

1160

RECEIVED  
LEGISLATIVE AUDITOR  
05 JAN 11 AM 11:11

Concordia Parish Clerk of Court  
Vidalia, 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

**CONCORDIA PARISH CLERK OF COURT**  
*Vidalia, Louisiana*  
**Annual Financial Report**  
**For the Year Ended June 30, 2004**

**TABLE OF CONTENTS**

Page

***Required Supplemental Information (Part I):***

MANAGEMENT'S DISCUSSION & ANALYSIS

***Financial Section:***

INDEPENDENT AUDITOR'S REPORT

***Government Wide Financial Statements:***

Statement of Net Assets

Statement of Activities

***Fund Financial Statements:***

Balance Sheet - Governmental Funds

Reconciliation of the Balance Sheet - Government Fund to the  
Statement of Net Assets

Statement of Revenues, Expenditures and Changes in Fund  
Balances - Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds to the  
Statement of Activities

Statement of Fiduciary Net Assets

***Notes to the Financial Statements***

***Required Supplemental Information (Part II):***

Schedule of Revenues, Expenditures and Changes in Fund  
Balance - Budget and Actual - General Fund

***Reports Required by Government Auditing Standards:***

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

Schedule of Findings and Questioned Costs

Status of Prior Year Findings

Corrective Action Plan

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

**CONCORDIA PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2004**

**INTRODUCTION**

This discussion and analysis (MD&A) of the Concordia Parish Clerk of Court's financial performance provides an overview of the financial activities as of and for the fiscal year ended June 30, 2004. This should be read in conjunction with the basic financial statements and the accompanying notes to the financial statements.

*The discussion and analysis is a new element of required supplementary information specified in the "Government Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" issued June 1999. Certain comparative information between the current year and the prior year is required to be presented. However, since this is the first year of implementation of the new reporting model contained in GASB Statement No. 34, the Statement permits the omission of prior year data in the year of implementation. The Clerk has elected not to present comparative data.*

The Concordia Clerk of Court is located in the Concordia Parish Courthouse in Vidalia, Louisiana. Concordia Parish is located along the Mississippi River in East Central Louisiana.

***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) provides information about the activities as a whole and presents 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 these 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 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 Financial Section.

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

One of the most important questions asked about finances is "Is the Concordia Parish Clerk of Court as a whole better 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 may look at net assets – the difference between assets and liabilities – as a 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.*

CONCORDIA PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2004

***Fund Financial Statements (FFS)***

The FFS 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 for reporting 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 statements.

***FINANCIAL HIGHLIGHTS***

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

- As a result of this year's operations, assets exceeded liabilities by \$62,003 (net assets) for the fiscal year reported.
- Total net assets are comprised of the following:
  1. Capital assets of \$4,360 included office equipment, furniture and fixtures, net of accumulated depreciation.
  2. Unrestricted net assets of \$57,643 represent the portion available to maintain the continuing operations.
- The governmental funds reported total ending fund balance of \$57,643. This compares to the prior year ending fund balance of \$20,052, showing an increase of \$37,591 during the current year.
- Total spending for all judicial activities was \$524,861 for the year, which was \$37,591 less than the program revenues for these activities - \$562,452.
- The interest earned on checking accounts and investments in certificates of deposits was \$1,434 for the year.

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

***FINANCIAL ANALYSIS OF THE CONCORDIA PARISH CLERK OF COURT AS A WHOLE***

The Clerk of Court's net assets increased by \$38,367 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.

CONCORDIA PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2004

***FINANCIAL ANALYSIS OF THE CLERK OF COURTS FUNDS***

As 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 it, but may also give you more insight into the overall financial health.

At year end, the Clerk of Court reported a fund balance of \$57,643. This reflects an increase of \$20,052 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 not amended during this fiscal year.

***CAPITAL ASSETS***

The investment in capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2004 was \$4,360.

This year there was \$2,221 of additions to capital assets. More detailed information about the capital assets is presented in Note 3 to the financial statements.

***DEBT***

At year end, the Concordia Parish Clerk of Court had no debt outstanding.

***ECONOMIC FACTORS AND NEXT YEAR'S BUDGET***

The Clerk of Court considered many factors when budgeting the fiscal year rates and fees that would be charged. One of those factors is the new laws and regulations.

Historically, the office staff and costs remain stable with small increases in operating expenses. If these costs remain consistent, the Concordia Parish Clerk of Court's General Fund balance is expected to remain the same by the close of fiscal year 2005.

***CONTACTING FINANCIAL MANAGEMENT***

This financial report is designed to provide a general overview of the Concordia Parish Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives and spends. If you have any questions about this report or need additional financial information, contact the Honorable Clyde Ray Webber, Jr., Clerk of Court for Concordia Parish, 4001 Carter Street, Vidalia, LA 71373 at phone number (318) 336-4204.

**FINANCIAL SECTION**

# SWITZER, HOPKINS & MANGE

Certified Public Accountants

POST OFFICE BOX 478  
FERRIDAY, LOUISIANA 71334

DENNIS R. SWITZER, CPA  
H. MYLES HOPKINS, CPA  
SUSAN L. MANGE, CPA  

---

JOHN M. JONES, CPA 1921 - 1983

1840 NORTH E.E. WALLACE BLVD.  
FERRIDAY, LOUISIANA 71334  
TELEPHONE (318) 757-2600  
FAX (318) 757-7206  
OFFICES IN NATCHEZ, MISSISSIPPI

## INDEPENDENT AUDITOR'S REPORT

Honorable Clyde R. Webber, Jr.  
Concordia Parish Clerk of Court  
Vidalia, Louisiana

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic 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 Concordia Parish Clerk of Court as of June 30, 2004, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Concordia Parish Clerk of Court adopted the provisions of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments; Statement 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments; Omnibus; and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements, as of July 1, 2001. This results in a change in the format and content of the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated on December 31, 2004 our consideration of the Concordia Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Honorable Clyde R. Webber, Jr.  
Concordia Parish Clerk of Court  
Page Two

The Required Supplementary Information (Part I & II), as listed in the foregoing table of contents, are not a required part of the basic financial statements, but are supplementary information required by Governmental Accounting Standards Board. This Required Supplementary Information is the responsibility of the management of the Concordia 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 supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information schedules, as listed in the foregoing table of contents, are presented for the purposes of additional analysis, and are not a required part of the basic financial statements of the Concordia Parish Clerk of Court. This additional information is the responsibility of the management of the Concordia Parish Clerk of Court. Such information has been subjected to auditing 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.

Switzer, Hopkins, & Mange  
December 31, 2004

*Switzer, Hopkins & Mange*

**GOVERNMENT – WIDE FINANCIAL STATEMENTS**

CONCORDIA PARISH CLERK OF COURT  
*Government – Wide Statement of Net Assets*  
June 30, 2004

	General Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 50,868
Accounts receivable	15,568
Capital assets, net of accumulated depreciation	<u>4,360</u>
Total assets	<u>70,796</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	2,585
Compensated Absences	<u>6,208</u>
Total liabilities	<u>8,793</u>
<b>NET ASSETS</b>	
Invested in Capital Assets	4,360
Unrestricted	<u>57,643</u>
Total net assets	<u>\$ 62,003</u>

CONCORDIA PARISH CLERK OF COURT  
*Statement of Activities*  
 June 30, 2004

EXPENSES	General Fund
Current-Judiciary:	
Salaries and benefits	\$ 332,551
Retirement contributions	52,620
Deferred compensation	5,836
Group insurance	56,013
Other insurance	5,036
Office supplies and expenses	52,503
Automotive	10,778
Telephone	4,499
Convention and travel expense	2,804
Depreciation	1,445
Total expenditures	524,085
PROGRAM REVENUES	
Suits and successions transferred from from the Advance Deposit Fund	206,832
Recording fees	226,459
Xerox copies	19,229
Fees in criminal cases	23,813
Certified copies	15,641
Mortgage certificates	13,180
Court attendance	7,328
Cancellations	21,358
Marriage licenses	2,886
Police jury allowance	4,320
Miscellaneous	19,972
Total program revenues	561,018
Interest earned	1,434
Total revenues	562,452
Change in Net Assets	38,367
Net Assets - Beginning of Year	23,636
Net Assets - End of Year	\$ 62,003

See notes to financial statements

**FUND FINANCIAL STATEMENTS**

CONCORDIA PARISH CLERK OF COURT  
*Balance Sheet – Governmental Fund*  
June 30, 2004

	<u>General Fund</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 50,868
Accounts receivable	<u>15,568</u>
Total assets	<u>66,436</u>
 <u>LIABILITIES AND FUND BALANCES</u>	
Accounts payable and accrued expenses	2,585
Compensated absences	<u>6,208</u>
Total liabilities	<u>8,793</u>
Fund Balance:	
Unreserved - undesignated	<u>57,643</u>
Total liabilities and fund balances	<u>\$ 66,436</u>



**CONCORDIA PARISH CLERK OF COURT**  
*Statement of Governmental Fund Revenues, Expenditures and Changes*  
*in Fund Balance Governmental Fund Type – General Fund*  
 June 30, 2004

<u>Revenues</u>	<u>General Fund</u>
Suits and successions transferred from	
from the Advance Deposit Fund	\$ 206,832
Recording fees	226,459
Xerox Copies	19,229
Fees in criminal cases	23,813
Certified copies	15,641
Interest earned	1,434
Mortgage certificates	13,180
Court attendance	7,328
Cancellations	21,358
Marriage licenses	2,886
Police jury allowance	4,320
Other	19,972
Total revenues	<u>562,452</u>

<u>Expenditures</u>	
<b>Current-Judiciary:</b>	
Salaries and benefits	332,551
Retirement contributions	52,620
Deferred compensation	5,836
Group insurance	56,013
Other insurance	5,036
Office supplies and expenses	52,503
Automotive	10,778
Telephone	4,499
Convention and travel expense	2,804
Capital outlay	2,221
Total expenditures	<u>524,861</u>
 Excess of revenues over expenditures	 37,591
 Fund balance - beginning of year	 <u>20,052</u>
Fund balance - end of year	<u>\$ 57,643</u>

**CONCORDIA PARISH CLERK OF COURT**  
*Reconciliation of the Statement of Revenue, 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)	\$	37,591
---	----	--------

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. Governmental activities report depreciation expense to allocate the cost of those capital assets over the estimated useful lives of the asset.

Capital outlay	2,221	
Depreciation expense	<u>(1,445)</u>	
		<u>776</u>

Change in net assets of governmental activities (government-wide financial statements)	\$	<u>38,367</u>
---	----	---------------

CONCORDIA PARISH CLERK OF COURT  
*Statement of Fiduciary Net Assets*  
*June 30, 2004*

	<u>Advance Deposits Fund</u>	<u>Registry of the Court Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	<u>\$ 314,205</u>	<u>\$ 195,493</u>	<u>\$ 509,698</u>
<u>LIABILITIES</u>			
Unsettled deposits	<u>\$ 314,205</u>	<u>\$ 195,493</u>	<u>\$ 509,698</u>

CONCORDIA PARISH CLERK OF COURT  
*Statement of Changes in Fiduciary Net Assets*  
 June 30, 2004

	Advance Deposits Fund	Registry of the Court Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ADDITIONS</b>			
Deposits	\$ 395,676	\$ 6,145	\$ 401,821
Interest earned	1,640	5,589	7,229
Total deposits	<u>397,316</u>	<u>11,734</u>	<u>409,050</u>
<b>DEDUCTIONS</b>			
Distributed to litigants	101,054	27,442	128,496
Distributed to general fund	202,453	-	202,453
Distributed to others	<u>70,505</u>	<u>-</u>	<u>70,505</u>
Total deductions	<u>374,012</u>	<u>27,442</u>	<u>401,454</u>
<b>CHANGES IN NET ASSETS</b>	23,304	(15,708)	7,596
Net Assets - Beginning of year	<u>290,901</u>	<u>211,201</u>	<u>502,102</u>
Net Assets - End of year	<u>\$ 314,205</u>	<u>\$ 195,493</u>	<u>\$ 509,698</u>

CONCORDIA PARISH CLERK OF COURT  
*Notes to 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 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.

**Note 1           SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.       Basis of Presentation**

The financial statements of the Concordia Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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**

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the Clerk of Court includes all funds, account groups, activities, et cetera, that are controlled by the Clerk of Court as an independently-elected parish official. As an independently-elected parish official, the Clerk of Court is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the clerk's office that are paid or provided by the parish police jury as required by Louisiana law, the Clerk of Court is financially independent. Accordingly, the Clerk of Court is a separate governmental reporting entity. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Clerk of Court.

**C.       Fund Accounting**

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

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

**Note 1**            **SUMMARY OF SIGNIFICANT ACCOUNT POLICIES, CONTINUED**

**Governmental Funds**

Governmental funds account for all or most of the clerk's general 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 by 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 of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

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

D.        Measurement Focus/Basis of Accounting

**Fund Financial Statements (FFS)**

The amounts reflected in the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund, 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 (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the FSS, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

**Note 1**            **SUMMARY OF SIGNIFICANT ACCOUNT POLICIES, CONTINUED**

D.      Measurement Focus/Basis of Accounting (continued)

***Revenues***

Fees for certified copies, recording legal documents, marriage licenses and commissions for services are recorded in the year they are earned. Interest income on time deposits are recorded when the time deposits have matured and the income is available. Interest receivables are accrued in the Advance Deposit Fund; all other revenues are recorded when received.

***Expenditures***

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

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

The Statement of Net Assets and the Statement of Activities display information about the Concordia Parish Clerk as a whole. These statements include all the financial activities of the Concordia 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** – Program revenues included in the 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 Practices

The Clerk of Court annually adopts a budget for the General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Any amendments to the budget are published in the Clerk of Court's official journal. Budgetary integration is employed as a management tool.

F.      Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest bearing demand deposits, and money market accounts. Cash equivalents include time deposits maturing within 90 days. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
For the Year Ended June 30, 2004

*Note 1*            **SUMMARY OF SIGNIFICANT ACCOUNT POLICIES, CONTINUED**

G.      Clerk's Fees Transferred from Advance Deposit Agency Fund

These fees represent revenue to the Clerk of Court earned from everyday operations such as copying and faxing for litigants. These fees are collected by a transfer of litigant's money deposited in the Advance Deposit Fund to the Salary Fund.

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 \$500 or more for capitalizing capital assets.

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

Description	Estimated Lives
Office Equipment	5 years
Furniture and Fixtures	10 years
Leased Equipment	5 years

I.      Compensated Absences

*The Clerk of Court has the following policy relating to vacation and sick leave:*

Employees of the clerk's office earn from 5 to 15 working days of annual leave each year depending on length of service. Vacation is non-cumulative.

*Each employee is allowed 10 days of sick leave per calendar year with pay. Sick leave is non-cumulative.*

In addition to the above, additional absences may be granted on an individual basis, giving consideration to individual needs, length of services, et cetera.

Each female employee is authorized six weeks of maternity leave with pay.

The cost of leave taken is recognized as current year expenditure when taken. The cost of accrued absences at June 30, 2004 is \$6,208.

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

**Note 1            SUMMARY OF SIGNIFICANT ACCOUNT POLICIES, CONTINUED**

J.            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.

**Note 2            CASH AND CASH EQUIVALENTS**

At June 30, 2004, the Clerk of Court has cash and cash equivalents book balances as follows:

Petty cash	\$        150
Demand deposit	205,441
Money market accounts	152,106
Lamp account	<u>202,869</u>
Total	<u>\$ 560,566</u>

These deposits are stated at cost, which approximates market. Under state law, federal deposit insurance or the pledge of securities owned by the fiscal agent banks must secure these deposits. 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 banks in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2004, the Clerk has \$584,380 in deposits (collected bank balances). These deposits are secured from risk by \$300,000 of federal deposit insurance, \$81,511 by collateral held by the Clerk's agent in the Clerk's name, and the balance is held by the Louisiana Asset Management Pool (LAMP).

**LAMP:**

Investments held at June 30, 2004 consist of \$202,869 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP at \$202,869 is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
For the Year Ended June 30, 2004

**Note 2 CASH AND CASH EQUIVALENTS**

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

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 297 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

**Note 3 ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2004 were as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Charges for services	\$ <u>15,568</u>

**Note 4 CHANGES IN CAPITAL ASSETS**

A Summary of changes in capital assets follows:

	<u>Balance</u> <u>6/30/2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Prior</u> <u>Period</u> <u>Adjustment</u>	<u>Balance</u> <u>6-30-2004</u>
Capital assets being depreciated					
Furniture, fixtures and equipment	\$ 438,074	\$ 2,221	\$ -	\$(397,098)	\$ 43,197
Less accumulated depreciation	<u>-</u>	<u>(1,445)</u>	<u>-</u>	<u>(37,392)</u>	<u>(38,837)</u>
Total capital assets, net	<u>\$ 438,074</u>	<u>\$ 776</u>	<u>\$ -</u>	<u>\$(434,490)</u>	<u>\$ 4,360</u>

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

**Note 5**            **CHANGES IN LONG-TERM DEBT**

The following is a summary of debt transactions of the Concordia Clerk of Court for the year ended June 30, 2004:

Balance due at June 30, 2003	19,087
Funds borrowed	-
Principal paid	<u>(19,087)</u>
Balance due at June 30, 2004	<u>\$ -</u>

**Note 6**            **PENSION PLAN**

Substantially all employees of the Concordia Parish Clerk of Court are members of the Louisiana Clerks of court Retirement and Relief Fund, a multiple-employer, public employee retirement system controlled and administered by a separate board of trustees.

All regular employees earning at least \$100 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 a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provided death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one percent 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. Members are required to contribute 8.25% of their annual covered salary and the Concordia Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 14.5% of annual covered payroll. Beginning November 2000 the Concordia Clerk of court contributed an entire 22.75%. The Concordia Parish Clerk of court's contributions for the year ending June 30, 2004 was \$52,620 equal to the required contributions of the year.

The Louisiana Clerks of Court Association issues a publicly available Actuarial Valuation and required supplementary information. That information may be obtained by writing to Louisiana Clerks of Court Association, 11745 Bricksome, Suite B-1, Baton Rouge, LA 70816 or by calling (504) 293-1162.

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
For the Year Ended June 30, 2004

**Note 7      DEFERRED COMPENSATION PLAN**

Starting in October 1999, the Clerk of Court employees had the option of becoming participants in the State of Louisiana Deferred Compensation Plan. This Plan was established pursuant to IRC Section 457 and Louisiana R.S. 42:1301-1308. The Plan provides state, parish and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction.

The participants may choose the amount to contribute with the maximums defined by the Internal Revenue Code and the investment option(s). The Clerk of Court agreed to match each participant's contribution up to a maximum of 3% for the year ending June 30, 2004.

**Note 8      CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund unsettled deposits follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Agency funds				
Advance Deposit	\$ 290,901	\$ 397,316	\$ 374,012	\$ 314,205
Registry of Court	<u>211,201</u>	<u>11,734</u>	<u>27,442</u>	<u>195,493</u>
Total	<u>\$ 502,102</u>	<u>\$ 409,050</u>	<u>\$ 401,454</u>	<u>\$ 509,698</u>

**Note 9      LEASES**

***Operating Leases***

The total payments for operating leases during the year were \$7,681. Lease payments in future years are as follows:

June 30, 2005	\$ 7,681
June 30, 2006	<u>7,681</u>
	<u>\$ 15,362</u>

**Note 10      RISK MANAGEMENT**

***General Liability Insurance***

The Clerk of Court is exposed to various risks of loss related to tort, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court purchases commercial insurance policies for any and all claims relating to the above types of risks.

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

**Note 10      RISK MANAGEMENT CONTINUED**

The Clerk's payment of the deductible is the only liability associated with these insurance policies. There has been no significant reduction insurance coverage in the prior year. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

***Health Insurance***

The Clerk of Court provides health and life insurance to employees through the Louisiana Clerk of Court Association. Under this insurance program, the Clerk pays initial premiums based on the level of the employee's participation and has no further liabilities on any claims.

**Note 11      CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE**

For the fiscal year ended June 30, 2004 the Clerk implemented Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

At June 30, 2004, there was no effect on fund balances as a result of implementing GASB Statements 37 and 38.

GASB Statement No. 34 creates new basic financial statements for reporting on the Clerk's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting and governmental fund financial statements prepared on the modified accrual basis of accounting, which present information for individual major funds rather than by fund type. All funds in the District were major funds.

The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at June 30, 2004, caused by the conversion to GASB Statement No. 34.

The prior year net assets has been restated as follows to recognize capital assets abandoned prior to June 30, 2003 and to recognize the implementation of GASB 34 discussed in Note 1:

Fund Balance, beginning of year as previously reported	\$ 436,236
<i>Adjustment:</i>	
Write - off of abandoned assets	(397,098)
GASB 34:	

CONCORDIA PARISH CLERK OF COURT  
*Notes to Financial Statements*  
*For the Year Ended June 30, 2004*

*Note 11*      **CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE  
CONTINUED**

Investment in Capital Assets, beginning of year	40,976
Accumulated depreciation, beginning of year	(37,392)
Notes payable, beginning of year	<u>(19,086)</u>
Total GASB 34 adjustments	<u>(15,502)</u>
Net Assets, beginning of year restated	<u>\$ 23,636</u>

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART II)**

**CONCORDIA PARISH CLERK OF COURT**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Budget and Actual – Governmental Fund*  
*For the Year Ended June 30, 2004*

<u>Revenues</u>	Original and Final Budget	<u>Actual</u>	Variance Favorable (Unfavorable)
Suits and successions transferred from the Advance Deposit Fund	\$ 203,000	\$ 206,832	\$ 3,832
Recording fees	220,000	226,459	6,459
Xerox copies	17,564	19,229	1,665
Fees in criminal cases	25,000	23,813	(1,187)
Certified copies	15,610	15,641	31
Interest earned	5,000	1,434	(3,566)
Mortgage certificates	14,000	13,180	(820)
Court attendance	6,800	7,328	528
Cancellations	19,000	21,358	2,358
Marriage licenses	3,350	2,886	(464)
Police jury allowance	3,960	4,320	360
Other	17,640	19,972	2,332
Total revenues	<u>550,924</u>	<u>562,452</u>	<u>11,528</u>
<u>Expenditures</u>			
<b>Current-general government:</b>			
Salaries and benefits	327,210	332,551	(5,341)
Retirement contributions	57,000	52,620	4,380
Deferred Compensation	6,300	5,836	464
Group Insurance	54,000	56,013	(2,013)
Other Insurance	5,000	5,036	(36)
Office supplies and expenses	71,432	52,503	18,929
Automotive	12,400	10,778	1,622
Telephone	6,800	4,499	2,301
Convention and travel expense	4,200	2,804	1,396
Capital outlay	200	2,221	(2,021)
Total expenditures	<u>544,542</u>	<u>524,861</u>	<u>19,681</u>
Excess of revenues over expenditures	6,382	37,591	31,209
Fund balance, beginning of year	<u>20,052</u>	<u>20,052</u>	<u>-</u>
Fund balance, end of year	<u>\$ 26,434</u>	<u>\$ 57,643</u>	<u>\$ 31,209</u>

**REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

# SWITZER, HOPKINS & MANGE

Certified Public Accountants

POST OFFICE BOX 478  
FERRIDAY, LOUISIANA 71334

DENNIS R. SWITZER, CPA  
H. MYLES HOPKINS, CPA  
SUSAN L. MANGE, CPA

JOHN M. JONES, CPA 1921 - 1983

1840 NORTH E.E. WALLACE BLVD.  
FERRIDAY, LOUISIANA 71334  
TELEPHONE (318) 757-2600  
FAX (318) 757-7206  
OFFICES IN NATCHEZ, MISSISSIPPI

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

Honorable Clyde R. Webber, Jr.  
Concordia Parish Clerk of Court  
Vidalia, Louisiana

We have audited the accompanying general purpose financial statements of Concordia Parish Clerk of Court as of and for the year ended June 30, 2004, and have issued our report thereon dated December 31, 2004. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Concordia Parish Clerk of Court's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, non compliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with those provisions was not an object of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Concordia Parish Clerk of Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course

Honorable Clyde R. Webber, Jr.  
Concordia Parish Clerk of Court  
Page Two

of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider being material weaknesses.

This report is intended for the information and use of management of the district of the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Ferriday, Louisiana  
December 31, 2004

*Switzer, Hopkins & Menge*

Concordia Parish Clerk of Court  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2004

Summary of Audit Results

1. Auditor's Report

An unqualified opinion has been issued on the Concordia Parish Clerk of Court's general purpose financial statements as of and for the year ended June 30, 2004.

2. Reportable Conditions – Financial Reporting

No reportable conditions in internal control over financial reporting were reported.

3. Reportable Conditions – Compliance With Laws and Regulations

There were no reportable conditions of noncompliance with laws and regulations.

Findings – Financial Statement Audit

None

Concordia Parish Clerk of Court  
Schedule of Prior Audit Findings  
Year Ended June 30, 2003

Findings – Financial Statement of Audit

NONE