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Release Date DEC 7 1988

VERNON R  
COON  
LEGISLATIVE PUBLIC ACCOUNTANT

MOOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana

General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Two Years Ended June 30, 1998  
With Supplemental Information Schedules

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## Independent Auditor's Report

**VERNON COON**  
Chartered Accountant  
Public Accountants

**SOCIETY OF LOUISIANA  
CHARTERED PUBLIC  
ACCOUNTANTS**

**FINANCIAL STATEMENTS BY  
INDEPENDENT  
ACCOUNTANTS, PUBLIC  
AND FINANCIAL INSTITUTIONS**

Honorable Jamie Patrick  
Morehouse Parish Clerk of Court  
Bastrop, Louisiana

I have audited the general purpose financial statements of the Morehouse Parish Clerk of Court, a component unit of the Morehouse Parish Police Jury, as of June 30, 1998, and for the two years then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Morehouse Parish Clerk of Court's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Morehouse Parish Clerk of Court, as of June 30, 1998, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

**THE PROFESSIONAL CENTER,  
SUITE 3000,  
LOUISIANA FREE  
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Morcheuse Parish Clerk of Court  
Bossier, Louisiana  
Independent Auditor's Report  
June 30, 1998

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Morcheuse 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 my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued reports dated November 24, 1998, on the Morcheuse Parish Clerk of Court's compliance with laws, regulations, and contracts, and my consideration of the agency's internal control over financial reporting.



West Monroe, Louisiana  
November 24, 1998

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

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**MOREHOUSE PARISH CLERK OF COURT**  
**Denham, Louisiana**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

Combined Balance Sheet, June 30, 1999

	GOVERNMENTAL FUND TYPE - GENERAL FUND	FUNDARY FUND TYPE - SPECIAL FUND	ACCOUNT GROUPS - GENERAL FUND ASSETS	ACCOUNT GROUPS - GENERAL FUND TYPE LIABILITY	TOTAL (DIFFERENCE OF 000.00)
<b>ASSETS AND OTHER DEBITS</b>					
Cash and cash equivalents	\$120,817	\$117,066			\$478,340
Receivables	16,235	29,895			40,521
Other assets	580				500
Prepaid expenses	3,884				3,084
Due from auditor (Deposit Fund)	80,899				80,899
Office furnishings and equipment			\$211,988		255,988
Amount to be provided for retirement of general long-term obligations				\$18,847	18,847
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$223,395</b>	<b>\$146,961</b>	<b>\$211,988</b>	<b>\$18,847</b>	<b>\$643,400</b>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities:</b>					
Accounts payable	\$4,937				\$4,937
Due to General Fund		\$80,899			\$80,899
Deposits due others		\$58,580			\$58,580
Compensated absence payable				\$18,847	\$18,847
<b>Total Liabilities</b>	<b>4,937</b>	<b>\$139,479</b>	<b>\$0.000</b>	<b>\$18,847</b>	<b>\$173,933</b>
<b>Fund Equity:</b>					
Investment in general fund assets			\$200,988		\$210,988
Fund balance - unrestricted - unobligated	\$18,450				\$18,450
<b>Total Fund Equity</b>	<b>\$18,450</b>	<b>\$0.000</b>	<b>\$200,988</b>	<b>\$0.000</b>	<b>\$179,438</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$223,395</b>	<b>\$139,479</b>	<b>\$200,988</b>	<b>\$18,847</b>	<b>\$643,400</b>

The accompanying notes are an integral part of this statement.



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**MOREHOUSE PARISH CLERK OF COURT**  
 Bayou, Louisiana  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

*Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget  
 (GAAP Basis) and Actual  
 For the Year Ended June 30, 1998*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Licenses and permits - marriage licenses	\$5,800	\$3,700	(2,100)
Intragovernmental revenues - state funds - clerk's supplemental compensation	11,325	11,325	
Fees, charges, and commissions for services:			
Court costs, fees, and charges	265,500	269,181	3,681
Fees for recording legal documents	153,000	151,300	(1,697)
Fees for certified copies of documents	56,480	54,286	(2,194)
Criminal fees		21,188	21,188
Court attendance	3,905	3,905	(000)
UCC fees	42,700	40,724	(1,976)
Other	28,280	29,534	1,254
Bond forfeitures	1,350	1,305	(45)
Use of money and property - interest earnings	13,600	15,886	2,286
Other	3,900	3,704	(196)
Total revenues	<u>587,915</u>	<u>603,134</u>	<u>15,219</u>
<b>EXPENDITURES</b>			
General government - judicial:			
Current:			
Personal services and related benefits	408,915	407,365	1,550
Operating services	66,087	57,542	8,545
Materials and supplies	24,568	24,198	368
Travel and other charges	40,513	46,734	(6,221)
Capital outlay	1,130	1,196	(66)
Total expenditures	<u>541,203</u>	<u>537,035</u>	<u>4,168</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>46,712</b>	<b>73,099</b>	<b>26,387</b>
<b>FUND BALANCE AT BEGINNING OF THE YEAR</b>	<u>165,362</u>	<u>143,352</u>	<u>(22,010)</u>
<b>FUND BALANCE AT END OF THE YEAR</b>	<u>212,074</u>	<u>216,451</u>	<u>44,377</u>

The accompanying notes are an integral part of this statement.

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**MOOREHOUSE PARISH CLERK OF COURT**  
 Bayou, Louisiana  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

Statement C

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget  
 (GAAP Basis) and Actual  
 For the Year Ended June 30, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FUNDABLE RESPONSIBLE</u>
<b>REVENUES</b>			
Licenses and permits - marriage licenses	\$4,700	\$5,175	\$475
Intergovernmental revenues - state funds - clerk's supplemental compensation	10,000	10,000	
Fees, charges, and commissions for services:			
Court costs, fees, and charges	230,000	187,840	(42,160)
Fees for recording legal documents	156,000	163,273	7,273
Fees for certified copies of documents	40,000	42,922	2,922
Criminal fees		28,871	28,871
Court attendance	3,000	4,000	(900)
LCC Fees	32,000	33,738	1,738
Other	34,489	34,258	(231)
Bond forfeitures	930	930	
Use of money and property - interest earnings	9,700	12,536	2,836
Other	16,064	16,458	(306)
Total revenues	<u>\$402,383</u>	<u>\$372,392</u>	<u>(30,001)</u>
<b>EXPENDITURES</b>			
General government - judicial:			
Current:			
Personal services and related benefits	410,000	403,262	6,738
Operating services	70,000	67,257	2,743
Materials and supplies	18,000	18,000	
Travel and other charges	90,000	87,318	2,682
Capital outlay	8,000	8,855	(855)
Total expenditures	<u>\$586,000</u>	<u>\$585,692</u>	<u>(308)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(183,617)	(9,000)	6,247
<b>FUND BALANCE AT BEGINNING OF THE YEAR</b>	<u>157,442</u>	<u>157,442</u>	
<b>FUND BALANCE AT END OF THE YEAR</b>	<u>\$17,825</u>	<u>\$14,252</u>	<u>\$3,573</u>

The accompanying notes are an integral part of this statement.

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**MOREHOUSE PARISH CLERK OF COURT**  
**Bastrop, Louisiana**

Notes to the Financial Statements  
As of and For the Two Years Ended June 30, 1998

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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 shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local government entities. The GASB has issued a codification of governmental accounting and financial reporting standards (1997). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Morehouse Parish Police Jury is the financial reporting entity for Morehouse Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which primary government is financially accountable, and (c) other organizations for which the 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Morehouse Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 specific financial burdens on the police jury.

**Morshouse Parish Clerk of Court**  
**Barat, Louisiana**  
**Notes to the Financial Statements (Continued)**

2. Organizations for which the police jury does not appoint a voting majority but are fiscally 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.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Morshouse 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.

**B. 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

#### **General Fund**

The General Fund, as provided by Louisiana Revised Statute 13:181, is the principal fund of the clerk of court and is used to account 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.

#### **Fiduciary Funds - Agency Funds**

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

### **C. FIXED ASSETS AND LONG-TERM OBLIGATIONS**

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the parish police jury are recorded in the general fixed assets account group. Approximately 15 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 85 per cent are based on actual historical costs. No depreciation has been provided on general fixed assets.

Long-term obligations, such as installment purchases and capital leases payable are recognized as a liability of a governmental fund only when due. The remaining portion of such obligations is reported in the general long-term obligations account group.

### **D. BASIS OF ACCOUNTING**

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and



**Morehouse Parish Clerk of Court**  
**Bastrop, Louisiana**  
**Notes to the Financial Statements (Continued)**

available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The clerk of court uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues**

Proceedings, cancellations, court attendance, criminal costs, and other fees, charges and commissions for services, are recorded in the year in which they are earned.

Interest income on time deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above criteria, proceedings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as receivable to annual.

**Expenditures**

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

**E. BUDGET PRACTICES**

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Morehouse Parish Clerk's office during the month of June for comments from taxpayers. The budget is then legally adopted by the clerk and amended during the year, as necessary. The budget is established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Incurrence accounting is not utilized by the clerk.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

Missoula Parish Clerk of Court  
Bossier, Louisiana  
Notes to the Financial Statements (Continued)

**F. CASH AND CASH EQUIVALENTS**

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 principal offices in Louisiana. At June 30, 1998, the clerk of court has cash and cash equivalents (book balances) totaling \$478,263, as follows:

Petty Cash	\$100
Demand Deposits	298,263
Time Deposits	<u>179,899</u>
Total	<u>\$478,263</u>

These deposits are stated at cost, which approximates market. Under state law, time 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. Cash and cash equivalents (book balances) at June 30, 1998, are secured as follows:

Bank Balances	<u>\$511,006</u>
Federal deposit insurance	\$463,812
Pledged securities (uncollateralized)	<u>323,496</u>
Total	<u>\$1,298,314</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the clerk, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand. Further, LRS 38:1228 states that securities held by a third party shall be deemed to be held in the clerk's name.

**G. VACATION AND SICK LEAVE**

All employees of the clerk of court's office earn from ten to fifteen days of vacation leave each year, depending on length of service. Vacation leave must be taken during the year earned and cannot be carried forward to the following year. All employees of the clerk's

**Morehouse Parish Clerk of Court  
Bastrop, Louisiana  
Notes to the Financial Statements (Continued)**

office care ten days of sick leave annually. A maximum of 420 hours (60 days) sick leave may be accumulated and carried forward to the succeeding calendar year. Under the clerk's current policy, employees are not paid for accumulated sick leave upon termination of employment.

At June 30, 1998, employees had accumulated and vested \$18,847 of employee leave benefits, computed in accordance with GASB Codification Section C69. This amount is recorded within the general long-term obligations account group.

The cost of leave privileges, computed in accordance with the previous codification, is recognized as a current year expenditure within the General Fund when leave is actually taken.

## **II. RISK MANAGEMENT**

The clerk is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering his automobile, professional liability and surety bond coverages. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 1998.

### **1. TOTAL COLUMN ON THE BALANCE SHEET**

The total column on the balance sheet is captioned Memorandum Only (a review) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

### **2. RECEIVABLES**

The receivables of \$45,931 as of June 30, 1998, are as follows:

<u>Class of Receivables</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Suits and successions		\$29,685	\$29,685

Morehouse Parish Clerk of Court  
 Bossier, Louisiana  
 Notes to the Financial Statements (Continued)

Class of Receivable	General	Agency	Total
	Fund	Funds	
Recordings, Cancellations, Mortgages, etc.	\$11,500		11,500
Court Attendance	380		380
Criminal Fees	\$1,328		\$1,328
Miscellaneous	300		300
Total	<u>\$13,508</u>	<u>\$20,093</u>	<u>\$33,601</u>

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment follows:

Balance, July 1, 1996	\$271,002
Additions	5,855
Deletions	(21,282)
Balance, July 1, 1997	255,485
Additions	1,188
Deletions	(1,785)
Balance, June 30, 1998	<u>\$254,888</u>

4. PENSION PLAN

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

All regular employees 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 a 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 30 consecutive or joint 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 or amended by state statute.

**Morshouse Parish Clerk of Court  
Bastrop, Louisiana  
Notes to the Financial Statements (Continued)**

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 Clerks of Court Retirement and Relief Fund, 11745 Brickhouse Avenue, Suite 01, Baton Rouge, Louisiana 70816, or by calling (504) 283-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Morshouse Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 39.0 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 collectible by the tax rolls of each parish. The contribution requirements of plan members and the Morshouse Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 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 Morshouse Parish Clerk of Court's contributions to the System for the years ending June 30, 1998, 1997, and 1996, were \$32,148, \$32,517, and \$32,557, respectively, equal to the required contributions for each year.

**8. POST RETIREMENT BENEFITS**

The Morshouse Parish Clerk of Court provides certain 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 employee and the clerk of court. The clerk of court recognizes the cost of providing these benefits (the clerk's cost of premiums) as an expenditure when the premiums are due. For the years ended June 30, 1998 and 1997, the total amount of premiums paid were \$35,996 and \$37,955, respectively, while the amounts paid for retirees totaled \$13,483 for each of the years.

**6. CHANGES IN LONG-TERM OBLIGATIONS**

The following is a summary of compensated absences for the two years ended June 30, 1998:

	<u>Compensated Absences</u>
Long-term obligations at July 1, 1996	\$5,449
Additions	7,628
Deductions	(2,657)
Adjustment	4,565
Long-term obligations at July 1, 1997	15,189
Additions	8,389

Morehouse Parish Clerk of Court  
 Bayou, Louisiana  
 Notes to the Financial Statements (Continued)

	<u>Compensated Absences</u>
Debitors	(54,008)
Adjustment	<u>133</u>
Long-term obligations at June 30, 1998	<u>\$18,847</u>

All general long-term obligations are fulfilled by the General Fund. For each of the two years, the balance has been adjusted to include accumulated sick leave benefits due to an amendment to the personnel policy effective January 1, 1995.

**7. CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances deposits due others follows:

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
Balance, July 1, 1996	\$82,368	\$144,333	\$226,699
Additions	419,179	187,948	607,127
Reductions	(333,325)	(60,121)	(393,446)
Balance, July 1, 1997	168,015	172,154	340,169
Additions	519,052	90,086	609,138
Reductions	(394,650)	(138,161)	(532,811)
Balance June 30, 1998	<u>\$292,417</u>	<u>\$124,080</u>	<u>\$416,497</u>

**8. LITIGATION AND CLAIMS**

The Morehouse Parish Clerk of Court is not involved in any litigation at June 30, 1998, nor is the clerk aware of any unasserted claims.

**9. COMMITMENTS UNDER CONTRACTS**

On August 31, 1996, the Morehouse Parish Clerk of Court entered into an agreement with Software and Services, Inc., to provide hardware, software, and installation. The total contract is for \$84,448. The first payment under the contract is \$1,574 and is due September 1, 1998. Subsequent payments are due on the first day of each month thereafter in the amount of \$1,574 each.

**10. EXPENDITURES OF THE CLERK OF COURT  
PAID BY THE PARISH POLICE JURY**

The Morehouse Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4713, is paid by the Morehouse Parish Police Jury.

**SUPPLEMENTAL INFORMATION SCHEDULES**



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MOOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
As of and For the Two Years Ended June 30, 1998

FIDUCIARY FUND TYPE - AGENCY FUNDS

**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 which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

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MOKEHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1998

	AGENCY DEPOSIT FUND	FIDUCIARY OF COURT FUND	TOTAL
<b>ASSETS</b>			
Cash	\$223,417	\$124,089	\$347,506
Receivables	<u>29,693</u>		<u>29,693</u>
TOTAL ASSETS	<u>\$253,110</u>	<u>\$124,089</u>	<u>\$377,199</u>
<b>LIABILITIES</b>			
Due to General Fund	\$80,688		\$80,688
Due to Others	<u>172,421</u>	<u>\$124,089</u>	<u>296,510</u>
TOTAL LIABILITIES	<u>\$253,110</u>	<u>\$124,089</u>	<u>\$377,199</u>

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**MOREHOUSE PARISH CLERK OF COURT**  
**Bastrop, Louisiana**  
**FIDUCIARY FUND TYPE - AGENCY FUNDS**

Combining Schedule of Changes in Unsettled  
 Balances Due to Taxing Bodies and Others  
 For the Year Ended June 30, 1998

	ADVANCE DEPOSIT FUND	TREASURY OF COUNTY FUND	TOTAL
<b>UNSETTLED DEPOSITS DUE TO OTHERS AT BEGINNING OF YEAR</b>	<u>\$168,005</u>	<u>\$182,154</u>	<u>\$350,159</u>
<b>ADDITIONS</b>			
Deposits in suits	\$19,852	86,182	605,234
Interest earned on investments		3,814	3,814
Total additions	<u>\$19,852</u>	<u>\$90,000</u>	<u>\$609,048</u>
Total	<u>\$683,687</u>	<u>\$282,250</u>	<u>\$965,937</u>
<b>REDUCTIONS</b>			
Clerk's costs (transferred to General Fund)	269,154		269,154
Deposits settled to:			
Litigants	106,884	158,161	264,845
Appraisers, custodians, and keepers	4,277		4,277
Sherriff	23,843		23,843
Other reductions	<u>58,228</u>		<u>58,228</u>
Total reductions	<u>\$459,306</u>	<u>\$158,161</u>	<u>\$617,467</u>
<b>UNSETTLED DEPOSITS DUE TO OTHERS AT END OF YEAR</b>	<u>\$187,411</u>	<u>\$124,089</u>	<u>\$311,500</u>

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MOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled  
Balances Due to Taxing Bodies and Others  
For the Year Ended June 30, 1997

	ADVANCE DEPOSIT FUND	REGISTER OF COURT FUND	TOTAL
<b>UNSETTLED DEPOSITS DUE TO OTHERS AT BEGINNING OF YEAR</b>	<u>\$82,361</u>	<u>\$144,333</u>	<u>\$226,694</u>
<b>ADDITIONS</b>			
Deposits in coin	489,179	185,706	674,885
Interest earned on investments		4,214	4,214
Total additions	<u>489,179</u>	<u>189,920</u>	<u>679,119</u>
Total	<u>571,548</u>	<u>352,272</u>	<u>923,820</u>
<b>REDUCTIONS</b>			
Clerk's costs (transferred to General Fund)	187,840		187,840
Deposits settled as:			
Litigants	56,279	68,121	124,400
Appraisers, constors, and keepers	4,276		4,276
Sheriff	3,906		3,906
Other reductions	73,204		73,204
Total reductions	<u>137,665</u>	<u>68,121</u>	<u>205,786</u>
<b>UNSETTLED DEPOSITS DUE TO OTHERS AT END OF YEAR</b>	<u>\$168,815</u>	<u>\$185,134</u>	<u>\$353,949</u>



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**Independent Auditor's Reports Required  
by Government Auditing Standards**

The following independent auditor's reports on compliance and internal control over financial reporting are prepared in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the Louisiana *Governmental Audit Code*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



## Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

Honorable Jamie Patrick  
Merchouse Parish Clerk of Court  
Bastrop, Louisiana

MEMBER AMERICAN  
INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

SOCIETY OF CHARTERED  
ACCOUNTANTS  
MEMBERSHIP

MEMBER LISTED TO  
GOVERNMENTAL,  
ACCOUNTING, AUDITING  
AND FINANCIAL REPORTING

I have audited the general purpose financial statements of the Merchouse Parish Clerk of Court as of June 30, 1998, and for the two years then ended and have issued my report thereon dated November 14, 1998. I conducted my 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.

### Compliance

As part of obtaining reasonable assurance about whether the Merchouse Parish Clerk of Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered the Merchouse Parish Clerk of Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

THE PROFESSIONAL SEAL  
OF THE AMERICAN  
INSTITUTE OF CERTIFIED  
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Morhouse Parish Clerk of Court  
Bastrop, Louisiana  
Independent Auditor's Report on Compliance  
And Internal Control Over Financial Reporting, etc.  
June 30, 1998

This report is intended for the information of the Morhouse Parish Clerk of Court. This is not intended to limit the distribution of this report, which is a matter of public record.



West Monroe, Louisiana  
November 24, 1998

MOOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana

Schedule of Findings and Questioned Costs  
As of and for the Two Years Ended June 30, 1998

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Moorehouse Parish Clerk of Court.
2. No instances of non-compliance material to the financial statements of the Moorehouse Parish Clerk of Court were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Structure.

**B. FINDINGS - FINANCIAL STATEMENTS/AUDIT**

None

MOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana

Summary Schedule of Prior Audit Findings  
As of and for the Two Years Ended June 30, 1998

96-1 Need to Follow Compensated leave policies.

**Condition:** This finding related to failure to follow established leave policies and excess leave payments to individuals.

**Recommendation:** The auditor recommended that the clerk follow established leave policies and consult with legal counsel concerning excess payments to individuals.

**Current Status:** This finding has been resolved. The current clerk has established his own leave policies. Employees are required to adhere to these policies. Individuals receiving excess payments have made restitution.

96-2 Need to perform Physical Inventory of Fixed Assets.

**Condition:** This finding related to a failure by the former clerk of court to conduct a physical inventory prior to leaving office.

**Recommendation:** The auditor recommended that the new clerk conduct a physical inventory.

**Current Status:** The finding has been resolved. The current clerk of court has taken a physical inventory, which is current as June 30, 1998.

**STOREHOUSE PARISH CLERK OF COURT  
Bastrop, Louisiana**

**General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Two Years Ended  
June 30, 1998  
With Supplemental Information Schedules**