



Audit Report
For the Year Ended December 31, 1996

Of

Funds on Deposit in the
Civil District Court for the Parish of Orleans and
The First City & The Second City Courts of the
City of New Orleans

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or audited, entity and officer responsible for 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 JUL 30 1997

6-2-97

*FUNDS ON DEPOSIT IN THE
CIVIL DISTRICT FOR THE PARISH OF ORLEANS
AND THE FIRST CITY & THE SECOND CITY COURTS
OF THE CITY OF NEW ORLEANS*

Table of Contents

	Page
Independent Auditor's Report.....	1
Statement of Financial Position.....	2
Statement of Activities.....	3
Statement of Cash Flows.....	4
Notes To The Financial Statements.....	5-6
Independent Auditor's Report on Internal Control Structures Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	7-8
Independent Auditor's Report on Compliance Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	9
Management Letter.....	10

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

INDEPENDENT AUDITOR'S REPORT

To: Dale M. Atkins, Clerk of Civil District Court for the Parish of Orleans
Rosa Lindt, Clerk of First City Court of the City of New Orleans
Martin Broussard, Clerk of Second City Court of New Orleans

I have audited the accompanying statement of financial position of Funds on Deposit of the Civil District Court for the Parish of Orleans, and the First and the Second City Courts of the City of New Orleans as of December 31, 1996 and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of the respective clerks of court. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Funds on Deposits with the Civil District Court for the Parish of Orleans, and the First and the Second City Courts of the City of New Orleans as of December 31, 1996, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.


Charmaine Philips-Platenburg
Certified Public Accountant

New Orleans, LA
June 23, 1997

**FUND OF REVENUE IN THE
 CIVIL SERVICE FUND FOR THE PARISH OF ORLEANS AND
 THE FIRST AND THIRD-COURT CITY FUNDS OF THE CITY OF NEW ORLEANS**

**STATEMENTS OF FINANCIAL POSITION
 AS OF DECEMBER 31, 2004**

	Civil Service Fund		First-City Fund		Third-City Fund	
	Registry Fund	Appropriation Fund	Registry Fund	Commodities Fund	Registry Fund	Commodities Fund
ASSETS:						
Cash	\$13,214,804	\$116,770	1058,843	1,881,921	\$1,035	\$19,220
Contributions of Depreciation	-	145,260	18,888	13,888	-	-
FELMCO Discount Note	<u>1,285,147</u>	-	<u>208,843</u>	<u>19,921</u>	<u>1,011</u>	<u>19,220</u>
	<u>\$14,500,000</u>	<u>262,030</u>	<u>1276,674</u>	<u>2,015,730</u>	<u>2,046</u>	<u>38,440</u>
LIABILITIES:						
Expenses by Litigants and - Income Credited	15,886,107	289,931	261,889	149,075	-	19,220
Unaccrued Interest	579,180	96,134	7,134	47,250	-	-
Other Liabilities	<u>16,265,287</u>	<u>386,065</u>	<u>269,023</u>	<u>196,325</u>	<u>7,005</u>	<u>19,220</u>
	<u>\$17,930,574</u>	<u>772,096</u>	<u>530,912</u>	<u>352,650</u>	<u>7,005</u>	<u>38,440</u>
NET ASSETS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

See accompanying notes to the financial statements.

**FUND AN IMPROVEMENT
CIVIL DISTRICT COURT FOR THE PARISH OF ORLEANS AND
THE FIRST AND THE SECOND CITY COURTS OF THE CITY OF NEW ORLEANS**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004**

	<u>Civil District Court</u>	<u>First City Court</u>	<u>Second City Court</u>
TEMPORARILY RESTRICTED ASSETS			
Investment Earnings	\$118,208	\$22,092	\$277
Net Assets Released From Restrictions:			
Transfer to Judicial Expenses Fund	(209,120)		
Transfer to Unallocated Interest	(209,120)	(22,092)	(277)
TEMPORARILY RESTRICTED NET ASSETS	<u>0</u>	<u>0</u>	<u>0</u>
NET ASSETS AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
NET ASSETS AT END OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>

See accompanying notes to the financial statements.

**FUNDS ON DEPOSIT BY THE
CITY OF DECATUR COUNTY FOR THE MAINTENANCE OF HIGHWAYS AND
THE FIRST AND THE SECOND CITY COURTS OF THE CITY OF AUBURN**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1996**

	<u>Chattahoochee Court</u>	<u>First City Court</u>	<u>Second City Court</u>
CASH FLOWS FROM ACTIVITIES:			
Increase in the Assets	-	-	-
Adjustments attributable to items in the Cash Provided by Operating Activities:			
Increase in Cash Liabilities	-	-	\$4,000
Increase (Decrease) in Deposits by Liqumts	\$1,000,000	\$80,000	1,000,000
Decrease in Unallocated Interest	(200,000)	(2,000)	-
NET CASH PROVIDED BY (USED) IN OPERATING ACTIVITIES:	<u>\$799,000</u>	<u>\$77,000</u>	<u>1,004,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Short-term Investments, Net	(1,000)	-	-
NET CASH FLOW IN INVESTING ACTIVITIES	<u>(1,000)</u>	<u>-</u>	<u>-</u>
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$797,000</u>	<u>\$77,000</u>	<u>1,004,000</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>\$1,000,000</u>	<u>\$80,000</u>	<u>1,000,000</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$1,797,000</u>	<u>\$157,000</u>	<u>2,004,000</u>

See accompanying notes to the financial statements.

**FUNDS ON DEPOSIT IN THE
CIVIL DISTRICT FOR THE PARISH OF ORLEANS
AND THE FIRST CITY & THE SECOND CITY COURTS
OF THE CITY OF NEW ORLEANS**

NOTES TO THE FINANCIAL STATEMENTS

NOTE A - Nature of Activities and Significant Accounting Policies

Nature of Activities

The Civil District Court for the Parish of Orleans was created by LSA-R.S. 13:1136; the First City Court of the City of New Orleans by LSA-R.S. 13:2151 and the Second City Court of the City of New Orleans by LSA-R.S. 13:2151.4.

The Registry of Court funds of the Civil District Court was created by LSA-R.S. 1305; however, no enabling statutes exist which create the Registry of Court funds for the First and Second City Courts. Rather, these registries of Court funds exist through the inherent authority of the City Courts.

Parties to litigation in these Courts may deposit, or be ordered to deposit, cash or property in these funds in connection with the related litigation. Cash or property so deposited is the property of the litigants and is to be returned or disbursed to them upon the conclusion of the litigation.

Each court has responsibility solely for its own Registry of Court funds. The Clerk of Civil District Court, the Clerk of First City Court and The Clerk of Second City Court is the custodian of the Registry of Court funds for his (her) respective court. The clerk generally may only accept deposits into or disburse funds from the registry of court fund by order of the respective court.

With respect to the registry of court fund of Civil District Court, state statutes authorize the investment of these funds in interest-bearing accounts. The statutes provide that one-half of the interest earned shall be credited to the litigant's deposits and one-half shall be credited to the Judicial Expense Fund as reimbursement of administrative costs associated with the Registry of Court fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Revenue from investments is recorded when earned. Expenses are accrued when incurred.

Investments

Investments are carried at cost. Investments generally consist of U.S. government and agency securities and time deposits.

Cash Flows

For the purpose of the statements of cash flows, the organizations consider cash and cash equivalents to include all highly liquid investments.

NOTE B—Cash and Investments

Cash and investments consisted of the following:

	<u>Civil District Court</u>	<u>New City Court</u>	<u>Second City Court</u>
Cash	<u>\$13,283,646</u>	<u>\$448,768</u>	<u>326,895</u>
Investments			
Certificates of Deposit	<u>345,291</u>	<u>25,000</u>	<u>0</u>
	<u>\$13,628,937</u>	<u>\$473,768</u>	<u>326,895</u>

Annual cash in banks and certificates of deposit as of December 31, 1996 were substantially covered by federal depository insurance or by collateral held in the agency's name.

Investments held in name of the Civil District Court by its agent is a Category 1 investment under CLASS 1 requirements. Statutes authorize the Civil District Court to invest in direct United States Treasury obligations, bonds, debentures, notes or other indebtedness issued or guaranteed by U.S. government instrumentalities which are federally sponsored or federal agencies that are backed by the full faith and credit of the United States; short-term repurchase agreements; and time certificates of deposit at financial institutions, state banks and national banks having their principal offices in Louisiana. Securities purchased and sold during 1996 totaled \$35,000,000.

The market value of the investment security as of December 31, 1996 is as follows:

	<u>Cost</u>	<u>Unrealized Gain</u>	<u>Unrealized Loss</u>	<u>Market Value</u>
U.S. Government Agency	<u>\$1,996,347</u>	<u>\$0</u>	<u>\$740</u>	<u>\$1,995,607</u>

**CHARMAINE PHILIPS-PLAYENBURG
CERTIFIED PUBLIC ACCOUNTANT**

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

To: Dale H. Atkins, Clerk of Civil District Court for the Parish of Orleans
Rose Lehot, Clerk of First City Court of the City of New Orleans
Martin Broussard, Clerk of Second City Court of New Orleans

I have audited the accompanying statement of financial position of Funds on Deposit of the Civil District Court for the Parish of Orleans, and the First and the Second City Courts of the City of New Orleans, as of and for the year ended December 31, 1996, and have issued my report thereon dated June 23, 1997.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The clerks (management) of the Civil District Court of Orleans Parish, and the First and the Second City Courts of the City of New Orleans are 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 on 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, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors, 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 my audit of the financial statements of Funds on Deposit with the Civil District Court for the Parish of Orleans, and the First and the Second City Courts of the City of New Orleans for the year ended December 31, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

A material weakness is a 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 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.

However, I noted certain matters involving the internal control structure and its operation that I have reported to the management of Civil District Court of Orleans Parish, and the First and the Second City Courts of the City of New Orleans in a separate letter dated June 27, 1997.

This report is intended for the information of the Chief Judge, Clerks, and the Legislative Auditors. However, this report is a matter of public record, and its distribution is not limited.


Clarence Phillip Planchong, CPA

New Orleans, LA
June 27, 1997

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

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

To: Dale M. Atkins, Clerk of Civil District Court for the Parish of Orleans
Rene Leclot, Clerk of First City Court of the City of New Orleans
Martin Howard, Clerk of Second City Court of New Orleans

I have audited the accompanying statement of financial position of Funds on Deposit with the Civil District Court for the Parish of Orleans, and the First City and the Second City Courts of the City of New Orleans as of and for the year ended December 31, 1996, and have issued my report thereon dated June 23, 1997.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations, applicable to Funds on Deposit with the Civil District Court for the Parish of Orleans, and the First and the Second City Courts of the City of New Orleans is the responsibility of the respective clerks. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of compliance with certain provisions of laws and regulations. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my test disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

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


Charmaine Philips-Platenburg, CPA

New Orleans, LA
June 23, 1997