th of the following month, or they can no longer charge.

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Equipment	\$ 299,945	\$ 37,828	\$ -	\$ 337,773
Vehicle	24,776	29,993	24,776	29,993
Total	\$ 324,721	\$ 67,821	\$ 24,776	\$ 367,766

6. PENSION PLAN

Plan Description: Substantially all employees of the Livingston Parish Clerk of Court are members of the Louisiana Clerk of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.