

Smith, Huval & Associates, L.L.C.

A LIMITED LIABILITY COMPANY

Certified Public Accountants

P.O. Box 1000

Covington, Louisiana 70409-1000

Samuel B. Smith, CPA
Patrick Wray* Head, CPA

(504) 895-4670 • (504) 895-4671
(504) 895-4600 • FAX

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

Honorable Malin Priole
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the financial statements of the St. Tammany Parish Clerk of Court, as of and for the year ended June 30, 1997 and have issued our report thereon dated August 28, 1997. 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 St. Tammany Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test 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 St. Tammany Parish 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Smith, Huval & Associates, L.L.C.

August 28, 1997

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS
AGENCY FUNDS

For the Year Ended June 30, 1997

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	\$1,742,188	\$1,787,206	\$3,529,394
ADDITIONS			
Deposits:			
Fines and surcharges	2,598,188	-	2,598,188
Judgments	-	903,084	903,084
Interest earned on investments	2,641	52,022	54,663
Total additions	2,600,829	955,026	3,555,855
Total	4,343,017	2,742,232	7,085,249
DEDUCTIONS			
Settlements to litigants	735,047	815,534	1,550,581
Clerk costs	1,178,248	-	1,178,248
Sheliff's fees	289,672	-	289,672
Police Jury costs	149,878	-	149,878
Judges Supplemental Compensation Fund	92,567	-	92,567
22nd Judicial District Court Fund	87,086	-	87,086
Other	36,324	-	36,324
Stenographer fees	48,483	-	48,483
Attorney, courier, and notary fees	56,875	-	56,875
Jury expenses	17,893	-	17,893
Secretary of State	11,619	-	11,619
Court of Appeals	5,881	-	5,881
Witnesses, appraisers, and keepers	22,228	-	22,228
Total deductions	3,715,251	815,534	4,530,785
UNSETTLED DEPOSITS AT END OF YEAR	\$627,766	\$926,698	\$1,554,464

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

COMBINED BALANCE SHEET
AGENCY FUNDS

June 30, 1997

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 148,546	\$1,936,675	\$2,085,221
Investments	1,539,008	-	1,539,008
Total assets	\$1,687,554	\$1,936,675	\$3,624,229
LIABILITIES			
Due to general fund	\$ 32,788	\$ -	\$ 32,788
Uncertified deposits	1,654,766	1,896,635	3,551,401
Total liabilities	\$1,687,554	\$1,896,635	\$3,584,189

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

AGENCY FUNDS

ADVANCE DEPOSIT FUND

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

REGISTRY OF COURT FUNDS

The Registry of Court Fund, as provided by Louisiana Revised Statute 15:473, accounts for funds which have been ordered by the court to be held until final judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

SCHEDULE OF EXPENDITURES
GOVERNMENTAL FUND TYPE - GENERAL FUND (Continued)

Year Ended June 30, 1997

	<u>1997</u>
Criminal suits and miscell:	
Personal services	649,789
Operating services	13,468
Materials and supplies	27,018
Travel and other charges	294
Capital outlays	<u>7,588</u>
	<u>698,157</u>
Elections:	
Personal services	79,434
Operating services	12,982
Materials and supplies	2,899
Travel and other charges	298
Capital outlays	<u>7,528</u>
	<u>103,141</u>
Accounting and maps:	
Personal services	140,187
Operating services	10,683
Materials and supplies	5,130
Travel and other charges	965
Capital outlays	<u>365</u>
	<u>157,320</u>
Total Expenditures	<u>\$3,976,589</u>

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

SCHEDULE OF EXPENDITURES
GOVERNMENTAL FUND TYPE - GENERAL FUND

For the Year Ended June 30, 1997

	<u>1997</u>
Administration:	
Personal services	\$ 298,834
Operating services	185,312
Materials and supplies	18,408
Travel and other charges	16,099
Capital outlays	<u>20,128</u>
	<u>478,881</u>
Recordings and filings:	
Personal services	261,584
Operating services	166,349
Materials and supplies	193,325
Travel and other charges	2,380
Capital outlays	<u>5,742</u>
	<u>629,380</u>
Mortgage certifications:	
Personal services	443,320
Operating services	53,942
Materials and supplies	46,701
Travel and other charges	849
Capital outlays	<u>88,422</u>
	<u>633,234</u>
Civil suits and probate:	
Personal services	999,644
Operating services	29,129
Materials and supplies	51,087
Travel and other charges	2,642
Capital outlays	<u>1,855</u>
	<u>1,084,357</u>

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

SCHEDULE OF REVENUES
GOVERNMENTAL FUNDS TYPE - GENERAL FUND

For the Year Ended June 30, 1997

	<u>1997</u>
Marriage licenses	\$ 23,324
Court costs, fees, and charges:	
Fees-advance deposit	1,163,999
Criminal costs	177,136
Court attendance	<u>8,284</u>
	1,349,519
Recording of legal documents:	
Recording	1,575,574
Cancellations	124,368
Certificates	197,831
Redemptions	12,780
Police Jury costs	<u>16,268</u>
	3,867,123
Certified copies	<u>472,947</u>
Miscellaneous:	
Election fees	13,444
Computer time	16,184
Passports	12,170
Other	<u>53,862</u>
	95,660
Interest	<u>90,728</u>
 Total Revenues	 <u>\$3,838,724</u>

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

June 30, 1997

GENERAL FUND

The General Fund is the principal fund of the Clerk and is used to account for the financial resources and expenditures not accounted for in any other fund.

The following schedules present revenues by source and expenditures by function and character.

COMBINING STATEMENTS AND INDIVIDUAL
FUND SCHEDULES

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1993

NOTE 4 - CHANGES IN AGENCY FUND BALANCE

The following is a summary of changes in agency fund unencumbered deposits:

	Unencumbered Deposits at Beginning of Year	Additions	Reductions	Unencumbered Deposits at End of Year
Agency funds:				
Advance Deposit	\$ 1,742,188	\$ 2,600,821	\$ 2,715,251	\$ 1,627,758
Registry of Court	<u>1,767,206</u>	<u>985,000</u>	<u>815,534</u>	<u>1,936,672</u>
Total	<u>\$ 3,509,394</u>	<u>\$ 3,585,841</u>	<u>\$ 3,530,805</u>	<u>\$ 3,564,430</u>

NOTE 5 - SUBSEQUENT EVENT

During the year ended June 30, 1993, the Clerk of Court received a grant to be used for the purchase of computers and software to implement its criminal case management information system. As of June 30, 1993, no funds had been expended for the grant purpose and the Clerk recorded the grant revenue as deferred revenue.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

**NOTE O - EXPENDITURES OF THE CLERK OF COURT REQUIRED TO BE PAID BY THE
PARISH POLICE JURY**

Louisiana R.S. 13:784 requires the Police Jury to provide the Clerk with all necessary office furniture, equipment, and record books. During the year ended June 30, 1997, as well as for several years prior thereto, items provided by the Police Jury have been limited to certain office and storage space and utilities.

In the accompanying financial statements, the value of materials, supplies, and services provided by the Police Jury are not reflected. In addition, no recognition has been given for the amount, if any, which may be recoverable for materials items not provided.

NOTE P - 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 amount of the Clerk's last year of office term of office. At June 30, 1997, there would be no amount due the Parish Treasury because the General Fund's fund balance does not exceed one-half of the amount of the Clerk of Court.

NOTE Q - CLERK'S COMPENSATION

The Clerk's compensation for the year ended June 30, 1997, as established by law for salary, statute allowance, and cost-sharing of voting machines was \$66,086, \$18,849 and \$2,400, respectively.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE L - POST EMPLOYMENT BENEFITS - (Continued)

The benefits for the covered employees are provided through an insurance company whose monthly premiums are paid jointly by the employees/retirees and by the Clerk. The cost of providing these benefits for the retirees is expensed from the cost of providing benefits for active employees and are recorded on a pay-as-you-go basis (cash basis). The Clerk's portion of the total premiums for the fiscal year ended June 30, 1997 aggregated \$403,112. For the year ended June 30, 1997, the cost of retiree benefits included in total paid premiums was \$26,303.

NOTE M - DEFERRED COMPENSATION PLAN

The Clerk offers her employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with these amounts, and all income attributable to these amounts, property, or rights are (until paid or made available to the employee or beneficiary) solely the property and rights of the Clerk (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Clerk's general creditors. Participants' rights under the plan are equal to those of general creditors of the Clerk in an amount equal to the fair market value of the deferred amount for each participant.

It is the opinion of the Clerk's legal counsel that the Clerk has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Clerk believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. Accordingly, the plan assets and related liabilities have not been included hereto.

Investments are managed by the Plan's administrator (The Great West Life Assurance Company). The choice of the investment option(s) are made by the Plan participants.

NOTE N - CONTINGENT LIABILITIES

From time to time, the Clerk is involved as a defendant in actual or threatened litigation which is not covered by insurance. At June 30, 1997, there were no pending or threatened claims which, in the opinion of the Clerk's legal advisors, would have a material adverse effect on the financial statements, should such claims be settled in favor of the plaintiff's.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE K - PENSION PLAN

Plan Description. Substantially all employees of the Clerk's office are members of the 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 300 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the 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, 51745 Brickstone Avenue, Suite 85, Baton Rouge, Louisiana 70836, or by calling (904) 233-1162.

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the St. Tammany Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.8 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the St. Tammany Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:183, 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 St. Tammany Parish Clerk of Court's contributions to the System for the years ending June 30, 1997, 1996, and 1995 were \$255,727, \$243,688, and \$272,224, respectively, equal to the required contributions for each year.

NOTE L - POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note K, the Clerk provides post employment health care and life insurance benefits to all employees who retire from the Clerk under the same restrictions as in the above note. As of June 30, 1997, there were eight retired employees participating in the post employment health care and life plan.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE G - COMPENSATED ABSENCES

At June 30, 1997, employees of the Clerk of Court have accumulated and vested \$111,247 of employee-leave benefits. This amount is recorded within the general long-term debt account group.

NOTE H - CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of the changes in general long-term obligations for the year ended June 30, 1997:

	Balance June 30, 1996	Additions (Deductions)	Balance June 30, 1997
Compensated absences	\$ 93,928	\$ 17,319	\$111,247
Capital lease	89,332	(89,332)	-
	<u>\$ 183,260</u>	<u>\$ (72,013)</u>	<u>\$111,247</u>

NOTE I - INTERFUND TRANSACTIONS

Individual balances due from/to other funds at June 30, 1997 consisted of fees in the amount of \$37,788 charged by the General Fund to the Advance Deposit Fund for services performed in maintaining advance deposit accounts.

NOTE J - RISK MANAGEMENT

The Clerk of Court is exposed to various risks of loss related to theft, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Clerk, along with other Clerks of Court in the State of Louisiana, formed the Clerks of Court Self-Insurance Association Fund (CSIAF). It is a public entity risk pool currently operating as a common risk management and insurance program for 36 member Clerks of Court. The Clerks pay an annual premium to CSIAF for its general insurance coverage. The Articles of Association of the CSIAF provides that CSIAF will be self-insuring through member premiums. The Clerk pays claims, less costs of its deductible, up to a maximum limit of \$25,000 for each insured event. The CSIAF will maintain reinsurance in the amount of \$980,000 for each insured event. During the year ended June 30, 1997, no claims were made against the St. Tammany Parish Clerk of Court for risks covered by the CSIAF.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE D - FIXED ASSETS

The following is a summary of changes in the general fixed asset account group during the fiscal year:

	Balance June 30, 1996	Additions	Reductions	Balance June 30, 1997
Office equipment and furniture	\$1,386,759	\$ 111,364	\$ 2,115	\$1,495,988
Automotive equipment	34,249			34,249
Software	131,000			131,000
Building improvements	288,433			288,433
Total	\$1,799,401	\$ 111,364	\$ 2,115	\$1,895,009

Total capital outlays reflected in the accompanying financial statements for the General Fund totaled \$111,665.

NOTE E - LEASES

The Clerk is obligated under a certain lease accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the Clerk's account groups. Rent payments of \$48,000 were made during the year ended June 30, 1997. The following is a schedule of future minimum rental payments:

Year Ending June 30	Amount
1998	\$ 48,000
1999	48,000
2000	48,000
Total minimum lease payments	\$ 144,000

The lease term ends on June 30, 2000. The Clerk has the option to renew the lease within ninety days of termination for an additional four years at \$5,000 a month.

St. Tammany Parish Clerk of Court
81, Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE B - CASH AND CASH EQUIVALENTS - (Continued)

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997, the Clerk has \$4,588,561 in deposits (jointly held bank balances) which includes investments in certificates of deposits of \$1,846,520. These deposits are insured from risk by \$688,844 of federal deposit insurance and \$3,706,617 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1329 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - RECEIVABLES

The receivables of \$28,847 at June 30, 1997 consisted of the following:

Criminal costs	\$ 13,471
Interest	1,963
Court attendance	1,175
Recordation	10,840
Miscellaneous	<u>2,498</u>
	<u>\$ 28,847</u>

The Clerk considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts.

NOTE D - DUE FROM ST. TAMMANY PARISH POLICE JURY

At June 30, 1997, the St. Tammany Parish Police Jury was indebted to the Clerk of Court in the amount of \$11,758 for unpaid recording fees. The balance is reduced monthly by the Police Jury as it pays certain expenditures related to shared computer lines on behalf of the Clerk of Court.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Contingent Liabilities - (Continued)

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is to be reported as an expenditure and a fund liability of the General Fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are to be reported in the general long-term obligations account group.

10. 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.

11. Total Columns on Balance Sheet

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

NOTE B - CASH AND CASH EQUIVALENTS

At June 30, 1997, the Clerk of Court has cash and cash equivalents (book balances) totaling \$2,126,843 as follows:

Fund cash	\$ 329
Interest-bearing demand deposits	2,077,221
Savings deposits	49,293
Total	\$2,126,843

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be covered 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 cover at all times equal the amount on deposit with the fiscal agent bank.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. **Cash, Cash Equivalents and Investments - (Continued)**

Under state law, the Clerk may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. Investments are stated at cost which approximates market.

7. **Short-Term Interfund Receivable/Payables**

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

8. **Fixed Assets**

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets, if any, are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are not capitalized. No depreciation has been provided on general fixed assets.

9. **Compensated Absences**

Employees receive vacation leave at the rate of 10 to 25 days per year, according to years of service with the Clerk's office. A maximum of 5 days of vacation leave can be carried forward to the succeeding year. Vacation leave in excess of the carry forward amount is forfeited. Employees accrue sick leave at a rate of 6 to 12 days per year, according to years of service with the Clerk's office. Employees are allowed to carry forward a maximum of 30 days of unused sick leave from year to year. Upon termination, or at retirement, employees are paid for unused sick leave at the discretion of the Clerk. At retirement, employees are paid for all accrued vacation leave.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basis of Accounting (continued)

Expenditures

Generally, expenditures are recognized under the modified accrual basis of accounting when the related fiscal liability is incurred. Compensated absences are recognized as expenditures when leave is actually taken or when employees are paid for accrued leave upon termination. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

4. Budget and Budgetary Accounting

Fiscal budget integration is employed as a management control device during the year for the General Fund. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The proposed budget for the 1997 fiscal year was made available for public inspection at the Clerk's office on May 15, 1996. The proposed budget, prepared on the accrual basis of accounting, was published in the official journal 22 days before the public hearing. The budget hearing was held at the Clerk's office on June 6, 1996. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year end.

5. Encumbrances

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

6. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and time deposits with original maturities of three months or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1993

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Accounting (continued)

The Clerk's fund types have been classified into two categories: governmental (General Fund) and fiduciary (Agency Fund). These funds are described as follows:

Governmental Fund

General Fund - The General Fund as provided by Louisiana Revised Statute 13:791, 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.

Fiduciary Fund

Agency Funds - The Advance Deposit and Registry of Court agency funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Advance Deposit Fund is used to account for advance deposits in suits filed by litigants. The Registry of Court Fund is used to account for funds held by order of the court until judgment is rendered by the judiciary.

3. 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 focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

General fund revenues such as recording, cancellations, certified copies, divorces, certificates, marriage licenses, criminal costs, court attendance fees and interest revenue are recorded when they become measurable and available. Fees collected and held by the Advance Deposit and Registry of Court Agency Funds on behalf of the Clerk's General Fund also are recognized as revenue. Substantially all other revenues are recorded when received.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the St. Tammany 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. The more significant of the government's accounting policies are described below.

1. **Reporting Entity**

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk serves a four-year term as the ex-officio notary public, the recorder of conveyances and mortgages. The Clerk can appoint deputies with duties and powers provided by law, with the approval of the district judge.

For financial reporting purposes, the Clerk includes all funds, account groups, and activities that are within the oversight responsibility of the Clerk as an independently elected parish official. The Clerk is solely responsible for the operations of her office, which includes the hiring or retention of employees, authority over budgeting, and the receipt and disbursement of funds. Accordingly, the Clerk is fiscally independent and a separate reporting entity. Certain units of local government over which the Clerk exercises no oversight responsibility, such as the Parish Police Jury, Parish School Board, or her independently elected parish officials, and municipalities within the Parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk.

2. **Fund Accounting**

The Clerk 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. An account group, on the other hand, 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 an expendable, available financial resource.

St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPE - GENERAL FUND

For the Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Marriage Licenses	\$ 25,000	\$ 25,354	\$ 354
Fees, charges and commissions for services:			
Court costs, fees, and charges	1,310,400	1,349,531	39,131
Fees for recording, legal documents	1,862,000	1,867,122	5,122
Fees for certified copies	473,040	472,947	(93)
Other	40,990	53,662	12,672
Use of money and property - interest earnings	<u>93,580</u>	<u>92,728</u>	<u>(852)</u>
Total revenues	<u>3,803,890</u>	<u>3,858,724</u>	<u>54,834</u>
EXPENDITURES			
General government:			
Administration	463,390	478,885	(15,413)
Recordings and filings	843,240	859,390	16,150
Marriage certificates	808,525	813,234	(4,709)
Civil suits and probates	1,875,825	1,884,397	(8,573)
Criminal suits and minutes	893,850	898,251	(4,401)
Elections	104,680	102,994	1,686
Accounting and maps	<u>143,435</u>	<u>153,320</u>	<u>(9,885)</u>
Total expenditures	<u>3,937,355</u>	<u>3,978,589</u>	<u>(40,234)</u>
EXCESS OF EXPENDITURES OVER REVENUES	<u>\$ (134,465)</u>	<u>(197,865)</u>	<u>\$ 63,400</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>408,462</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 282,327</u>	

The accompanying notes are an integral part of this statement.

As Treasury Funds Check of Cash
By Treasury Funds Location

COMBINED BALANCE SHEET - ALL FUNDS (FUND) WITH ASSOCIATED EQUITY

June 30, 2007

Assets	Compressed Fund Type Amount/OMB	Fiduciary Fund Type Amount/OMB	Total Amount/OMB		Total Debitables OMB
			Fund Amount	Special Fund Type Amount	
Cash and cash equivalents	\$ 41,002	\$ 2,077,211	\$	\$	\$ 2,118,213
Investments	414,529	1,020,001			1,434,530
Receivables	25,347				25,347
Due from other funds (Deposit Fund)	41,708				41,708
Due from P. (Treasury) (Fiduciary) (Fiduciary)	11,718		1,000,478		1,012,196
Employee and representatives amount to be provided for retirement of pension long-term obligations				19,241	
Total Assets	\$ 444,295	\$ 3,097,211	\$ 1,000,478	\$ 19,241	\$ 3,554,225

Liabilities and Fund Equity

Liabilities:					
Revolving credits	\$ 4,788	\$	\$	\$	\$ 4,788
Due to others	11,752				11,752
Due to pension/fund		42,708			42,708
Unallocated deposits		3,644,400		19,241	3,663,641
Compressed retirement payable	11,522				11,522
Deferred revenues					
Total Liabilities	18,602	3,687,211		19,241	3,694,854
Fund Equity:					
Investment in general fund assets	301,091		1,000,478		1,301,569
Fund liabilities					
Total Fund Equity	301,091		1,000,478		1,301,569
Total Liabilities and Fund Equity	\$ 301,091	\$ 3,687,211	\$ 1,000,478	\$ 19,241	\$ 4,004,223

The accompanying notes are an integral part of this statement.

Smith, Hurst & Associates, L.L.C.

A LIMITED LIABILITY COMPANY

Certified Public Accountants

P.O. Box 1688

Covington, Louisiana 70424-1688

Samuel E. Smith, CPA
Patrick "Drew" Howard, CPA

(504)892-4884 • Fax (504)892-4885
(504)892-4886 • F-15

INDEPENDENT AUDITORS' REPORT

Honorable Maline Priem
St. Tammany Parish Clerk of Court
St. Tammany Parish, Louisiana

We have audited the accompanying general purpose financial statements of the St. Tammany Parish Clerk of Court as of June 30, 1997 and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the management of the St. Tammany Parish Clerk of Court. Our responsibility is to express an opinion on these 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Tammany Parish Clerk of Court as of June 30, 1997, and the results of its operations and changes in fund balance for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining statements and individual fund schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such combining statements and individual fund schedules have been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated August 28, 1997 on our consideration of the St. Tammany Parish Clerk of Court's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grants.

Smith, Hurst & Associates, L.L.C.

August 28, 1997

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS	4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASE) AND ACTUAL - GOVERNMENTAL FUND TYPE - GENERAL FUND	5
NOTES TO FINANCIAL STATEMENTS	6
COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES	
GENERAL FUND	
SCHEDULE OF REVENUES	26
SCHEDULE OF EXPENDITURES	27
AGENCY FUNDS	
COMBINED BALANCE SHEET	24
SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS	25
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	28

ST. TAMMANY PARISH CLERK OF COURT
 576 N. W. 117th St.

**OFFICIAL
 FILE COPY
 DO NOT SIGN OUT**

[Please do not
 remove from this
 copy and PLACE
 BACK IN FILE]

GENERAL PURPOSE FINANCIAL STATEMENTS

ST. TAMMANY PARISH CLERK OF COURT
 Covington, Louisiana

Year Ended June 30, 1990

Under provisions of state law, this report is to be made available. A copy of this report is to be distributed to the Board of Supervisors, every member of the Board of Public Officers, and to the Board of Public Accountants of the State. This report is also available for public inspection at the State Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Printing Date May 24 1990