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**WEST FELICIANA PARISH CLERK OF COURT  
ST. FRANCISVILLE, LOUISIANA**

**FINANCIAL STATEMENTS**

**JUNE 30, 1989**

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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.

Dated: JAN 12 2000  
Date: \_\_\_\_\_



**Postlethwaite & Netterville**

CPA Professional Accounting Corporation  
EXPERTS IN PUBLIC ACCOUNTANTS

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ST. FRANCISVILLE, LOUISIANA

FINANCIAL STATEMENTS

JUNE 30, 1999



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# Pastelthwaite & Netterville

A Registered Accounting Corporation  
CERTIFIED PUBLIC ACCOUNTANTS

1000 MARKET STREET ■ FORT OFFICE SUITE 100 ■ CORNER DRIVE, ST. FRANCIS, MISSOURI ■ TEL: (314) 424-4444 ■ FAX: (314) 424-4444

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

Honorable Mary Nell Marchione  
West Feliciana Parish Clerk of Court  
St. Francis, Louisiana

We have audited the general purpose financial statements of the West Feliciana Parish Clerk of Court as of and for the two year period ended June 30, 1999, and have issued our report thereon dated December 6, 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.

### **Compliance**

As part of obtaining reasonable assurance about whether the West Feliciana Parish Clerk of Court's general purpose 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 the 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 of Court'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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Clerk's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described below.

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action recommended.
Management's response:	We concur with the finding.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all weaknesses in the internal control that might be reportable conditions and, according to, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe that the lack of segregation of duties described above is a material weakness.

This report is intended for the information of the management of the West Feliciana Parish Clerk of Court and the Legislative Council of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Paul Bennett, J. Matthews*

Baton Rouge, Louisiana  
November 8, 1999

**TRUST FUND LANA PARISH CLERK OF COURSE  
ST. FRANCISVILLE, LOUISIANA**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP  
JUNE 30, 1999**

**ASSETS**

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>
	<u>General Fund</u>	<u>Agency Funds</u>
Cash and cash equivalents	\$ 11,193	\$ 147,800
Certificates of Deposit	-	15,000
Accounts receivable (less allowance for doubtful account, \$240)	4,054	-
Due from other funds	44,412	-
Outstanding loan receivable	-	63,553
Equipment	-	-
<b>Total Assets</b>	<u>\$ 59,659</u>	<u>\$ 389,353</u>

**LIABILITIES AND FUND EQUITY**

<b>Liabilities:</b>		
Accounts payable	\$ 2,605	\$ 89,600
Salaries payable	-	-
Unapplied deposits	-	283,754
Due to other funds	-	44,412
<b>Total liabilities</b>	<u>2,605</u>	<u>387,766</u>
<b>Fund Equity:</b>		
Investment in general fund assets	-	-
<b>Fund balance:</b>		
Unreserved - undesignated	57,053	-
<b>Total fund equity</b>	<u>57,053</u>	<u>-</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 59,659</u>	<u>\$ 389,353</u>

The accompanying notes are an integral part of this statement.



Account Group	Totals (Memorandum Only)	
	1998 (Audited)	1999 (Unaudited)
General Fixed Assets		
\$ -	\$ 150,489	\$ 165,081
-	15,000	15,000
-	4,054	2,001
-	44,412	41,582
-	65,597	91,090
<u>41,216</u>	<u>41,216</u>	<u>41,216</u>
\$ <u>41,216</u>	\$ <u>386,758</u>	\$ <u>438,192</u>

\$ -	\$ 98,907	\$ 26,788
-	-	1,705
-	263,754	217,456
-	44,412	41,907
<u>-</u>	<u>268,409</u>	<u>267,941</u>
41,216	41,216	41,216
-	57,817	38,815
<u>41,216</u>	<u>99,269</u>	<u>98,791</u>
\$ <u>41,216</u>	\$ <u>388,718</u>	\$ <u>478,187</u>





**WEST FELICIANA PARISH CHIEF OF COURT  
ST. FRANCISVILLE, LOUISIANA**

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GRAND TOTAL) AND ACTUAL  
YEAR ENDING JUNE 30, 1999**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDING JUNE 30, 1998**

	1999		1998	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<b>REVENUES</b>				
License and permits	\$ 2,919	\$ 2,480	\$ (439)	\$ 2,699
Charges for services				
Court costs	2,828	-	12,924	2,860
Recording fees	171,888	175,120	3,232	157,199
Certified copies	9,623	10,250	527	8,827
Other copies	15,443	12,287	(3,156)	14,105
Notarial fees	1,514	1,760	246	1,376
Miscellaneous revenues	21,879	13,183	(8,696)	18,225
Interest	-	2,182	2,182	10,950
Total revenues	<u>226,443</u>	<u>218,172</u>	<u>(8,271)</u>	<u>216,483</u>
<b>EXPENDITURES</b>				
Current operating				
General				
Personnel services	152,318	138,631	13,687	152,060
Supplies	21,235	14,482	6,753	21,897
Computer	20,798	25,279	(4,481)	23,999
Other charges	43,774	31,712	12,062	48,989
Capital Outlay	-	-	-	-
Total expenditures	<u>217,115</u>	<u>209,104</u>	<u>8,011</u>	<u>226,946</u>
Excess of revenues over expenditures	(10,672)	8,068	(18,740)	(11,463)
Fund balance at beginning of year	<u>48,825</u>	<u>49,051</u>	<u>-</u>	<u>48,898</u>
Fund balance at end of year	<u>\$ 38,153</u>	<u>\$ 57,119</u>	<u>\$ 18,966</u>	<u>\$ 37,435</u>

The accompanying notes are an integral part of these statements.



## WEST FELICIANA PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### 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 mortgages, 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.

#### 1. Summary of Significant Accounting Policies

The accounting and reporting practices of the West Feliciana Parish Clerk of Court conform to generally accepted accounting principles as applicable to governmental units. The Clerk's reporting entity applies all relevant Government Accounting Standards (GASB) pronouncements. Such accounting and reporting procedures conform to the requirements of Louisiana Revised Statute 24:517, to the guidance set forth in the Louisiana Governmental Accounting Guide, and to the industry audit guide, *Standards for State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices:

##### Reporting Entity

As the governing authority of the parish, for reporting purposes, the West Feliciana Parish Police Jury is the financial reporting entity for West Feliciana 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 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 Statement No. 14, *The Financial Reporting Entity*, established criteria for determining which component units should be consolidated part of the West Feliciana 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 to impose your will on that organization and/or
  - b. the potential to provide specific financial benefits to or impose specific financial burdens on that organization.
2. Organizations for which the reporting entity does not appoint a voting majority but are fiscally dependent on the reporting entity.



## WEST FELICIANA PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Summary of Significant Accounting Policies (continued)

##### Reporting Entity (continued)

- Organizations for which the reporting entity's financial statements would be misleading if data of the organization was not included.

Since the West Feliciana Parish Clerk of Court is financially dependent on the West Feliciana Parish Police Jury, it is considered to be a component unit of the West Feliciana Parish Police Jury, the reporting entity. The accompanying financial statements present information only on the funds maintained by the West Feliciana Parish Clerk of Court and do not present information on the West Feliciana Parish Police Jury, the general governmental services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

##### Fund Accounting

The accounts of the Clerk of Court are organized on the basis of funds and account groups, each of which is considered a separate fund and accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Resources are accounted for in these individual funds based upon the purpose for which they are to be spent and the manner in which spending activities are controlled. The funds presented in the financial statements are described as follows:

##### General Fund

The General Fund, as provided by Louisiana Revised Statute 11:181, 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 also paid from this fund.

##### Agency Funds

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



## WEST FOLLIANTA PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Summary of Significant Accounting Policies (Continued)

##### *General Fixed Assets*

General fixed assets are long-lived assets of the Clerk of Court. When purchased, such assets are recorded as expenditures in the general fund and capitalised/recorded and accounted for in the General Fixed Assets account group. General fixed assets provided by the West Feliciana Parish Police Jury are not recorded within the General Fixed Assets account group. Fixed assets are valued at historical cost, and no depreciation has been provided.

This account group is not a fund. It is only concerned with the measurement of financial position and does 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 refers to the timing of the measurements made, regardless of the measurement days applied.

The governmental fund is accounted for using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. Charges for services are measurable to accrual. All other revenues are not acceptable to accrual as they are generally not measurable until received in cash.

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

##### *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 expenditures during the reporting period. Actual results could differ from these estimates.

##### *Budgetary Practices*

Annually, the Clerk of Court adopts a budget for its General Fund. The General Fund budget is prepared on a modified accrual basis of accounting, and includes original adopted budgeted amounts and all subsequent amendments. All annual appropriations lapse at fiscal year end.



## WEST FELICIANA PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. Summary of Significant Accounting Policies (continued)

##### *Accounts Receivable*

Uncollectible amounts are recognized as bad debts through the establishment of an allowance for doubtful accounts at the time information becomes available which indicates the uncollectibility of a particular receivable.

##### *Compensated Absences*

Employees earn vacation and sick leave at various rates depending upon the length of their employment. Employees must use their vacation and sick leave during the year earned. Accordingly, no provision is made in the financial statements for unpaid vacation and sick leave.

##### *Operating Transfers In and Out*

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

##### *Check and card equivalents*

Check includes amounts in demand deposit accounts, interest-bearing demand deposit accounts, and certificates of deposit. Under state law, the Clerk of Court may deposit funds in demand deposits accounts, interest-bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

##### *Total Columns on Combined Statements*

The total columns on the combined balance sheet are captioned "nonredundant only" to indicate that they are presented only to facilitate financial analysis. Since interfund eliminations have not been made in the aggregation of this data, data in these total columns does not present the Clerk of Court's financial position in conformity with generally accepted accounting principles and is not comparable to a consolidated one.

##### *Contingencies*

Contingency accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of that appropriation, is not employed by the Clerk of Court.

**WEST FELICIANA PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

2. *Changes in General Fixed Assets*

Changes in general fixed assets are summarized as follows:

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Equipment	\$ 41,716	\$ -	\$ -	\$ 41,716

3. *Interfund Receivables and Payables*

Interfund receivables and payables consisted of the following at June 30, 1999:

	Interfund Receivable	Interfund Payable
General Fund	\$ 44,412	\$ -
Agency Fund - Advance Deposit	-	44,412
	\$ 44,412	\$ 44,412

4. *Pension Plan*

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

*Plan Description* - 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 on or after the age of 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to a 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 joint months that produce the highest average. Employees who terminate their employment with at least 12 years of creditable service and do not withdraw their employee contributions may retire at or after the age of 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Buckhorn Avenue, Suite 811, Baton Rouge, Louisiana 70805, or by calling (225) 393-1162.

## WEST FELICIANA PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### 4. Pension Plan (continued)

*Funding Policy* - plan members are required by state statute to contribute 8.25 percent of their annual covered salary to the System, and the West Feliciana Parish Clerk of Court is required to make contributions at an actuarially determined rate. The rate currently being paid by the Clerk of Court is 10.00 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 West Feliciana Parish Clerk of Court are established and amended by state statute. As provided by Louisiana Revised Statute 11:305, the employer contribution rates 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 West Feliciana Parish Clerk of Court's contributions to the System during the years ending June 30, 1998, 1999, and 1999, were \$1,208,387, \$867, and \$11,183, respectively, equal to the required contributions for those years.

#### 5. Leases

The Clerk previously entered into a cancellable operating lease agreement which provides for the use of computer software and hardware. The lease extends through June 30, 2000, and requires monthly payments of \$2,000. Should the Clerk of Court terminate this agreement before the scheduled maturity date, the lessee will accumulate the monthly lease rate based on the equipment used during the period of time the equipment was in use.

The Clerk of Court also entered into several other operating lease agreements providing for the use of various pieces of office equipment. All of these lease agreements have non-appropriation (contingency) clauses that allow for the cancellation of the agreements should the Clerk not make appropriations for their continuance during subsequent fiscal periods.

Total lease expenditures amounted to approximately \$21,808 during each of the years during the two year period ended June 30, 1999.

#### 6. Cash and Investments

Under state law, all of the Clerk of Court's deposits must be secured by federal deposit insurance or by the pledge of securities covered by the fiscal agent banks. 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 banks. These securities are held by the fiscal agent banks in the name of the West Feliciana Parish Clerk of Court. As June 30, 1999, the Clerk had \$268,717 in deposits (collected bank balances). These deposits were secured from risk by \$160,375 of federal deposit insurance and \$108,343 of pledged securities held by the fiscal agent banks in the name of the Clerk of Court.



**WEST DELICIANA PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**7. Changes in Agency Fund Balances**

The following presents the changes in restricted deposits in the agency funds during the two year period ended June 30, 1999:

	Advance Deposit Fund	Registry of Court Fund	Total
Unrestricted Deposits at June 30, 1997	\$ 151,808	\$ 65,808	\$ 217,616
Additions:			
Deposits:			
Suits and successions	135,372	-	135,372
Judgments	-	77,882	77,882
Interest earned on investments	-	1,219	1,219
Total additions	135,372	79,101	214,473
Deductions:			
Clerk's contributions (General Fund transfer)	78,831	15	78,846
Reimbursements to Litigants	62,516	88,829	151,345
Sheriff's fees	16,571	-	16,571
Other	8,732	-	8,732
Total deductions	166,650	88,844	255,494
Unrestricted Deposits at June 30, 1999	\$ 158,082	\$ 55,661	\$ 213,743

**8. Post-retirement Benefits**

The Clerk of Court provides certain life insurance benefits for retired employees. Substantially all of the Clerk's employees may become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. The cost of retiree health care and life insurance benefits is recognized as expense as claims are paid. These costs during the years ended June 30, 1999 and 1998 were approximately \$40 and \$189, respectively, and covered one retiree.

**9. Expenditures of the Clerk of Court Not Included in the Financial Statements**

Certain operating expenditures of the Clerk of Court's office are paid by the West Feliciana Parish Police Jury and are not included in the accompanying financial statements.



WEST BURLINGTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS

18. 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's fund balance that exceeds one-half of the revenue earned during the Clerk's first year of each four-year term of office. At June 30, 1999, there was no amount due the parish treasurer as this was not the first year of the Clerk's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

SUPPLEMENTAL INFORMATION



**WEST VIRGINIA PAISH CLERK OF COURT**

**REQUIRED SUPPLEMENTAL INFORMATION:  
DISCLOSURE OF YEAR 2000 (Y2K) DEFICIENCIES**

The Year 2000 issue consists of two shortcomings that make computer processing systems unable to read year-date data beyond the year 1999. The first shortcoming is that many computer programs contain abbreviated dates which eliminate the first two digits of the year. Therefore, some computer programs may recognize January 1, 2000 as January 1, 1900 and process data incorrectly or stop-processing data altogether. The second shortcoming is that some computers will be unable to detect the year 2000 as a leap year and may not register the additional day, and date calculations may be incorrect.

The Clerk of Court is currently running a Hewlett-Packard operating system, which is considered to be Year 2000 compliant. The Clerk of Court has updated the Accounting, Case Management, Jury, Money Entry, and Advanced Deposit software packages to be Year 2000 compliant. The Clerk of Court has also begun the process of updating the Advanced Deposit software to be Year 2000 compliant.