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ASSUMPTION PARISH CLERK OF COURT
NAPOLBONVILLE, LOUISIANA

BASIC FINANCIAL STATEMENTS, REQUIRED
SUPPLEMENTARY INFORMATION, INDEPENDENT AUDITORS' REPORT
AND OTHER REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

FOR THE YEAR ENDED JUNE 30, 2004

Under provisions of state law, this report is a public document. Copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 10-20-04

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INDEPENDENT AUDITORS' REPORT

October 11, 2004

Honorable Lawrence E. Bergeron
Assumption Parish Clerk of Court

We have audited the accompanying basic financial statements of the Assumption Parish Clerk of Court, as of and for the year ended June 30, 2004. These financial statements are the responsibility of the Assumption Parish Clerk of Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those 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 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Assumption Parish Clerk of Court at June 30, 2004, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note II to the basic financial statements, the Assumption Parish Clerk of Court adopted the provisions of Governmental Accounting Standards Board (GASB) Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments – Derivatives, and Statement No. 38 Certain Financial Statement Note Disclosures. This results in a change in the format and content of the basic financial statements.

In accordance with Government Auditing Standards, we have also issued a report dated October 11, 2004, on our consideration of the Clerk's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the other required supplementary information on pages 3 through 9 and Page 24, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Respectfully submitted,



Dean and Dean, CPAs

ASSUMPTION PARISH CLERK OF COURT
NAPOLESVILLE, LOUISIANA

Management's Discussion and Analysis

Within this section of the Assumption Parish Clerk of Court's (the Clerk) annual financial report, the Clerk's management is pleased to provide this narrative discussion and analysis of the financial activities of the Clerk for the fiscal year ended June 30, 2004. The Clerk's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Clerk's assets exceeded its liabilities by \$380,314 (net assets) for the fiscal year reported.
- Total revenues of \$612,449 were exceeded by total expenditures of \$943,666, which resulted in a current year deficit of \$331,217. This was primarily due to the purchase of a new vehicle during the year.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$124,630 include property and equipment, net of accumulated depreciation.
 - (2) Unrestricted net assets of \$255,684.
- The Clerk's general fund reported total ending fund balance of \$380,314 this year.
- The Clerk's office is continuing to work to improve its financial position and modernize its services.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

ASSUMPTION PARISH CLERK OF COURT
NAPOLEONVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Clerk's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Clerk also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is only available on a limited basis. However, all applicable tables will present comparative data in fiscal year 2004.

Government-wide Financial Statements

The Clerk's annual report includes two government-wide financial statements which have been combined with the related fund financial statements and are displayed in the far right column of each statement. These statements provide both long-term and short-term information about the Clerk's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or recalculation of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Clerk's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Clerk as a whole is improving or deteriorating. Evaluation of the overall health of the Clerk would extend to other non-financial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Clerk's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Clerk's distinct activities or functions on revenues provided by the Clerk's taxpayers.

The government-wide financial statements present governmental activities of the Clerk that are primarily supported by fees charged for services provided by the Clerk's office. The sole purpose of these governmental activities is judicial services.

The government-wide financial statements are presented on pages 10 and 11 of this report.

ASSUMPTION PARISH CLERK OF COURT
NAPOLEONVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Clerk uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Clerk's most significant funds rather than the Clerk as a whole.

The Clerk uses governmental funds and fiduciary funds as follows:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Clerk's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statements are presented in the far left column of the statements with a separate column showing the adjustments between the government-wide statements and the fund statements.

The basic governmental fund financial statements are presented on pages 10-11 of this report.

Fiduciary funds are reported in the fund financial statements and report assets held by the clerk as an agent for litigants pending court action. The Clerk only reports agency funds.

The basic agency fund financial statement is presented on pages 12-13 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 14 of this report.

ASSUMPTION PARISH CLERK OF COURT
NAPOLEONVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Clerk's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general and special revenue fund. These schedules demonstrate compliance with the Clerk's adopted and final revised budget. Required supplementary information can be found on page 24 of this report.

Financial Analysis of the Clerk as a Whole

The Clerk implemented the new financial reporting model used in this report with the current fiscal year ended June 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Clerk's as a whole.

The Clerk's net assets at fiscal year-end are \$506,244. The following table provides a summary of the Clerk's net assets:

Summary of Net Assets

	Governmental	
Activities		
Assets:		
Current assets	\$ 387,788	76%
Capital assets	114,838	24%
Total assets	511,818	100%
Liabilities		
Current liabilities	5,575	100%
Total liabilities	5,575	100%

ASSUMPTION PARISH CLERK OF COURT
NAPOLEONVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

Net assets:	
Investments in capital assets	\$14,830
Unrestricted	383,314
Total net assets	\$ 398,144

Overall, the Clerk's office reports net assets of \$398,144. This amount is \$31,371 lower than last year. The Clerk's office has \$124,030 invested in capital assets. Current assets exceed current liabilities by \$376,639.

Since this is the first year in which government-wide information is available, comparative data is not presented. However, comparative data will be accumulated and presented to assist analysts in future years. The following table provides a summary of the Clerk's changes in net assets:

Summary of Changes in Net Assets

	<u>Governmental Activities</u>	<u>Percentage of Total</u>
Revenues:		
Programs:		
Court Costs, fees, & Charges	\$ 294,086	74%
Fees for recordings	146,183	48%
Fees for copies	90,340	8%
Other Charges	23,788	4%
General:		
Interest	8,215	1%
Total Revenues	621,449	100%
Program expenses:		
Judicial services	653,820	100%
Total Expenses	653,820	100%
Change in net assets	(31,371)	
Beginning net assets	577,615	
Ending net assets	\$ 546,244	

ASSUMPTION PARISH CLERK OF COURT
NAPOLBONYVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

GOVERNMENTAL REVENUES

The Clerk primarily relies on fees for recordings and court costs and fees to support its operations. These two revenues were almost 90% of the Clerk's total revenues. Also, note that program revenues covered 94% of governmental operating expenses.

GOVERNMENTAL FUNCTIONAL EXPENSES

The total function of the Clerk's office is judicial services activities. Of the total cost, depreciation on the office equipment, vehicles and buildings was \$95,232 or 5.5% of total expenses.

Financial Analysis of the Clerk's Funds

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources flows. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported an ending fund balance of \$382,214.

The unreserved, undesignated fund balance decreased by \$23,217 from the previous year.

Major Governmental Funds

The General Fund is the Clerk's only operating fund and source of day-to-day service delivery. The General Fund's fund balance decreased by \$23,217. In fiscal year 2005, the Clerk spent \$28,038 on a new vehicle and equipment to modernize the current operations. This was the primary reason for the deficit in fiscal year 2004.

ASSUMPTION PARISH CLERK OF COURT
NAPOLEONVILLE, LOUISIANA

Management's Discussion and Analysis (Continued)

Budgetary Highlights

The General Fund – When the original budget was adopted, it was anticipated that the total revenues would exceed total expenditures by \$770. However, an increase in staff necessary to keep up with the activity in the office as well as the purchase of a new vehicle, the budget was amended to reflect a deficit of \$88,962. The actual deficit was only \$25,317 because of an anticipated increase in revenues.

Capital Assets and Debt Administration

Capital assets

The Clerk's investment in capital assets, net of accumulated depreciation as of June 30, 2004, was \$124,000. There was a minor overall decrease of \$8,135 in capital assets. See Note D for additional information about changes in capital assets during the fiscal year and the balances at the end of the year.

Contacting the Clerk's Financial Management

This financial report is designed to provide a general overview of the Clerk's finances, comply with finance-related laws and regulations, and demonstrate the Clerk's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Clerk's office, Mrs. Darlene Landry at 985-369-3478.

ASSUMPTION PARISH CLERK OF COURT
 GOVERNMENTAL FUNDS BALANCE SHEET/
 STATEMENT OF NET ASSETS
 JUNE 30, 2024

STATEMENT A

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
ASSETS AND OTHER DEBITS			
Cash and cash equivalents	\$ 373,850	\$ -	\$ 373,850
Accounts receivable	9,794		9,794
Due from advance deposit fund	4,145		4,145
Capital assets, net		<u>124,000</u>	<u>124,000</u>
TOTAL ASSETS	<u>\$ 387,789</u>	<u>\$ 124,000</u>	<u>\$ 511,818</u>
LIABILITIES, FUND EQUITY, AND OTHER CREDITS			
Liabilities			
Accounts, salaries, and withholds payable	\$ 5,575	\$ -	\$ 5,575
Total Liabilities	<u>5,575</u>	<u>-</u>	<u>5,575</u>
Fund Equity/Net Assets			
Fund balance:			
Unreserved-undesignated	<u>382,214</u>	<u>124,000</u>	<u>506,214</u>
Total Fund Equity/Net Assets	<u>382,214</u>	<u>124,000</u>	<u>506,214</u>
TOTAL LIABILITIES AND FUND EQUITY/NET ASSETS	<u>\$ 387,789</u>	<u>\$ 124,000</u>	<u>\$ 511,818</u>
NET ASSETS			
Invested in Capital Assets			124,000
Unrestricted			<u>382,214</u>
Total Net Assets			<u>\$ 506,214</u>

See Accompanying Notes

ASSUMPTION PARISH CLERK OF COURT
 STATEMENT OF GOVERNMENTAL FUND REVENUES
 EXPENDITURES, AND CHANGES IN FUND BALANCES/
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2004

Statement B

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES			
Current Judiciary:			
Personal services and related benefits	\$ 482,341	\$	\$ 482,341
Materials and supplies	61,783		61,783
Operating services	84,489		84,489
Capital outlay	28,078	(28,078)	0
Travel and other charges	9,075		9,075
Depreciation		36,232	36,232
Total Expenditures/Expenses	<u>645,666</u>	<u>8,154</u>	<u>653,820</u>
PROGRAM REVENUES			
Court costs, fees and charges	294,886		294,886
Fees for recording legal documents	246,393		246,393
Charges for copies	58,240		58,240
Other	23,788		23,788
Total Program Revenues	<u>614,236</u>		<u>614,236</u>
NET PROGRAM EXPENSES	<u>31,430</u>	<u>8,154</u>	<u>39,584</u>
GENERAL REVENUES			
Interest Earned	8,213		8,213
Total General Revenues	<u>8,213</u>	<u>0</u>	<u>8,213</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES/EXPENSES	<u>(23,217)</u>	<u>(8,154)</u>	<u>(31,371)</u>
FUND BALANCE/NET ASSETS:			
Beginning of the Year	<u>485,421</u>	<u>132,184</u>	<u>617,605</u>
End of Year	<u>\$ 382,204</u>	<u>124,030</u>	<u>506,234</u>

See Accompanying Notes

ASSUMPTION PARISH CLERK OF COURT
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2004

Statement C

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 871,832	\$ 323,898	\$ 1,195,730
Total Assets	<u>\$ 871,832</u>	<u>\$ 323,898</u>	<u>\$ 1,195,730</u>
LIABILITIES			
Unsettled deposits	\$ 887,687	\$ 323,898	\$ 1,192,785
Due to General Fund	<u>4,145</u>	<u>-</u>	<u>4,145</u>
Total Liabilities	<u>\$ 871,832</u>	<u>\$ 323,898</u>	<u>\$ 1,195,730</u>

See Accompanying Notes

ASSUMPTION PARISH CLERK OF COURT
 FIDUCIARY FUND TYPE - AGENCY FUNDS
 SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS
 FOR THE YEAR ENDED JUNE 30, 2004

Statement D

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>UNSETTLED DEPOSITS AT BEGINNING OF YEAR</u>	<u>\$ 586,774</u>	<u>\$ 324,434</u>	<u>\$ 911,208</u>
ADDITIONS			
Suits and successions	748,866		748,866
Judgments		93,473	93,473
Interest		664	664
Total Additions	<u>748,866</u>	<u>94,137</u>	<u>843,003</u>
	1,335,640	418,571	1,754,211
REDUCTIONS			
Clerk's costs	231,263	473	231,736
Settlements to litigants	166,923	93,093	258,021
Sheriff's fees	42,128		42,128
Other	33,643		33,643
Total Reductions	<u>467,957</u>	<u>93,473</u>	<u>561,426</u>
<u>UNSETTLED DEPOSITS AT END OF YEAR</u>	<u>\$ 867,683</u>	<u>\$ 325,098</u>	<u>\$ 1,192,781</u>

See Accompanying Notes

A. THE REPORTING ENTITY

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages, and other acts, and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

As the governing authority of the parish, for reporting purposes, the Assumption Parish Police Jury is the financial reporting entity for Assumption Parish. The financial reporting entity consists of the primary government (the police jury), organizations for which the primary government is financially accountable, and other organizations for which 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 established criteria for determining which component units should be considered part of the Assumption Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

- . Appointing a voting majority of an organization's governing body, and imposing its will on the organization, and/or receiving financial benefits or burdens from the organization.
- . Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.
- . 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 has some control over the Clerk's capital budget, and is financially responsible for any deficit of the Clerk, should he have one, the Clerk was determined to be a component unit of the Assumption Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Clerk 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by 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 13:701, is the principal fund of the Clerk's office and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Agency Funds

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

Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in the General Fund column of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Clerk of Court's operations.

The amounts reflected in the General Fund columns of Statements A and B, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when *accrual* (i.e., when they become both measurable and available). *Measurable* means the amount of the transaction can be determined and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Recordings, cancellations, court attendance, criminal costs, and other fees and charges are recorded in the year they are earned.

All other revenues are recorded when received.

Expenditures

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

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Clerk as a whole. These statements include all the financial activities of the Clerk. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from Clerk of Court users as a fee for services; program revenues reduce the cost of the function to be financed from the Clerk's general revenues.

Budget Practices

Annually, the Clerk of Court adopts a budget for the General Fund. The budget is prepared on the modified accrual basis of accounting. All appropriations contained in the budget lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. Budgeted amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

The proposed budget for the 2004 fiscal year was made available for public inspection at the Clerk's office on May 16, 2003. The proposed budget prepared on the modified accrual basis of accounting, was published in the official journal 10 days prior to the public hearing. The budget hearing was held at the clerk's office on June 6, 2003.

Cash and Cash Equivalents

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Vacation and Sick Leave

The Clerk of Court's office has the following policy relating to vacation and sick leave: Employees of the Clerk of Court's office earn from one to three weeks of vacation leave each year depending on the length of service. Unused vacation leave may be carried forward until 10 days are accumulated. In addition, employees earn 10 days of sick leave each year which may be carried forward until 10 days are accumulated.

The cost of leave privileges, computed in accordance with GASB Codification Section 650, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

Capital Assets

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over useful lives ranging from five to twenty years.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

C. CASH AND CASH EQUIVALENTS

At June 30, 2004, the Clerk of Court has cash and cash equivalents (book balances) totaling \$1,570,780 as follows:

Petty Cash	\$ 40
Demand Accounts	159,213
Interest Bearing Demand Accounts	<u>173,267</u>
Total General Fund Accounts	379,858
Agency Fund Accounts:	
Savings Accounts	300,400
Demand Accounts	33,660
Interest Bearing Demand Accounts	<u>808,852</u>
Total Agency Fund Accounts	1,192,932
Total Cash Balances	<u>\$ 1,570,780</u>

Assumption Parish Clerk of Court
 Notes to the Financial Statements
 As of and For the Year Ended June 30, 2004

These deposits are stated at cost which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount in deposit with the fiscal agent. 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 (bank balances) at June 30, 2004 are secured as follows:

	<u>2004</u>
Bank Balances	<u>\$1,632,133</u>
Federal Deposit Insurance	200,000
Pledged Securities (Uncollateralized)	<u><u>1,632,133</u></u>
Total	<u><u>\$1,632,133</u></u>

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent has failed to pay deposited funds upon demand.

D. CHANGES IN CAPITAL ASSETS

A summary of changes in general fixed assets for the year ended June 30, 2004, follows:

	Balance July 1, <u>2003</u>	Additions	Deletions	Balance June 30, <u>2004</u>
Equipment	\$ 260,780	\$ 28,078	\$ -0-	\$ 288,858
Less Depreciation	<u>128,486</u>	<u>36,212</u>	<u> </u>	<u>164,698</u>
Net Capital Assets	<u><u>\$ 132,294</u></u>	<u><u>\$ 91,866</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 224,160</u></u>

B. PENSION PLAN

Substantially all employees of the Assumption 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 controlled and administered by a separate board of trustees.

All regular employees 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 per cent of their final-average salary for each year of credited service not to exceed 180 per cent 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 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 Brinkstone Avenue, Suite B1, Baton Rouge, LA 70816, or by calling (225) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Assumption Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.50 percent of annual covered payroll. On July 1, 2000, the Assumption Parish Clerk of Court began making the contributions for its plan members' in addition to its actuarially determined contributions bringing the total contribution to 18.75 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 Assumption 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 Assumption parish Clerk of Court's contributions to the System for the years ending June 30, 2004, 2003, and 2002, were \$31,091, \$43,384, \$48,798, respectively, equal to the required contributions for each year.

Assumption Parish Clerk of Court
 Notes to the Financial Statements
 As of and For the Year Ended June 30, 2004

F. CHANGES IN AGENCY FUND BALANCES

The following is a summary of changes in agency fund unvested deposits for the year ended June 30, 2004:

	Unvested Deposits June 30, <u>2003</u>	<u>Additions</u>	<u>Reductions</u>	Unvested Deposits June 30, <u>2004</u>
Advance deposits	\$ 586,774	\$ 748,866	\$ 467,853	\$ 867,687
Registry of Court	<u>324,434</u>	<u>94,137</u>	<u>91,473</u>	<u>325,088</u>
Total	\$ 911,208	\$ 842,993	\$ 559,326	\$1,182,713

G. POST RETIREMENT BENEFITS

The Assumption Parish Clerk of Court provides certain continuing 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 are provided through an insurance company whose monthly premiums are paid half by the employee and half by the Clerk of Court. For the year ended June 30, 2004, the Clerk paid \$2,334 as its portion of retiree insurance for two retired employees.

H. DEFERRED COMPENSATION

All of the employees of the Assumption Parish Clerk of Court are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 25% of their salary (not to exceed \$8,000 a year) to the plan on a pre-tax basis. The contributions are withheld from the employees' paycheck and the Clerk matches up to \$300 per month for each employee. The contributions are fully vested immediately and are remitted to a third-party administrator each payday, where they are deposited to an account in the employee's name. The Assumption Parish Clerk of Court does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2004 the Clerk's matching funds totaled \$13,080.

I. EXPENSES PAID BY POLICE JURY

State statutes require the police jury to pay for certain operating expenditures of the Clerk's office. These expenditures include providing the Clerk with office space and paying for the utilities of the Clerk's office. The value of these expenditures paid by the police jury cannot be reasonably estimated and have not been included in the accompanying financial statements.

J. RISK MANAGEMENT

The Clerk carries commercial insurance for all major categories of risk including workers' compensation, general liability, and automobile liability. There have been no significant reductions in insurance coverage for the current year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

K. 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 fund balance that exceeds one-half of the revenues of the Clerk's last year of his term of office or the amount paid by the police jury for materials and supplies on behalf of the Clerk during his four year term, whichever is less. The Clerk's four-year term of office ended June 30, 2004. At June 30, 2004, the Clerk's General Fund Balance exceeded half of the June 30, 2004 revenues by \$70,889. The total amount paid by the police jury for materials and supplies on behalf of the Clerk for the four years ended June 30, 2004 was \$11,234. Therefore, the Clerk is required to pay back to the Police Jury \$11,534 for the four year term ended June 30, 2004.

REQUIRED SUPPLEMENTAL INFORMATION

ASSUMPTION PARISH CLERK OF COURT
 GOVERNMENTAL FUND - GENERAL FUND
 SCHEDULE REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2004

Schedule I

	Budgeted Amounts		Actual	Variance- Favorable (Unfavorable)
	Original	Final		
REVENUES				
Court costs, fees and charges	\$ 374,000	\$ 381,900	\$ 394,886	\$ 12,986
Fees for recording legal documents	220,000	226,000	244,302	20,302
Fees for copies	47,000	47,000	50,340	3,340
Interest earned	10,000	5,000	8,213	3,213
Miscellaneous	19,000	19,250	33,788	8,458
Total Revenues	570,000	578,750	622,449	43,699
EXPENDITURES				
Personal services and related benefits	420,153	441,800	462,241	(20,521)
Materials and supplies	40,000	105,000	61,703	43,297
Operating services	78,193	81,084	84,459	(3,465)
Capital outlay	15,000	27,488	28,878	(2,800)
Travel and other charges	15,854	12,000	9,675	2,925
Total Expenditures	569,200	667,372	646,966	21,646
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	770	(88,622)	(23,217)	65,343
FUND BALANCE AT BEGINNING OF YEAR	405,431	485,631	405,431	
FUND BALANCE AT END OF YEAR	\$ 406,201	\$ 316,969	\$ 382,214	\$ 65,343

See Accompanying Notes

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain reports on internal control structure and compliance with laws and regulations required by *Government Auditing Standards*, issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the presented financial statements and presents, where applicable, compliance matters that would be material to the presented financial statements.

**Independent Auditor's Report on Compliance and on Internal
Control Over Financial Reporting Based on an Audit of
Financial Statements Performed in Accordance
with Government Auditing Standards**

October 11, 2004

Honorable Lawrence E. Bergeron
Assumption Parish Clerk of Court
Napoleonville, Louisiana

We have audited the accompanying financial statements of the Assumption Parish Clerk of Court as of June 30, 2004, and for the year then ended and have issued our report thereon dated October 11, 2004. 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 financial statements are free of material misstatement, we performed tests of the Clerk's 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 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 Assumption 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.

Honorable Lawrence E. Bergeron

October 11, 2004

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

Respectfully submitted,



Dawn and Dean, CPAs