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WEST BATON ROUGE PARISH CLERK OF COURT  
Port Allen, Louisiana

Annual Financial Statements  
Year Ended June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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

Release Date 2-16-05

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*Certified Public Accountant*



*Donald C. DeVille*

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REPORT OF INDEPENDENT ACCOUNTANT

October 26, 2004

West Baton Rouge Parish Clerk of Court  
Port Allen, Louisiana

I have audited the accompanying basic financial statements of the West Baton Rouge Parish Clerk of Court as of and for the year ended June 30, 2004, as listed in the Table of Contents. These basic financial statements are the responsibility of the West Baton Rouge Parish Clerk of Court's management. My responsibility is to express an opinion of these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provided a reasonable basis for my opinion.

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

As described in Note 1, the West Baton Rouge Parish Clerk of Court has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Governments, as of June 30, 2004.

The budgetary information on page 22, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

The West Baton Rouge Parish Clerk of Court has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, I have also issued a report dated October 26, 2004, on our consideration of West Baton Rouge Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in black ink, appearing to read "Rick Duille". The signature is written in a cursive, flowing style.

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET ASSETS**  
**JUNE 30, 2004**

	<b><u>GENERAL</u></b>	<b><u>ADJUSTMENTS</u></b>	<b><u>STATEMENT</u></b>
	<b><u>FUND</u></b>	<b><u>(Note 2)</u></b>	<b><u>OF</u></b>
			<b><u>NET ASSETS</u></b>
<b><u>ASSETS:</u></b>			
Cash & Cash Equivalents	\$731,444	\$-0-	\$731,444
Investments - Lamp	201,923	-0-	201,923
Accounts Receivable	10,351	-0-	10,351
Intergovernmental Receivables	2,539	-0-	2,539
Fixed Assets	-0-	94,445	94,445
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>946,257</b>	<b>94,445</b>	<b>1,040,702</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES:</u></b>			
Current Liabilities			
Accounts Payable	\$11,888	-0-	\$11,888
Employee Withholdings	10,353		10,353
Interfund Payable	60,677	-0-	60,677
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>82,918</b>	<b>-0-</b>	<b>82,918</b>
	<hr/>	<hr/>	<hr/>
<b><u>FUND BALANCES/NET ASSETS</u></b>			
<b><u>FUND BALANCES:</u></b>			
Unreserved	863,339	(863,339)	-0-
	<hr/>	<hr/>	<hr/>
<b><u>NET ASSETS:</u></b>			
Unrestricted	-0-	957,784	957,784
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities and</b>			
<b>Fund Balance/Net Assets</b>	<b>946,257</b>	<b>94,445</b>	<b>1,040,702</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.  
WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES/STATEMENT OF STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>GENERAL</u> <u>FUND</u>	<u>ADJUSTMENTS</u> <u>(Note 3)</u>	<u>STATEMENT</u> <u>OF</u> <u>ACTIVITIES</u>
<b><u>EXPENDITURES</u></b>			
CLERK OF COURT SERVICES			
Salaries	\$408,951	\$-0-	\$408,951
Fringe Benefits	142,041	-0-	142,041
Travel	4,914	-0-	4,914
Operating Services	46,998	-0-	46,998
Supplies	81,505	-0-	81,505
Capital Outlay	32,150	(32,150)	-0-
Depreciation	-0-	32,169	32,169
	716,559	19	716,578
<b><u>PROGRAM REVENUES:</u></b>			
Charges For Services	1,217,751	-0-	1,217,751
Licenses And Permits	2,211	-0-	2,211
Other Charges	2,256	-0-	2,256
	1,222,218	-0-	1,222,218
<b>Net Program Expenses</b>	(505,659)	19	(505,640)
<b><u>GENERAL REVENUES:</u></b>			
Clerks Supplemental Pay	15,250	-0-	15,250
Investment Income	33,604	-0-	33,604
Miscellaneous	3,159	-0-	3,159
	52,013	-0-	52,013
Excess of General Revenues Over Expenditures	557,672	(19)	557,653
<b>CHANGES IN NET ASSETS FUND BALANCES/NET ASSETS</b>			
BEGINNING OF YEAR	305,667	-0-	305,667
	863,339	(19)	863,320
END OF YEAR	863,339	(19)	863,320

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**JUNE 30, 2004**

	ADVANCE DEPOSIT FUND	REGISTRY OF THE COURT FUND	TOTAL
<b><u>ASSETS:</u></b>			
Cash & Cash Equivalents	\$667,435	\$963	\$668,398
Investments - Lamp	150,117	354,987	505,104
Interfund Receivable	60,677	-0-	60,677
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>878,229</b>	<b>355,950</b>	<b>1,234,179</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES:</u></b>			
Current Liabilities			
Accounts Payable	\$-0-	\$-0-	-0-
Held For Others			
Pending Court Action	878,229	355,950	1,234,179
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>878,229</b>	<b>355,950</b>	<b>1,234,179</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>NET ASSETS:</u></b>			
Unrestricted	-0-	-0-	-0-
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities and Net Assets</b>	<b>878,229</b>	<b>355,950</b>	<b>1,234,179</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF THE COURT FUND</u>	<u>TOTAL</u>
<u>ADDITIONS</u>			
Deposits:			
Suits and successions	\$512,187	\$692,930	\$1,205,117
Interest earnings	26,378	5,172	31,550
	<hr/>	<hr/>	<hr/>
<b>Total Additions</b>	<b>538,565</b>	<b>698,102</b>	<b>1,236,667</b>
	<hr/>	<hr/>	<hr/>
<u>REDUCTIONS</u>			
Clerk's Cost (Transferred to General Fund)	2,368,407	-0-	2,368,407
Settlement to litigants	-0-	738,584	738,584
Attorney, Curator & Notary	67,007	-0-	67,007
Witnesses, Appraisers	39,974	-0-	39,974
Stenographer's Fees	1,315	-0-	1,315
Sheriff's Fees	82,305	-0-	82,305
Judicial Court Fund	36,574	-0-	36,574
Other	24,661	-0-	24,661
	<hr/>	<hr/>	<hr/>
<b>Total Reductions</b>	<b>2,620,243</b>	<b>738,584</b>	<b>3,358,827</b>
	<hr/>	<hr/>	<hr/>
<b>Net Change</b>	<b>(2,081,678)</b>	<b>(40,482)</b>	<b>(2,122,160)</b>
	<hr/>	<hr/>	<hr/>
<u>UNSETTLED DEPOSITS, JULY 1</u>	<u>2,959,907</u>	<u>396,432</u>	<u>3,356,339</u>
	<hr/>	<hr/>	<hr/>
<u>UNSETTLED DEPOSITS, JUNE 30</u>	<u>878,229</u>	<u>355,950</u>	<u>1,234,179</u>
	<hr/>	<hr/>	<hr/>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS.



**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

**INTRODUCTION**

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court services 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 is elected for a four year term.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PRESENTATION**

The accompanying financial statements of the West Baton Rouge Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments, issued in June 1999.

**B. REPORTING ENTITY**

The clerk of court is an independently elected official; however, the clerk of court is fiscally dependent on the West Baton Rouge Parish Council. The Parish Council maintains and operates the parish courthouse in which the clerk of court's office is located and provides funds for equipment and furniture of the clerk of court's office. Because the clerk of court is fiscally dependent on the parish council, the clerk of court was determined to be a component unit of the West Baton Rouge Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

**GOVERNMENTAL FUNDS**

Governmental funds account for all or most of the Clerk of Court's general activities. Those funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they are to be paid. The difference between a governmental fund's assets and liabilities is reported as fund balances. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court. The following are the Clerk of Court's governmental funds:

**General Fund** - the primary operating fund of the Clerk of Court and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Clerk of Court policy.

**Fiduciary Funds** - reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the clerk are agency funds. The agency account for assets held as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Fund Financial Statements (FFS)**

The amounts reflected in the General Fund 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 revenue, expenditures and changes in fund balances reports the sources (i.e. revenue and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustments to a government-wide view of the Clerk of Court operations.

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

The amounts reflected in the General Fund of Statement A and B, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to 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 of Court 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 judgements 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**

Major revenue sources susceptible to accrual include: licenses, charges for services and investment income.

**Expenditures**

The major expenditures are: salaries, supplies, and capital outlay.

**Deferred Revenue**

Deferred revenues arise when resources are received by the Clerk of Court before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the Clerk of Court has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**Government-Wide Financial Statements (GWFS)**

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Clerk of Court as a whole excluding the fiduciary activities such as employee pension plans. 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 non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Non-exchanged Transactions.

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

**Program Revenues**

Program revenues included in the column labeled Statement of Activities 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 of Court's general revenues.

**E. BUDGETS**

The proposed budget for the June 30, 2004 fiscal year was made available public inspection at the clerk's office on June 15, 2003. The proposed budget, prepared on the accrual basis of accounting, was published in West Side Journal, the official journal, 5 days before the public hearing. The budget hearing was held at the clerk's office on June 13, 2003. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year-end.

**F. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**I. PREPAID ITEMS**

Insurance and similar services which extend over more than one accounting period have been recognized as expenditures when paid.

**J. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost, if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$500 or more for capitalized capital assets.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

Capital assets are recorded in the Statement of Net Assets and the 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 the following useful lives:

Furniture and fixtures	5-7 Years
------------------------	-----------

**K. COMPENSATED ABSENCES**

The clerk of court has the following policy relating to vacation and sick leave:

Employees of the Clerk of Court's office earn two weeks of vacation leave each year. Vacation leave cannot be accumulated nor carried forward to succeeding years. The Clerk of Court has not adopted a formal policy regarding sick leave. At year-end the employees of the Clerk of Court have no accumulated or vested benefits required to be reported in accordance with generally accepted accounting principles.

The Clerk of Court's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

**K. FUND EQUITY**

R.S. 13:785 requires that at the expiration of his term of office, the clerk must pay into the parish treasurer any balance in the Clerk's Salary Fund which exceed one-half of the revenues of the last year of the term. At **June 30, 2004**, there was (1) no amount due the parish treasurer as this was not the last year of the clerks's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 2 - RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET ASSETS OF GOVERNMENTAL ACTIVITIES**

Total Governmental Fund Balance	\$863,339
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	94,445
	<hr/>
Net Assets of Governmental Activities	957,784
	<hr/> <hr/>

**NOTE 3 - RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances-Total Governmental Funds	\$557,672
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(19)
	<hr/>
Net Assets of Governmental Activities	557,653
	<hr/> <hr/>

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 4 - CASH AND CASH EQUIVALENTS**

At June 30, 2004, the Clerk of Court has cash and cash equivalent (book balances) totaling **\$1,399,842**.

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 on 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. At **June 30, 2003**, the Clerk of Court had **\$1,454,977** in deposits (collected bank balances).

These deposits are insured from risk by **\$206,146** of federal deposit insurance and **\$2,089,813** 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 No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledge securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 5 - INVESTMENTS**

Investments held at **June 30, 2004**, consist of **\$707,027** in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP at **June 30, 2004**, is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investments is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is the provided a safe environment for the placement of public funds is short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 6 - INVESTMENTS** (Continued)

Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivision of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States Corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**NOTE 7 - RECEIVABLES**

A. A Summary of Receivables at year end follows:

<u>CLASS OF RECEIVABLES</u>	<u>GENERAL FUND</u>
Charges for Services	\$12,890
	<u><u>          </u></u>

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income. The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.



WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES**

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans in the Fund Financial Statements. A summary of these interfund loans at year end, is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Fiduciary Fund		
Advance Deposit Fund	\$60,677	\$-0-
General Fund	-0-	60,677
	<hr/>	<hr/>
Total	60,677	60,677
	<hr/> <hr/>	<hr/> <hr/>

**NOTE 8 - CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended **June 30, 2004**, is as follows:

	<u>Balance 6-30-03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-04</u>
<u>Governmental Activities</u>				
Furniture & Equipment	\$258,155	\$20,253	\$-0-	\$278,408
Accumulated Depreciation:				
Furniture & Equipment	(151,794)	(32,169)	-0-	(183,963)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Capital Assets	106,361	(11,916)	-0-	94,445
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004

**NOTE 9 - PENSION PLAN AND RETIREMENT COMMITMENTS**

**PLAN DESCRIPTION.** Substantially all employees of the West Baton Rouge Clerk of Court employees are members of the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of credited service, not to exceed 100 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 who do not withdraw their employee contributions, may retire at or after 55 and receive 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 Bricksome Avenue, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

**Funding Policy.** Under Plan A, members are required by state statute to contribute 8.25 percent of their annual covered salary and the West Baton Rouge Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 10.0 percent of annual covered payroll. Contributions to the System include one-fourth of one per cent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish.

The contributions requirements of the plan members and the West Baton Rouge Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 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 West Baton Rouge Clerk of Court's contributions to the System under Plan A for the years ended June 30, 2004, June 30, 2003 and 2002, were \$65,867, \$58,363 and \$30,645, respectively, equal to the required contributions for each year.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS**

The Clerk of Court provides certain continuing health care benefits for its retired employees. Substantially all of the Clerk of Court's employees become eligible for those benefits if they reach normal retirement age while working for the Clerk of Court. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and by the Clerk of Court. The Clerk of Court recognizes the cost of providing retiree health care and life insurance benefits (Clerk of Court's portion of premiums) as an expenditure when paid, which was \$15,250 for the year ended June 30, 2004. Using mortality tables related to single life annuities, the estimated cost to the Clerk of Court over the remaining lives of these retired employees is \$204,598.

**NOTE 10 - ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$22,241 at June 30, 2004, are as follows:

	General Fund
Accounts Payable	\$11,888
Withholdings	10,353
	<hr/>
Total	22,241
	<hr/> <hr/>

**NOTE 11 - LEASES**

The Clerk of Court has immaterial copier leases and does not record items under capital leases as assets and obligations in the accompanying financial statements.

**NOTE 12 - RISK MANAGEMENT**

The Clerk of Court is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Clerk of Court's coverages.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2003

**NOTE 13 - LITIGATION, CLAIMS AND CONTINGENCIES**

At **June 30, 2004**, the Clerk of Court is defendant in several pending lawsuits filed in the 18th Judicial District Court. Although the suit are still pending, the Clerk of Court denies any liability and is actively defending its position along with its liability insurance carriers. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Clerk of Court. It is also the opinion of the Clerk of Court's attorney that the Clerk of Court does not have any reasonable estimated or probable liability using the criteria established under F.A.S.B. Statement 5.

No claims or litigation cost were paid out during the year ended **June 30, 2004**.

**NOTE 14 - ON-BEHALF PAYMENTS FOR EXPENDITURES**

Certain operating expenditures of the clerk's office are paid by the West Baton Rouge Parish Council and are not included in the accompanying financial statements, such as facilities, utilities, insurance and office supplies.

REQUIRED SUPPLEMENTAL INFORMATION

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**GOVERNMENTAL FUND - GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR YEAR ENDED JUNE 30, 2004**

	<u>BUDGET</u> <u>ORIGINAL</u>	<u>AMOUNTS</u> <u>FINAL</u>	<u>ACTUAL AMOUNTS</u> <u>GAAP BASIS</u>
<b>REVENUES</b>			
Charges for Services	\$607,300	\$607,300	\$1,217,751
Licenses and Permits	5,000	5,000	2,211
Other Charges	-0-	-0-	2,256
Clerks Supplemental Pay	15,300	15,300	15,250
Investment Income	35,000	35,000	33,604
Miscellaneous	1,000	1,000	3,159
	<hr/>	<hr/>	<hr/>
<b>TOTAL REVENUES</b>	663,600	663,600	1,274,231
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
CULTURE AND RECREATION			
CURRENT			
Salaries	398,350	398,350	408,951
Fringe Benefits	133,300	133,300	142,041
Travel	2,500	2,500	4,914
Operating Services	57,450	57,450	46,998
Supplies	42,000	42,000	81,505
CAPITAL OUTLAY	30,000	30,000	32,150
	<hr/>	<hr/>	<hr/>
<b>TOTAL</b>	663,600	663,600	716,559
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY)</b>			
<b>OF REVENUE OVER</b>			
<b>EXPENDITURES</b>	-0-	-0-	557,672
<b>FUND BALANCE, July 1</b>	305,667	305,667	305,667
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, June 30</b>	305,667	305,667	863,339
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

OTHER SUPPLEMENTAL INFORMATION

*Certified Public Accountant*



*Donald C. DeVille*

Member  
American Institute CPAs

Member  
Louisiana Society CPAs

7829 BLUEBONNET BLVD.  
BATON ROUGE, LA 70810  
(225) 767-7829

**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 26, 2004

West Baton Rouge Parish Clerk of Court  
Port Allen, Louisiana

I have audited the financial statements of the West Baton Rouge Parish Clerk of Court as of and for the year ended June 30, 2004, and have issued my report thereon dated October 26, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered Organization's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention related to significant deficiencies in design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the Organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned cost.

A Material weakness is a reportable 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 caused by error or fraud 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.



However, I believe none of the reportable conditions described in the statement of findings is a material weakness.

**COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether West Baton Rouge Clerk of Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of non-compliance or other matters that are required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned cost.

This report is intended solely for the information and use of management, others within the organization, and state Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "R. L. P. Smith", is written over the printed text of the document.

WEST BATON ROUGE PARISH CLERK OF COURT  
WEST BATON ROUGE PARISH COUNCIL  
PORT ALLEN, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004

REF	FISCAL YEAR	INITIALLY	CORRECTIVE	PLANNED
NO.	FINDING	OCCURRED	ACTION TAKEN	CORRECTIVE
NO.	OCCURRED	DESCRIPTION OF FINDING	(YES, NO, PARTIALLY)	ACTION/PARTIAL CORRECTIVE ACTION TAKEN

None

WEST BATON ROUGE PARISH CLERK OF COURT  
WEST BATON ROUGE PARISH COUNCIL  
PORT ALLEN, LOUISIANA  
SUMMARY SCHEDULE OF CURRENT YEARS FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004

**REPORTABLE CONDITION:** The audit report was not filed timely with Legislative Auditor.

**CRITERIA:** LSA-RS 24:514 requires governmental units wo contract with CPAs to perform an annual audit must do so within six months of the close of the fiscal year.

**CAUSE:** The auditor over looked this report when three other deliveries were made to the Legislative Auditor.

**EFFECT:** There is no material effect to these financial statements.

**RECOMMENDATION:** I recommend new tickler file be set up to insure all audit reports are delivered timely.

**MANAGEMENT RESPONSE:** Management agrees with the recommendation.

\* \* \* \* \*

WEST BATON ROUGE PARISH CLERK OF COURT  
WEST BATON ROUGE PARISH COUNCIL  
PORT ALLEN, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004

<u>REF NO.</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE ACTION PLANNED</u>	<u>NAME OF CONTACT PERSON</u>	<u>ANTICIPATED COMPLETION DATE</u>
1.	Delinquent Audit Report	A New Tickler File Will Be Set Up To Insure Timely Delivery	Mark Graffeo	1-13-05