

1184

RECEIVED
LEGISLATIVE AUDITOR
04 DEC 28 PM 12:45

CLERK OF COURT OF RAPIDES PARISH
Alexandria, Louisiana

**ANNUAL
FINANCIAL
REPORT**

For the 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 2/2/05

CLERK OF COURT OF RAPIDES PARISH
Alexandria, Louisiana

ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2004

TABLE OF CONTENTS

	PAGE NO.
INTRODUCTORY SECTION	
Management Discussion and Analysis	1
FINANCIAL SECTION	
Independent Auditors' Report	4
GOVERNMENT WIDE FINANCIAL STATEMENTS	
Statement of Net Assets	6
Statement of Activities	7
FUND FINANCIAL STATEMENTS	
Balance Sheet -Governmental funds	8
Reconciliation of the Balance Sheet-Governmental fund to the Statement of Net Assets	9
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance - Governmental Fund type -General Fund	10
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balance-Governmental Funds to the Statement of Activities	12
Statement of Fiduciary Net Assets - Agency Funds	13
Schedule of Changes in Unsettled Deposits - Agency Funds	14
Notes to Financial Statements	15

CLERK OF COURT OF RAPIDES PARISH
Alexandria, Louisiana

June 30, 2004

TABLE OF CONTENTS (CONT 'D)

	PAGE NO.
Required Supplemental Information	
Schedule of Revenues, Expenditures, and changes in Fund Balance- Budget and Actual - General Fund	30
General:	
Insurance Description	32
Schedule of Insurance in Force	33
Other Reports Required by <u>Government</u>	
<u>Auditing Standards</u>	34
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing</u> <u>Standards</u>	35
Summary Schedule of Prior Audit Findings for the Year Ended June 30, 2003	37
Corrective Action Plan for Current Year Audit Finding for the Year Ended June 30, 2004	38
Schedule of Findings and Questioned costs for the Year Ended June 30, 2004	39

CLERK OF COURT OF RAPIDES PARISH

Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2004

Our discussion and analysis of the Clerk of Court of Rapides Parish 's financial performance provides an overview of the financial activities as of and for the fiscal year ended June 30, 2004. Please read in conjunction with the basic financial statements and the accompanying notes to financial statements.

The Management's Discussion and Analysis is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-Wide Financial Statements) provide information about the activities as a whole and present a longer-term view of the Clerk of Court's finances. The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Fund (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide financial statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is "Is the Rapides Parish Clerk of Court as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information of the Clerk of Court as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the Rapides Parish Clerk of Court.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Clerk of Court as a whole. Some funds are required to be established by State laws.

The Clerk of Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk of Court's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statement.

CLERK OF COURT OF RAPIDES PARISH
Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2004
(continued)

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year' operations:

- As a result of this year's operations assets exceeded liabilities by \$3,605,664 (net assets).
- Total net assets are comprised of the following
 - (1) Investment in capital assets of \$617,068 including the cost of office equipment, and furniture, net of accumulated depreciation.
 - (2) Unrestricted net assets of \$2,988,596 representing the portion available to maintain the continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance of \$3,069,977. Of this amount \$3,848 was reserved for prepaid expenses and the rest, \$3,066,129 was unreserved. This compares to the prior year ending fund balance – of \$2,308,225, showing an increase of \$761,752 during the current year.
- Total spending for all judicial activities was \$2,423,718 for the year, which was \$930,946 less than the program revenues of – \$3,354,664.
- The interest earned on checking accounts and investments in certificates of deposits was \$45,725 for the year. This reflects a increase of \$4,344 or 10.5% from last year.

The Statement of Net Assets and the Statement of Activities reports only one type of activity-governmental activities. All of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

FINANCIAL ANALYSIS AS A WHOLE

The Clerk of Court's net assets increased by \$975,574 as a result of this year's operations. The overall financial position improved during the fiscal year ending June 30, 2004. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed most of the increase this year. The balance in net assets represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today, including all of our non-capital liabilities, we would have \$3,605,664 left.

The Clerk of Court's total revenues for the year in governmental activities were \$3,399,292 (\$3,354,664 in charges for services and \$44,628 in general revenues). The total cost of all judicial programs and services was \$2,423,718 with no new programs added this year. The following tables reflect the condensed statements of net assets and statement of activities:

Table I			Table II		
Comparative Statement Of Net Assets			Comparative Statement of Activities		
June 30, 2004			June 30, 2004		
with comparative totals for June 30, 2003			With comparative totals for June 30, 2003		
in (thousands)			in (thousands)		
	Governmental activities			Governmental activities	
	2004	2003		2004	2003
Current and other assets	3,140	2,364	Expenses:		
Capital Assets	<u>617</u>	<u>543</u>	Current judiciary	<u>2,424</u>	<u>2,476</u>
Total Assets	3,757	2,907	Program Revenue:		
			Judiciary	3,355	3,348
Total Liabilities	151	225	General Revenues	<u>45</u>	<u>41</u>
Net Assets:			Total Revenues	<u>3,400</u>	<u>3,389</u>
Capital Assets	617	543	Change in Net Assets	976	913
Unrestricted	<u>2,989</u>	<u>2,139</u>	Net Assets Bg year	2,682	1,769
Total Net Assets	<u>3,606</u>	<u>2,682</u>	Prior period adj	<u>-52</u>	<u>0</u>
			Net Asset end year	<u>3,606</u>	<u>2,682</u>

CLERK OF COURT OF RAPIDES PARISH

Alexandria, La.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2004

(continued)

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

As we noted earlier, the Clerk of Court uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Clerk of Court is being accountable for the resources provided to but may also give more insight into the overall financial health.

As the Clerk of Court completed the year, its governmental funds reported a combined fund balance of \$3,069,977. This reflects an increase of \$761,752 from last year. This increase is primarily the result of the events and programs described within the analysis of the governmental activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised by approximately \$159,049 this fiscal year. Supplemental reductions in the authorized budget amounts were approved as follows:

- (1) Salaries were over budgeted by \$36,260.
- (2) Office supplies and expenses were over budgeted \$59,700.
- (3) Miscellaneous expenditures were over budgeted by \$8,089.
- (4) Capital outlay expenditures were over budgeted by \$55,000.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2004 was \$617,068.

This year there was \$185,461 of additions to capital assets. The Clerk of Court adopted a capitalization policy during the year whereby only furniture and equipment over \$50 would be capitalized. More detailed information about the capital assets is presented in Note 7 to the financial statements.

DEBT

At year-end, the Rapides Parish Clerk of Court had no long term debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk has limited discretion in setting fees and costs for services provided, the majority of which are regulated by Louisiana Revised Statutes. The office staff and costs have been largely stable for the past several years, and are expected to remain so.

The Rapides Parish Police Jury absorbs some of operating expenses of by providing office space for the Clerk. Taking all factors into consideration, the Clerk's general fund balance is expected to increase by the close of 2004.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Rapides Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mrs. Robin Hooter, Deputy Clerk of Court for the Rapides Parish Clerk of Court, P.O. Drawer 952 Alexandria, LA 71309-0952 at phone number (318) 473-8153.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS



MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

The Honorable Carolyn Jones Ryland
Clerk of Court of Rapides Parish

We have audited the accompanying basic financial statements of the Rapides Parish Clerk of Court, a component unit of the Rapides Parish Police Jury as of and for the year ended June 30, 2004, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the Clerk of Court of Rapides Parish. Our responsibility is to express an opinion on these basic financial statements based on our audit.


We conducted our audit in accordance with United States 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 basic financial statements referred to above present fairly in all material respects, the financial position of the Clerk of Court of Rapides Parish, as of June 30, 2004, and the results of its operations for the year then ended in conformity with accepted accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2004 on our consideration of the Clerk of Court of Rapides Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The 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 and Discussion and the Required Supplementary Information as listed in the foregoing table of contents, are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information is the responsibility of the management of the Rapides Parish Clerk of Court. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the Management and Discussion and the Required Supplementary Information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Other Supplementary Information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Dausat, Beall & Debevec, CPA's, APC
Alexandria, Louisiana
November 23, 2004

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

STATEMENT OF NET ASSETS

June 30, 2004

	GENERAL FUND
<u>ASSETS</u>	
ASSETS:	
CASH AND CASH EQUIVALENTS	\$ 1,275,529
INVESTMENTS	1,825,000
ACCOUNTS RECEIVABLE	34,881
DUE FROM OTHER FUNDS	1,019
PREPAID INSURANCE	3,848
CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION	<u>617,068</u>
TOTAL ASSETS	<u>\$ 3,757,345</u>
 <u>LIABILITIES AND NET ASSETS</u>	
LIABILITIES:	
ACCOUNTS PAYABLE	\$ 51,556
ACCRUED EXPENSES	18,744
COMPENSATED ABSENCES PAYABLE	<u>81,381</u>
TOTAL LIABILITIES	<u>151,681</u>
 NET ASSETS:	
INVESTMENT IN CAPITAL ASSETS	617,068
UNRESTRICTED	<u>2,988,596</u>
TOTAL NET ASSETS	<u>3,605,664</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,757,345</u>

The accompanying notes are an integral part of this financial statement

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004**

EXPENSES

Current-Judiciary:

Salaries and benefits	\$ 1,429,279
Office Supplies	209,186
Group Insurance	199,395
General Insurance	46,033
Travel & Continuing Educ.	1,465
Auto Supplies & Maint.	9,351
Computer Operations	32,991
Telephone	29,064
Retirement contributions	244,057
Election expense	16,609
Battered Families	13,759
Sec. Of State -UCC Fees	46,626
Miscellaneous	<u>86,422</u>
Total current	2,364,237
Depreciation	<u>59,481</u>
Total expenses	<u>2,423,718</u>

PROGRAM REVENUES

Deeds	1,580,585
Civil Suits and Probates	960,865
Cancellations	54,910
Mortgage Certificates	46,195
Marriage licenses	30,600
Certified Copies	279,371
Criminal Fees	75,413
Election fees	32,699
UCC Fees	139,997
Notarial Fees	1,650
Title IV State Funds	70,299
Miscellaneous	<u>82,080</u>
Total program revenues	3,354,664

GENERAL REVENUES

Gain on Sale of Assets	85
Interest earned	30,406
Transfers	<u>14,137</u>
Total General Revenue and Transfers	44,628
Total Revenues	<u>3,399,292</u>

Change in Net Assets	975,574
NET ASSETS BEGINNING OF YEAR	2,682,121
PRIOR PERIOD ADJUSTMENT	<u>(\$2,031)</u>
NET ASSETS END OF YEAR	<u>\$ 3,605,664</u>

The accompanying notes are an integral part of this financial statement.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2004

	GENERAL FUND
ASSETS	
ASSETS:	
CASH AND CASH EQUIVALENT	\$ 1,275,529
INVESTMENTS	1,825,000
ACCOUNTS RECEIVABLE	34,881
DUE FROM OTHER FUNDS	1,019
PREPAID INSURANCE	<u>3,848</u>
TOTAL ASSETS	<u>\$ 3,140,277</u>
<u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES:	
ACCOUNTS PAYABLE	\$ 51,556
ACCRUED EXPENSES	<u>18,744</u>
TOTAL LIABILITIES	<u>70,300</u>
FUND BALANCES:	
RESERVED FOR PREPAID EXPENSES	3,848
UNRESERVED - UNDESIGNATED	<u>3,066,129</u>
TOTAL FUND BALANCE	<u>3,069,977</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,140,277</u>

The accompanying notes are an integral part of this financial statement.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUND
TO THE STATEMENT OF NET ASSETS**

June 30, 2004

Total fund balance-governmental fund (fund financial statement)			\$ 3,069,977
Amounts reported for governmental activities in the statement of net assets (government-wide financial statements) are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.			
	Cost of assets	1,163,074	
	Accumulated depreciation	<u>(546,006)</u>	
			617,068
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
	Compensated absences	<u>(81,381)</u>	
			<u>(81,381)</u>
Total net assets of governmental activities (government-wide financial statements)			<u>\$ 3,605,664</u>

The accompanying notes are an integral part of this reconciliation.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

GOVERNMENTAL FUND TYPE-GENERAL FUND

For the year ended June 30, 2004

REVENUES

Deeds	\$ 1,580,585
Civil Suits and Probates	960,865
Cancellations	54,910
Mortgage Certificates	46,195
Marriage Licenses	30,600
Certified Copies	279,371
Criminal Fees	75,413
Election Fees	32,699
UCC Fees	139,997
Notarial Fees	1,650
Interest on Investments	30,406
Title IV State Fees	70,299
Miscellaneous	<u>82,080</u>
Total Revenues	3,385,070

EXPENDITURES

CURRENT-JUDICIARY:

Salaries and Benefits	1,517,121
Office Expense	209,186
Group Insurance	199,395
General Insurance	46,033
Travel & Continuing Educ.	1,465
Auto Supplies and Maint.	9,351
Computer Operations	32,991
Telephone	29,064
Retirement Contributions	244,057
Election Expense	16,609
Battered Families	13,759
Sec. Of State - UCC Fees	46,626
Miscellaneous	<u>86,422</u>
Total Current Expenditures	2,452,079

CAPITAL OUTLAY

Total Expenditures	<u>185,461</u>
	<u>2,637,540</u>

(Continued)

The accompanying notes are an integral part of this financial statement.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

GOVERNMENTAL FUND TYPE-GENERAL FUND

For the year ended June 30, 2004

(CONTINUED)

EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	747,530
OTHER FINANCING SOURCES	
Sale Of Assets	85
Operating Transfers in	<u>14,137</u>
Total Other Financing Sources	<u>14,222</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	761,752
FUND BALANCE, BEGINNING,	<u>2,308,225</u>
FUND BALANCE, ENDING	<u>\$ 3,069,977</u>

The accompanying notes are integral part of this financial statement.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004**

Net change in fund balances-total governmental funds (fund financial statements)			\$ 761,752
Amounts reported for governmental activities in the statement of activities (government-wide financial statements) are different because:			
Governmental funds report capital outlays as expenditures in the individual fund. Government activities report depreciation expense to allocate the cost of those capital assets over the estimated useful			
	Capital Outlay	185,461	
	Depreciation expense	<u>(59,481)</u>	
			125,980
Some of the expenses reported in the statement of activities do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			
	Decrease in compensated absences	<u>87,842</u>	
			87,842
Change in net assets of governmental activities (government-wide financial statements)			<u>\$ 975,574</u>

The accompanying notes are an integral part of this reconciliation.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

STATEMENT OF FIDUCIARY NET ASSETS-AGENCY FUNDS

June 30, 2004

	<u>CASA FUND</u>	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF COURT FUND</u>	<u>JUDICIARY FEE FUND</u>	<u>DEFERRED COMPENSATION FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>						
ASSETS:						
CASH	\$ 28,343	\$ 812,226	\$ 1,340,782	\$ 14,382		\$ 2,195,733
INVESTMENTS		1,350,000			\$ 193,878	1,543,878
OTHER RECEIVABLES		6,862				6,862
TOTAL ASSETS	<u>\$ 28,343</u>	<u>\$ 2,169,088</u>	<u>\$ 1,340,782</u>	<u>\$ 14,382</u>	<u>\$ 193,878</u>	<u>\$ 3,746,473</u>
<u>LIABILITIES AND NET ASSETS</u>						
LIABILITIES:						
DUE TO OTHER FUNDS				\$ 1,019		\$ 1,019
UNSETTLED DEPOSITS	\$ 28,343	\$ 2,169,088	\$ 1,340,782	13,363		3,551,576
DEFERRED COMP.						
BENEFITS PAYABLE					<u>\$ 193,878</u>	<u>193,878</u>
TOTAL LIABILITIES	<u>28,343</u>	<u>2,169,088</u>	<u>1,340,782</u>	<u>14,382</u>	<u>193,878</u>	<u>3,746,473</u>
NET ASSETS:						
TOTAL NET ASSETS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 28,343</u>	<u>\$ 2,169,088</u>	<u>\$ 1,340,782</u>	<u>\$ 14,382</u>	<u>\$ 193,878</u>	<u>\$ 3,746,473</u>

The accompanying notes are an integral part of this financial statement.

**CLERK OF COURT OF RAPIDES PARISH
FIDUCIARY FUND TYPE - AGENCY FUNDS**

**STATEMENT OF CHANGES IN UNSETTLED DEPOSIT BALANCES, BY FUNDS
FOR THE YEAR ENDED JUNE 30, 2004**

	<u>CASA FUND</u>	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF COURT FUND</u>	<u>JUDICIARY FEE FUND</u>	<u>DEFERRED COMP. FUND</u>
Deposit balances, beginning of year	\$ 10,416	\$ 1,831,721	\$ 1,745,567	\$ 13,363	\$ 156,060
Additions:					
Deposits:					
Suits and successions		2,904,583			
Deposits by order of ct.	62,005		667,580		
Interest on investments other deposits		14,152	1,162	5	
Total additions	<u>62,005</u>	<u>2,918,735</u>	<u>668,742</u>	<u>5</u>	<u>43,374</u>
Total deposits and additions	72,421	4,750,456	2,414,309	13,368	199,434
Deductions:					
Settlements to litigants		626,761			
Attorney, curators and notarial fees		66,471			
Clerk's costs		1,253,757			
Sheriff's fees		417,332			
Cost of court		28,415			
Judge's fees		163,762			
Miscellaneous		10,738	8,760		5,556
Transfers to other funds		14,132		5	
Payments by order of ct. Transfer to St. of LA. (Unclaimed funds)	44,078		1,059,721		
Total Deductions	<u>44,078</u>	<u>2,581,368</u>	<u>1,073,527</u>	<u>5</u>	<u>5,556</u>
Deposit balances, end of year	<u>\$ 28,343</u>	<u>\$ 2,169,088</u>	<u>\$ 1,340,782</u>	<u>\$ 13,363</u>	<u>\$ 193,878</u>

The accompanying notes are an integral part of this financial statement

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
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 serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Rapides Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America (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 accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Rapides Parish Police Jury is the financial reporting entity for Rapides Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Rapides Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

B. REPORTING ENTITY (continued)

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and / or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury .
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury could be provided with specific financial benefit or could be responsible for specific financial burdens the clerk of court was determined to be a component unit of the Rapides Parish police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Clerk of Court uses the 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 relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

C. Fund Accounting (continued)

Governmental Funds

Governmental funds account for all or most of the clerk's activities. These 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 will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the Clerk of Court. The following are the clerk's governmental funds:

General Fund

The General Fund (Salary Fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and accounts for the operations for the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, and focuses on net assets and changes in net assets. The fiduciary fund includes the following :

Agency Funds

The advance deposit, registry of court, judiciary fee and court appointed special advocate fund are used to account for assets held as an agent for individuals, et cetera while the deferred compensation agency fund accounts for employee contributions and earnings that are held by a third party administrator on behalf of certain part-time, seasonal and temporary employees. In accordance with Internal Revenue Code 457, the Rapides Parish Clerk of Court retains title to the assets and acts as agent for the employee fund. All agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, but use the modified accrual basis of accounting.

CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)

D. Measurement Focus/Basis of Accounting

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources and uses of current financial resources. The modified accrual basis of accounting is used by the fund financial statements (FFS). 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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Recordings, cancellations, court attendance, criminal costs, et cetera, are recorded in the year in which they are earned.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recorded when received.

Expenditures

Purchases of various operating supplies are recorded as expenditures in the accounting period they are purchased. Compensated absences are recognized as expenditures when leave is actually taken or the employees (or heirs) are paid for accrued leave upon retirement or death.

Salaries are recorded as expenditures when earned.

Principal and interest on general long-term debt are recognized when due.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

D. Measurement Focus/Basis of Accounting (con td.)

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid, sales of assets and capitalized leases are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Government – Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Rapides Parish Clerk as a whole. These statements include all the financial activities of the Rapides Parish Clerk. Information contained in these statements 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-exchange Transactions*.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from general revenues.

E. Budgetary Practice

The proposed budget for the 2004 fiscal year was made available for public inspection at the Clerk's office on June 13, 2003. The public hearing, which was for the purpose of adopting the budget was held at the Clerk's office on June 30, 2003. The Clerk of Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Formal budgetary integration is employed as a management control device for the Clerk's General fund. The budget is adopted on a modified accrual basis of accounting .

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

E. Budgetary Practice (contd.)

2. The Clerk of Court approves all budget line items.
3. Unused appropriations for all annual budgetary funds lapse at the end of the year.
4. The budget amounts shown in the financial statement are final authorized amounts as revised during the year.

F. Cash and Cash Equivalents

In the governmental fund and agency funds, cash and cash equivalents include amounts in all demand deposits, interest bearing demand deposits and time deposits with original maturities of three months or less from the date of acquisition.

G. Investments

If the cash deposits have original maturities greater than 90 days, they are classified as investments. Investments are stated at cost or amortized cost, except for investments in the Deferred Compensation Agency Fund which are reported at market value.

H. 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 maintains a threshold level of \$50 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 the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture & Equipment	3-30 years

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

I. Compensated Absences

The Clerk of Court has the following policy related to annual leave: Twelve days annual leave are accrued per year to all full time employees. After an employee has been employed for 12 consecutive years, a total of fifteen days per year will accrue. Annual leave will be taken prior to the end of the fiscal year or be lost. Sick leave shall be credited to permanent full time employees at the following rates:

1. Less than one (1) full year of service equals one (1) full day for each calendar month of continuous service.
2. More than one (1) full year of service equals one (1) full day for each calendar month of continuous service or twelve (12) days per calendar year.

Unused sick leave earned by an employee shall be carried forward to succeeding calendar years, but not to exceed sixty (60) days.

The clerk'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.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

- a. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

I. Compensated Absences (contd.)

- b. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. The current portion of the liability for compensated absences should be reported in the fund financial statements. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The non-current portion of the liability is not reported in the fund financial statements.

J. Restricted Net Assets

For government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

K. 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.

R.S. 13:785 requires that at the expiration of her term of office the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of her term of office. At June 30, 2004, there was no amount due the parish treasurer. Consequently, no determination of the amount that will be due, if any, can be made at this time.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH

At June 30, 2004, the Clerk of Court has cash and cash equivalents (book balances) totaling \$3,471,262, as follows:

Cash on Hand	\$ 500
Demand Deposits Including	
Interest bearing demand deposits	3,470,762
Time Deposits	<u>0</u>
 Total	 <u>\$ 3,471,262</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by the federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2004, the clerk has \$3,561,118 in deposits (collected bank balances). These deposits are secured from risk by \$224,767 of federal deposit insurance and \$3,336,351 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

2. CASH (cont d.)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 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 of court that the fiscal agent has failed to pay deposited funds upon demand. (This disclosure should acknowledge any violations of state law relating to adequate pledged securities.)

3. INVESTMENTS

Investments are stated at cost in the advanced deposit fund and the clerk's salary fund. While the investments in the deferred compensation fund are stated at fair market value. Investments at June 30, 2004, are as follows:

<u>Fund</u>	<u>With Whom</u>	<u>Investment</u>	<u>Cost</u>	<u>Value</u>
Advance Deposit	Regions Bank	C.D.	\$ 1,050,000	\$ 1,050,000
Advance Deposit	Bank One	C.D.	150,000	150,000
Advance Deposit	Red River Bank	C.D.	150,000	150,000
Clerk Salary	Southern Heritage	C.D.	500,000	500,000
Clerk Salary	Regions Bank	C.D.	250,000	250,000
Clerk Salary	Red River Bank	C.D.	400,000	400,000
Clerk Salary	Union Bank	C.D.	200,000	200,000
Clerk Salary	Evangeline Bank	C.D.	475,000	475,000
Total			<u>\$ 3,175,000</u>	<u>\$ 3,175,000</u>
Deferred Comp	Insurance Co	Mutual Funds	<u>\$ 193,878</u>	<u>\$ 193,878</u>

At year end, some of the Clerk's investments consisted of mutual funds with a carrying value of \$193,878. The market value approximates the carrying value. The deferred compensation agency fund owns 100% of these investments.

The other investments are certificates of deposits with original maturities of more than (90) days. At year end, the Clerk's total investment balance in certificates of deposit was \$3,175,000, both carrying amount and bank balance. Of the bank balance, \$475,233 was covered by federal depository insurance, \$2,699,767 was covered by pledged securities of financial institutions which comply with the requirements of Louisiana statutes and no amounts were uninsured or uncollateralized.

The Clerk's investments which are subject to categorization are the certificates of deposit. They are categorized to give an indication on the level of risk assumed by the Clerk's office at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Clerk or its agent in the Clerk's name. Category 2 includes

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Clerk's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the Clerk's name.

At year end, all investments and cash balances of the clerk's office were Category 1 funds.

4. ACCOUNTS RECEIVABLES

The receivables of \$41,743 at June 30, 2004, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Due from State of Louisiana			
Title IV Fees	\$ 17,916	\$ -0-	\$ 17,916
Local Fees & Charges	16,965	-0-	16,965
Other	<u>-0-</u>	<u>6,862</u>	<u>6,862</u>
Total	<u>\$ 34,881</u>	<u>\$ 6,862</u>	<u>\$ 41,743</u>

5. BAD DEBTS

Uncollectible amounts due for customer receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectability of the particular receivable.

6. INTERFUND TRANSFERS

	<u>Transfer From Fund</u>		<u>Total</u>
	<u>Adv dep Fund</u>	<u>Judiciary fee fund</u>	
<u>Transfer to Fund</u>			
General fund	<u>\$14,132</u>	<u>\$5</u>	<u>\$14,137</u>
Total	<u>\$14,132</u>	<u>\$5</u>	<u>\$14,137</u>

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

7. CAPITAL ASSETS

A summary of property and equipment and accumulated depreciation at June 30, 2004 follows:

	Property and Equipment			
	<u>Balance 7/01/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/04</u>
Furniture & equipment	\$1,359,497	\$185,461	(381,884)	\$1,163,074
Total	<u>\$1,359,497</u>	<u>\$185,461</u>	<u>(381,884)</u>	<u>\$1,163,074</u>

	Accumulated Depreciation			
	<u>Balance 7/01/03</u>	<u>Additions</u>	<u>Depreciation</u>	<u>Balance 6/30/04</u>
Furniture & equipment	\$868,409	\$59,481	(381,884)	\$546,006
Total	<u>\$868,409</u>	<u>\$59,481</u>	<u>(381,884)</u>	<u>\$546,006</u>

8. INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of amounts due from and due to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Clerk's Salary Fund	Judiciary Fee Fund	\$ 1,019

9. CHANGES IN AGENCY FUND DEFERRED COMPENSATION BENEFITS PAYABLE:

<u>Agency Fund</u>	<u>Balance at July 1, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2004</u>
Deferred Compensation Fund	\$ 156,060	\$ 43,374	\$ (5,556)	\$ 193,878

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

10. PENSION PLAN

Substantially all employees of the Rapides Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 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 received the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Brickstone Ave., Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Rapides Parish clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.50 percent of annual covered payroll. The Clerk has elected as of June 30, 2002 to pay the employee & employer's share. Contributions to the system also include one-fourth of one percent (one-half of the one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Rapides Parish Clerk of Court are established by 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 Rapides Parish Clerk of Court's contributions to the system for the years ending June 30, 2004, 2003 and 2002, were \$244,057, \$207,122, and \$211,362, respectively, equal to the required contributions for each year.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

11. DEFERRED COMPENSATION PLAN

The Clerk of Court of Rapides Parish established a deferred compensation plan in accordance with Internal Revenue code Section 457. The plan allows participants to defer up to 25% of their salary until future years. Other retirement contributions are considered in computing the aggregate contribution limit. Excessive deferrals will be taxable. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the participant or beneficiary) solely the property of the Rapides Parish Clerk of Court subject only to the claim of the Clerk's general creditors. Participants' rights under the Plan are equal to those of general creditors of the Clerk in a amount equal to the fair market value of the deferred account for each participant.

All funds paid into the Plan are managed by a third party administrator selected by the Clerk. During the year the funds were invested by employees into mutual funds. At June 30, 2004, investments and the corresponding liabilities were recorded in an agency fund at the fair market value of \$193,878.

It is the opinion of the Rapides Parish Clerk of Court'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.

12. OPERATING LEASES

The Rapides Parish Clerk of Court has lease commitments for (12) copiers as of June 30, 2004. The Clerk also leases a vehicle. The cost for the leases for the year ended June 30, 2004 was \$47,741. The future minimum lease payments for these leases are as follows:

<u>YEAR ENDING JUNE 30,</u>	<u>COPIERS</u>	<u>AUTO</u>	<u>TOTAL</u>
2005	\$ 42,276	\$7,212	\$ 49,488
2006	41,938		41,938
2007	29,131		29,131
2008	15,912		15,912
2009	4,440		4,440
TOTAL	<u>\$ 133,697</u>	<u>\$ 7,212</u>	<u>\$ 140,909</u>

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

13. LITIGATION AND CLAIMS

None outstanding.

14. ACT 211 OF THE LEGISLATURE OF LOUISIANA

The Clerk of Court of Rapides Parish was authorized by Act 211 to establish a pilot program to provide for a schedule of flat filing fees in the Ninth Judicial District court effective January 1, 1992. The Clerk, at her option, decided not to implement this program at that time. Therefore, there is no separate fund to be audited and/or accounted for in the financial statements at June 30, 2004.

15. ON-BEHALF PAYMENTS

Certain operating expenditures of the Clerk's office are paid by the Rapides Parish Police Jury and are not included in the accompanying financial statements. Those expenditures are estimated to be as follows:

Utilities	\$ 34,448
Maintenance	<u>61,449</u>
Total	<u>\$ 95,897</u>

16. PRIOR PERIOD ADJUSTMENT

The accumulated depreciation for the assets capitalized on the Statement of Net Assets was increased \$52,032. The adjustment was made to properly reflect the carrying values of the assets at June 30, 2004.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GOVERNMENTAL FUND
For the year ended June 30, 2004**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<u>REVENUES</u>				
Deeds	\$ 1,548,300	\$ 1,552,000	\$ 1,580,585	\$ 28,585
Civil Suits and Probates	995,000	945,000	960,865	15,865
Cancellations	46,600	53,200	54,910	1,710
Mortgage Certificates	43,400	45,800	46,195	395
Marriage Licenses	30,300	29,300	30,600	1,300
Certified Copies	254,400	275,700	279,371	3,671
Criminal Fees	60,200	75,800	75,413	(387)
Election Fees	20,000	24,683	32,699	8,016
UCC Fees	139,300	139,300	139,997	697
Notarial Fees	5,100	1,650	1,650	0
Interest on Investments	0	0	30,406	30,406
Title IV State Fees	61,200	65,350	70,299	4,949
Miscellaneous	<u>77,000</u>	<u>73,840</u>	<u>82,080</u>	<u>8,240</u>
Total Revenues	<u>3,280,800</u>	<u>3,281,623</u>	<u>3,385,070</u>	<u>103,447</u>
<u>EXPENDITURES</u>				
CURRENT-JUDICIARY:				
Salaries and Benefits	1,564,810	1,528,550	1,517,121	11,429
Office Expense	257,900	198,200	209,186	(10,986)
Group Insurance	207,400	196,850	199,395	(2,545)
General Insurance	29,200	37,200	46,033	(8,833)
Travel & Continuing Educ.	4,500	1,200	1,465	(265)
Auto Supplies and Maint.	9,500	9,500	9,351	149
Computer Operations	48,100	27,900	32,991	(5,091)
Telephone	28,500	29,800	29,064	736
Retirement Contributions	256,039	250,000	244,057	5,943
Election Expenses	42,100	16,400	16,609	(209)
Battered Families	10,900	14,800	13,759	1,041
Sec. Of State - UCC Fees	40,700	48,000	46,626	1,374
Miscellaneous	<u>104,800</u>	<u>87,000</u>	<u>86,422</u>	<u>578</u>
Total Current Expenditures	2,604,449	2,445,400	2,452,079	(6,679)
CAPITAL OUTLAY	<u>220,000</u>	<u>165,000</u>	<u>185,461</u>	<u>(20,461)</u>
Total Expenditures	<u>2,824,449</u>	<u>2,610,400</u>	<u>2,637,540</u>	<u>(27,140)</u>

(Continued)

The accompanying notes are an integral part of this financial statement.

CLERK OF COURT OF RAPIDES PARISH

Alexandria, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GOVERNMENTAL FUND**

For the year ended June 30, 2004

(CONTINUED)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	456,351	671,223	747,530	76,307
OTHER FINANCING SOURCES				
Sale of Assets			85	85
Operating Transfers in	<u>38,900</u>	<u>44,100</u>	<u>14,137</u>	<u>(29,963)</u>
Total Other Financing Sources	<u>38,900</u>	<u>44,100</u>	<u>14,222</u>	<u>(29,878)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	495,251	715,323	761,752	46,429
FUND BALANCE, BEGINNING,	<u>2,308,225</u>	<u>2,308,225</u>	<u>2,308,225</u>	<u>0</u>
FUND BALANCE, ENDING	<u>\$2,803,476</u>	<u>\$ 3,023,548</u>	<u>\$ 3,069,977</u>	<u>\$ 46,429</u>

The accompanying notes are integral part of this financial statement.

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2004
(CONTINUED)**

GENERAL

INSURANCE IN FORCE

The Clerk of Court maintains various insurance policies at June 30, 2004. These policies are disclosed in the following schedule entitled "Insurance In Force."

**CLERK OF COURT OR RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2004**

<u>NAME</u>	<u>POLICY #</u>	<u>INCEPTION DATE</u>	<u>EXPIRATION DATE</u>	<u>PROPERTY</u>	<u>COVERAGE</u>	<u>AMOUNT</u>
L.a. Ass.of C of C Risk Mngt. Agency	05-065-02	7/01/03	7/01/04	Errors and Omissions	Clerk's Indemnity Insurance	\$1,000,000
L.a. Workers' Compensation Corp.		6/04/03	6/04/04	Clerical Office	Workmen's Compensation	Statutory
LEMIC INS. CO	777-08408-04	6/04/04	6/05/05	Clerical Office	Workmen's Compensation	1,000,000
ST. PAUL INS	GP06301660	9/06/04	9/06/05	VinL/GKEC13292R317064	COLLISION	500.00/Ded.
Travelers Property Casualty	1660398N4760 TII/04	4/04/04	4/04/05	Books and Recordings	Physical Loss or Damage	100,000/250Ded.
Western Surety Company	18265158	3/23/04	3/23/05	Honesty and Blanket Bond	Blanket Position Bond (\$250.00 Ded.)	10,000
Western Surety Company	Bond # 0601 13098691	7/01/04	7/01/08	Faithful Performance	Clerk's Surety Bond	10,000
L.a. Ass.of C of C Risk Mngt. Agency	me03232-1	7/01/03	7/01/04	excess gen liability	Clerk's Indemnity Insurance	\$1,000,000

"Unaudited"

**CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA**

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain the report 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 paragraph on internal control structure is based solely on the audit of the general purpose financial statements and includes where appropriate, any reportable conditions and/or material weaknesses. The paragraph on compliance with laws and regulations is, likewise, based solely on the audit of the general purpose financial statements and presents, where applicable, compliance matters that would be material to the general purpose financial statements.



DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

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

THE HONORABLE CAROLYN JONES RYLAND
CLERK OF COURT OF RAPIDES PARISH
ALEXANDRIA, LOUISIANA

We have audited the general purpose financial statements of Clerk of Court of Rapides Parish as of and for the year ended June 30, 2004, and have issued our report thereon dated November 23, 2004. We conducted our audit in accordance with United States 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 Clerk of Court of Rapides Parish'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 is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material 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 Clerk of Court of Rapides Parish'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 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 operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Rapides Parish Clerk of Court management and others of the organization and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

Dauzat, Beall & Debevec, CPAs

Dauzat, Beall & Debevec, CPA's, APC
Alexandria, Louisiana
November 23, 2004

**RAPIDES PARISH CLERK OF COURT
ALEXANDRIA, LOUISIANA**

Summary Schedule of Prior Audit Findings for the Year Ended June 30, 2003

<u>Ref. No.*</u>	<u>Occurred</u>	<u>Description of Finding</u>	<u>(Yes, No, Partially)</u>	<u>Action Taken**</u>	<u>Explanation***</u>
_____	_____	None _____ _____	_____	_____	_____
_____	_____	_____ _____ _____	_____	_____	_____
_____	_____	_____ _____ _____	_____	_____	_____

**RAPIDES PARISH CLERK OF COURT
ALEXANDRIA, 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>Person(s)**</u>	<u>Completion Date</u>
_____	None _____ _____	_____ _____ _____	_____ _____ _____	_____ _____ _____
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____	_____ _____ _____
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____	_____ _____ _____

CLERK OF COURT OF RAPIDES PARISH
Alexandria, Louisiana
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2004

We have audited the financial statements of the Clerk of Court of Rapides Parish as of June 30, 2004 and have issued our report thereon dated November 23, 2004. We conducted our audit in accordance with United States 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. Our audit of the financial statements as of and for the year ended June 30, 2004 resulted in an unqualified opinion.

Section 1-Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Non Compliance Material to Financial Statements Yes No

Section II-Financial Statement Findings

None