

Honorable Lena K. Barnes
S. Howard Parish Clerk of Court

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose 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 structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management and the legislative body. This restriction is not intended to limit the distribution of this report as may be required by public law.



Certified Public Accountants
September 12, 1995

Hahn, Fowlkes, Rogers & Co., L.L.P.
Certified Public Accountants and Consultants

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TA Professional Accounting Corporation

REPORT ON COMPLIANCE

Honorable Louis R. Torres
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the general purpose financial statements of the St. Bernard Parish Clerk of Court (Clerk's Office) for the year ended June 30, 1996, and have issued our report thereon dated September 12, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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.

Compliance with laws, regulations and contracts, applicable to the Clerk's Office, is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Clerk's Office compliance with certain provisions of laws, regulations and contracts. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management and the legislative auditor. This restriction is not intended to limit the distribution of this report as may be required by public law.

Hahn, Fowlkes, Rogers & Co.

Certified Public Accountants
September 12, 1996

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1995

(Continued)

E. PENSION PLAN - continued

Louisiana Clerk of Court and Relief Fund - continued

Net assets	\$ 89,262,889
Pension benefit obligation	166,709,580
Unfunded pension benefit obligation	\$77,446,691

The pension benefit obligation is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and expected benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of expected projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employees.

Statistical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's comprehensive annual financial report. This report may be obtained by writing to the Louisiana Clerk of Court Retirement and Relief Fund, 11745 Hedgecroft Avenue, Suite 81, Baton Rouge, Louisiana 70818, or by calling (584) 203-1162.

The St. Bernard Parish Clerk of Court does not guarantee the benefits granted by the System.

F. OTHER POST-EMPLOYMENT BENEFITS

The St. Bernard Parish Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Clerk's employees become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the clerk of court. The clerk of court recognizes the cost of providing these benefits (the clerk's portion of the premiums) as an expenditure when the monthly premiums are due. The cost of each premium borne by the clerk of court for both active and retired participants amount to \$112,284 for 1995. These benefits are provided in accordance with the provisions of the Louisiana Clerk of Court Retirement and Relief System in which the St. Bernard Parish Clerk of Court's office participates as described in note E.

(Continued)

Honorable Lora R. Thomas
St. Bernard Parish Clerk of Court

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in processes that would be material in relation to the general purpose 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 structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management and the legislative auditor. This conclusion is not intended to limit the distribution of this report as may be required by public law.

Robert A. Williams, Jr., CPA

Certified Public Accountant
September 12, 1996

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

ADDITIONAL INFORMATION

YEAR ENDED JUNE 30, 1986

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

REPORT ON INTERNAL ACCOUNTING CONTROL

YEAR ENDED JUNE 30, 1958

**ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS**

STATEMENTS OF CHANGES IN UNSETTLED DEPOSITS

YEAR ENDED JUNE 30, 1996

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
UNSETTLED DEPOSITS, BEGINNING OF YEAR	\$ 1,850,704	\$1,162,624	\$3,013,328
ADDITIONS:			
Deposits:			
Gifts and successions	1,109,352	-	1,109,352
Judgments	-	453,288	453,288
Interest earnings on investments	-	35,818	35,818
TOTAL ADDITIONS	<u>1,109,352</u>	<u>489,106</u>	<u>1,598,458</u>
SUBTOTAL	1,960,056	1,651,730	3,611,886
REDUCTIONS:			
Clerk's costs (transferred to General Fund)	957,747	-	957,747
Settlements to litigants	123,817	346,333	470,150
Attorney, courtier, and notary fees	52,919	-	52,919
Sheriff's fees	182,850	-	182,850
Judge's supplemental compensation fund	35,572	-	35,572
Deputy Clerk's fund	68,815	-	68,815
Parish Council	40,540	-	40,540
Other reductions	-	327	327
TOTAL REDUCTIONS	<u>\$1,088,080</u>	<u>346,702</u>	<u>1,434,782</u>
UNSETTLED DEPOSITS, END OF YEAR	<u>\$ 871,976</u>	<u>\$1,305,028</u>	<u>\$2,177,004</u>

ST. BERNARD PARISH CLERK OF COURT
CHALMERS, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS

EXHIBITING BALANCE SHEETS

JUNE 30, 1986

	Advance Deposit Fund	Registry of Court Fund	Total
ASSETS			
Cash and cash equivalents	\$904,866	\$1,208,721	\$2,113,587
LIABILITIES			
Unsettled deposits	\$904,866	\$1,208,721	\$2,113,587

ST. BERNARD PARISH CLERK OF COURT
CHENIERE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUNDS

SUPPLEMENTAL INFORMATION SCHEDULES

YEAR ENDED JUNE 30, 1998

ADVANCE DEPOSIT FUND

The Advance Deposit Fund, as provided by Louisiana Revised Statute 15:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

REGISTRY OF COURT FUND

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

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1996

(Continued)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

General fixed assets and long-term obligations - Fixed assets are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets are provided by the parish police jury and are recorded within the general fixed assets account group. All purchased fixed assets are valued at historical cost. Fixed assets provided by the parish police jury (60 percent of total fixed assets) are valued at their estimated fair value on the date received. No depreciation has been provided on general fixed assets.

The account group is not a fund. It is concerned only with the measurement of financial position and does not involve the measurement of results of operations.

Fair values of financial instruments - The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards (SFAS) No. 107, "Disclosures about Fair Value of Financial Instruments". The clerk of court has adopted SFAS No. 107 for the year ended June 30, 1996. The carrying amounts reported in the balance sheet for cash, cash equivalents, receivables, and accounts payable approximate their assets' and liabilities' fair values because of the short duration of these instruments.

Congregational absence - Employees of the Clerk of Court's office earn two weeks vacation leave and up to four weeks sick leave each year. The leave time accrues on a calendar year basis and must be used in the calendar year earned and is not payable upon separation from service. The accrued accumulated leave which had been accrued by employees at June 30, 1996 has been included in the long term liability account group in the accompanying financial statements.

Fund equity - Reserves represent those portions of fund equity not appropriable for expenditure or are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

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

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

(Continued)

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ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

REPORT ON AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been distributed to the officials and employees who were responsible for public affairs. The report is available for public inspection at the Office of the Auditor of the State, Room 4010 of the Louisiana Auditorium, where appropriate, at the Office of the parish clerk of court.

Release Date... DEC 18 1996

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

JUNE 30, 1998

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Bain, Fribourg, Sogona & Co., L.L.P.
Certified Public Accountants and Consultants

Tim Fribourg, A, CPA
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14 Professional Accounting Corporation

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INDEPENDENT AUDITOR'S REPORT

Honorable Leta S. Tamm
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the general purpose financial statements of the St. Bernard Parish Clerk of Court as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the St. Bernard Parish Clerk of Court. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Bernard Parish Clerk of Court as of June 30, 1996, and the results of its operations and its changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying fiduciary funds - agency funds supplemental information schedule, combining balance sheets and the statements of changes in asset-liability deposits contained on pages 17, 18 and 19 are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the St. Bernard Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Bain, Fribourg, Sogona & Co.

Certified Public Accountants

September 17, 1996

ST. BERNARD PARISH CLERK OF COURT
 CHARLOTTE, LOUISIANA
 GOVERNMENTAL FUND - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 1986

REVENUES:	
Licenses and permits	\$ 9,088
Fees, charges, and commissions for services:	
Court costs, fees, and charges	595,246
Fees for recording legal documents	148,627
Fees for copies of documents	6,083
Miscellaneous	9,683
Use of money and property - interest earnings	<u>25,487</u>
TOTAL REVENUES	1,085,114
EXPENDITURES	
General government:	
Personnel services and related benefits	\$11,914
Operating services	117,464
Travel and other charges	3,848
Capital outlay	13,254
Intergovernmental	<u>8,760</u>
TOTAL EXPENDITURES	<u>155,240</u>
EXCESS OF REVENUES OVER EXPENDITURES	929,874
FUND BALANCE AT BEGINNING OF YEAR	<u>438,888</u>
FUND BALANCE AT END OF YEAR	\$ <u>478,802</u>

See notes to financial statements.

**ST. BERNARD PARISH CLERK OF COURT
 CHALMETTE, LOUISIANA
 GOVERNMENTAL FUND - GENERAL FUND**

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

YEAR ENDED JUNE 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Licenses and permits	\$ 1,800	\$ 1,800	\$ 000
Fees, charges, and contributions for services:			
Court costs, fees, and charges	593,500	599,246	5,746
Fees for recording legal documents	206,000	248,667	42,667
Fees for copies of documents	4,300	6,000	1,700
Miscellaneous	1,300	9,600	8,300
Use of money and property - interest earnings	70,000	70,400	400
TOTAL REVENUES	978,900	1,087,174	108,274
EXPENDITURES:			
General government:			
Personnel services and related benefits	381,580	311,724	(69,856)
Operating services	125,000	127,864	(2,864)
Travel and other charges	7,700	7,848	(148)
Capital outlay	5,800	13,254	(7,454)
Improvements	7,500	6,760	740
TOTAL EXPENDITURES	627,580	667,250	(60,330)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES:	351,320	420,114	68,794
FUND BALANCE AT BEGINNING OF YEAR	438,900	438,900	---
FUND BALANCE AT END OF YEAR	842,130	842,900	770

See notes to financial statements.

ST. BERNARD PARISH CLERK OF COURT
CHALMERS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1998

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 has other duties and powers provided by law. The clerk of court is elected for a four-year term.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation - The accompanying financial statements of the St. Bernard Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting entity - As the governing authority of the parish, for reporting purposes, the St. Bernard Parish Council is the financial reporting entity for St. Bernard Parish. The financial reporting entity consists of (a) the primary government (council), (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 inclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the council to impose its will on that organization under
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are financially dependent on the council.
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.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHARMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1986
(Continued)

II. EXCESS FUND BALANCE

Louisiana Revised Statute 15:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund balance that exceeds one-half of the revenues of the last year of the clerk's term of office. As June 30, 1986, there was no amount due the parish treasurer because the General Fund balance did not exceed one-half of the revenues of the last year of the clerk's term of office.

III. LITIGATION AND CLAIMS

There were no litigation or claims outstanding at June 30, 1986, in which the Clerk of Court's office was involved.

IV. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL

Certain operating expenditures of the clerk's office are paid by the parish council and are not included in the accompanying financial statements. These expenditures are summarized as follows:

Operating services less court attendance	\$ 44,783
Capital outlay	21,202
TOTAL	\$ 65,985

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1996

(Continued)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of accounting - continued

Revenues

Recordings, cancellations, court attendance, criminal cost, etc., are recorded in the year in which they are earned. Interest income on investments is recorded when the investments have matured and the income is available. Substantially all other revenues are recorded when received.

Expenditures

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

Budget practices - The proposed budget for the 1996 fiscal year was made available for public inspection at the clerk's office on June 8, 1995. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 6 days prior to the public hearing. The budget hearing was held at the clerk's office on June 9, 1995. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year end.

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

Cash and cash equivalents - Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and three 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 registered under Louisiana law and national banks having their principal offices in Louisiana.

Uncollectible accounts receivable - The clerk of court uses the allowance method to account for uncollectible accounts receivable. The allowance for uncollectible accounts is based on prior years experience and management's analysis of possible bad debts. Bad debt recoveries are charged against the allowance account as realized. The Company considers all accounts receivable as June 30, 1996 to be fully collectible. Accordingly, no allowance for uncollectible accounts is reported.

(Continued)

**ST. BERNARD PARISH CLERK OF COURT
CHARLOTTE, LOUISIANA**

**REPORT ON COMPLIANCE
YEAR ENDED JUNE 30, 1996**

ST. BERNARD PARISH CLERK OF COURT
CHALMETER, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDING JUNE 30, 1996

(Continued)

B. CASH AND CASH EQUIVALENTS

At June 30, 1996 the clerk of court has cash and cash equivalents (bank balances) totaling \$2,683,779 as follows:

Checking accounts	\$716,996
Time deposits	676,000
Savings passbooks	1,290,783
TOTAL	\$2,683,779

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 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, 1996, the clerk has \$2,779,152 in deposits (collected bank balances). These deposits are secured from risk by \$741,469 of federal deposit insurance and \$4,508,608 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 not considered collateral under the provisions of GASB Statement 3 (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand.

C. RECEIVABLES

The receivables of \$14,485 at June 30, 1996, are as follows:

	Governmental Fund - General Fund
Regular	\$21,180
Court Attendance	1,305
	\$22,485

(Continued)

St. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1996

(Continued)

D. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (office furnishings and equipment) follows:

Balance, July 1, 1995	\$144,908
Additions - purchased by:	
General fund	15,234
Parish council	21,245
Other	17,670
Depreciate -	
General Fund	(5,500)
Parish council	(37,677)
Balance, June 30, 1996	\$155,480

E. PENSION PLAN

Substantially all employees of the St. Bernard 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 earning at least \$580 per month 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 an annual retirement benefit, payable monthly for life, equal to 5 percent of their final-average salary for each year of credited service, not to exceed 180 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the full benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer's 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.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1998

(Continued)

11. PENSION PLAN - continued

The following provides certain disclosure for the debt and the retirement system that are required by GASB Codification Section 120.129:

	Year Ended June 30, 1998
St. Bernard Parish Clerk of Court	
Total current-year payroll	\$624,962
Total current-year covered payroll - employees	\$666,656
Total current-year covered payroll - employees including DRCP wages	\$482,642
Actuarially required contributions: Dollar amount	\$ 65,219
Percent of total actuarially required contributions of all participating employers and employees	____.17%

	Required by Statute	Actual Contributions
Contributions:		
Employee	8.25%	\$ 39,808
Employer	11.80%	65,162
TOTAL	<u>18.25%</u>	<u>\$104,970</u>

The required and actual employer contribution rates were 18.25% for both June 30, 1995 and 1998.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMESTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1998

(Continued)

8. PENSION PLAN - continued

Actuarial information about the System for its most recent year available, the year ended June 30, 1998, is presented below.

Louisiana Clerks of Court Retirement and Relief Fund

Estimated payroll for current year	\$40,578,626
Actuarially required contributions:	
Actuarially required contribution for dedicated taxes:	
Dollar amount	\$ 3,087,027
Percent of estimated payroll	6.63%
Actuarially required contribution for employers and employees:	
Dollar amount	\$ 5,359,218
Percent of estimated payroll	13.21%
Total actuarially required contribution:	
Dollar amount	\$ 8,446,245
Percent of estimated payroll	20.84%

(Continued)

Honorable Lura E. Torres,
St. Bernard Parish Clerk of Court.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose 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 structure and its operation that we consider to be material weaknesses as defined above.

This report is intended by the information of management and the legislative bodies. This restriction is not intended to limit the distribution of this report as may be required by public law.


Charles A. Williams, CPA
Certified Public Accountant
September 12, 1995

ST. BERNARD PARISH CLERK OF COURT
CHALMERS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1998

(Continued)

F. OTHER POST-EMPLOYMENT BENEFITS - continued

The cost of providing these benefits for the 9 retired participants for the year ended June 30, 1998 is as follows:

Retirees' contributions	\$ 9,970
Clerk of Court's contributions	5,270
Total contributions	\$15,240

G. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unencumbered deposits follows:

	Unencumbered Deposits Beginning of Year		Additions	Reductions	Unencumbered Deposits End of Year
Agency funds:					
Advance deposit	\$ 853,904	\$1,109,132	\$1,098,080	\$ 904,966	
Registry of court	1,353,824	489,185	196,789	1,636,221	
TOTAL	\$2,207,728	\$1,598,317	\$1,294,869	\$2,541,187	

Advance Deposit Fund

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:943, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of Court Fund

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds that have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

(Continued)

ST. BERNARD PARISH CLERK OF COURT
CHALMETTE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1998

(Continued)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Reporting entity - continued

Because the parish council pays certain operating expenditures of the Clerk's office as required by Louisiana law, the clerk of court was determined to be a component unit of the St. Bernard 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 council, the general government services provided by that governmental unit, or the other government units that comprise the financial reporting entity.

Fund accounting - The clerk of court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the clerk of court are classified into two categories: governmental (General Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

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

Agency Funds

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

Basis of accounting - Basis of accounting refers to which revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental funds use the following practice in recording revenues and expenditures:

(Continued)

Bain, Furbush, Sagers & Co., L.L.P.
Certified Public Accountants and Consultants

Don Furbush, Jr., CPA*
William M. Bain, CPA*
Mark E. Sagers, Jr., CPA*
David L. Wang, III, CPA*
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IA Registered Accounting Corporation

MEMBER
American Institute of CPAs
Society of Louisiana CPAs
Private Company Public Sector Section
of the AICPA Division for CPA Firms
Accounting Change International
(Member in Principal Cities Worldwide)

REPORT ON COMPLIANCE

Honorable Lem R. Torres
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the general purpose financial statements of the St. Bernard Parish Clerk of Court (Clerk's Office) for the year ended June 30, 1996, and have issued our report thereon dated September 12, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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.

Compliance with laws, regulations and contracts, applicable to the Clerk's Office, is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Clerk's Office compliance with certain provisions of laws, regulations and contracts. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management and the legislative auditors. This restriction is not intended to limit the distribution of this report as may be required by public law.

Bain, Furbush, Sagers & Co.

Certified Public Accountants
September 12, 1996

Gen. Brubaker, Jr., CPA
William M. Bain, CPA
Mark D. Sagers, Jr., CPA
David L. Hines, III, CPA
Gregory J. Bellus, CPA

A Professional Accounting Corporation

REPORT ON INTERNAL ACCOUNTING CONTROL

Honorable Lane R. Torres
St. Bernard Parish Clerk of Court
Chalmette, Louisiana

We have audited the general purpose financial statements of the St. Bernard Parish Clerk of Court (Clerk's Office) for the year ended June 30, 1996, and have issued our report thereon dated September 12, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Clerk's Office is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Clerk's Office, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk, in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.