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EAST BATON ROUGE PARISH
CORONER'S OFFICE
EAST BATON ROUGE PARISH, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2005

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

7/26/06

EAST BATON ROUGE PARISH
CORONER'S OFFICE
EAST BATON ROUGE PARISH, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2005

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INDEPENDENT AUDITORS' REPORT

East Baton Rouge Parish Coroner
Baton Rouge, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of East Baton Rouge Parish Coroner's Office, a component unit of the City-Parish of Baton Rouge, as of and for the year ended December 31, 2005, which collectively comprise the Coroner's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the East Baton Rouge Parish Coroner's Office management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 the 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the East Baton Rouge Parish Coroner's Office, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 4 through 9 and the Budgetary Comparison schedule on page 23 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 9, 2006, on our consideration of the East Baton Rouge Parish Coroner's Office internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of the audit.

Postlethwaite & Netterville

June 9, 2006



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

East Baton Rouge Parish Coroner
Baton Rouge, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of East Baton Rouge Parish Coroner's Office as of and for the year ended December 31, 2005, which collectively comprise the East Baton Rouge Parish Coroner's Office basic financial statements and have issued our report thereon dated June 9, 2006. 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.

Compliance and Other Matters

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the East Baton Rouge Parish Coroner's Office 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 an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the East Baton Rouge Parish Coroner's Office ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 05-1.

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 misstatement caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the audit committee, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.

Pratt & Metterville

June 9, 2006



EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

This section of the Coroner's annual financial report presents our discussion and analysis of the Coroner's financial performance during the fiscal year that ended on December 31, 2005. Please read it in conjunction the Coroner's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Coroner's total net assets decreased by \$6,631 over the course of this year's operations.
- During the year, the Coroner's revenues were \$6,631 less than the \$972,431 in expenses for governmental activities.
- The total cost of the Coroner's programs was \$972,431, an increase of approximately \$66,512 or 7.3 percent.
- The Coroner reported a fund balance of \$28,960 during this year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Coroner:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Coroner's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Coroner government, reporting the Coroner's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services, like public safety, were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Coroner's financial statements, including the portion of the Coroner's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

**Figure A-1
Major Features of Coroner's Government and Fund Financial Statements**

	Government-wide Statements	Fund Statements Governmental Funds
Scope	Entire Coroner government	The activities of the Coroner that are not proprietary or fiduciary, such as public safety.
Required financial statements	<ul style="list-style-type: none">• Statement of net assets• Statement of activities	<ul style="list-style-type: none">• Balance Sheet• Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments are due during the year or soon thereafter

EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

Government-wide Statements

The government-wide statements report information about the Coroner as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The government-wide statement reports the Coroner's net assets and how they have changed. Net assets—the difference between the Coroner's assets and liabilities—is one way to measure the Coroner's financial health, or position.

- Over time, increases or decreases in the Coroner's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the Coroner you need to consider additional financial factors such as matters which affect the City/Parish of Baton Rouge.

The government-wide financial statements of the Coroner are divided into the following category:

- Governmental activities—all of the Coroner's basic services are included here

Fund Financial Statements

The fund financial statements provide more detailed information about the Coroner's most significant funds—not the Coroner as a whole. Funds are accounting devices that the Coroner uses to keep track of specific sources of funding and spending for particular purposes.

- Presently, only General Fund is required by the Coroner.

The Coroner has one kind of fund:

- Governmental funds—Most of the Coroner's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Coroner's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

FINANCIAL ANALYSIS OF THE CORONER AS A WHOLE

Net assets. The Coroner's net assets decreased \$6,631 between fiscal years 2005 and 2004, to \$82,844. (See Table A-1.)

**Table A-1
Coroner's Net Assets**
Governmental
Activities

	<u>2005</u>	<u>2004</u>
Current and other assets	\$58,562	\$32,359
Capital assets	55,478	76,707
Total assets	114,040	109,066
Current liabilities	31,196	19,591
Noncurrent liabilities	-	-
Total liabilities	\$31,196	\$19,591
Net assets		
Invested in capital assets, net of related debt	55,478	76,707
Unrestricted	27,366	12,768
Total net assets	\$82,844	\$89,475

Changes in net assets. The Coroner's total revenues increased by \$57,262 to \$965,800 (See Table A-2.) Approximately 82 percent of the Coroner's revenue comes from appropriations from the City of Baton Rouge/Parish of East Baton Rouge.

The total cost of all programs and services increased \$66,512 or 7.3 percent. The Coroner's expenses cover all services performed by its office.

EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

Governmental Activities

Revenues for the Coroner's governmental activities increased 6.3 percent, while total expenses increased by 7.3 percent.

**Table A-2
Changes in Coroner's Net Assets**

	Governmental Activities	
	2005	2004
Revenues		
Program revenues		
Charges for services	\$177,444	\$169,763
City grants	788,356	738,775
Total revenues	\$965,800	\$908,538
Expenses		
General government	972,431	905,919
Total expenses	972,431	905,919
Increase (Decrease) in net assets	(\$6,631)	\$2,619

**Table A-3
Net Cost of Coroner's Governmental Activities**

	Total Cost Of Services		Net Cost of Services	
	2005	2004	2005	2004
Public safety	972,431	905,919	(6,631)	2,619

FINANCIAL ANALYSIS OF THE CORONER'S FUNDS

As the Coroner completed the year, its governmental funds reported a fund balance of \$28,960, an increase from prior year of \$14,598.

General Fund Budgetary Highlights

Over the course of the year, the Coroner revised its budget once.

EAST BATON ROUGE PARISH CORONER'S OFFICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2005

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2005, the Coroner had invested \$55,478 in capital assets. (See Table A-4.)

**Table A-4
Coroner's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2005	2004
Furniture and equipment	\$26,015	\$33,032
Vehicles	29,463	43,675
Total	\$55,478	\$76,707

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Coroner is dependent on The City of Baton Rouge for approximately 82 percent of its revenues. The City receives a substantial part of its revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the Coroner's future revenues are expected to be consistent with the current years. The budget for the 2006 year is approximately the same as the year 2005's budget.

CONTACTING THE CORONER'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Coroner's finances and to demonstrate the Coroner's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Dr. Louis Cataldie, Coroner, 222 St. Louis St., Governmental Building, 5th Floor, Baton Rouge, LA 70802.

EAST BATON PARISH CORONER'S OFFICE

STATEMENT OF NET ASSETS

December 31, 2005

ASSETS

Cash and cash equivalents	\$ 650
Receivables	57,912
Capital assets, net of accumulated depreciation	<u>55,478</u>
TOTAL ASSETS	<u>114,040</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 29,602
Accrued compensated absences	<u>1,594</u>
TOTAL LIABILITIES	<u>31,196</u>

NET ASSETS

Invested in capital assets	55,478
Unrestricted	<u>27,366</u>
TOTAL NET ASSETS	<u>\$ 82,844</u>

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

EAST BATON PARISH CORONER'S OFFICE

STATEMENT OF ACTIVITIES
December 31, 2005

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Assets</u> <u>Governmental</u> <u>Unit</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	
<u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General government	<u>\$ 972,430</u>	<u>\$ 177,444</u>	<u>\$ 788,356</u>	<u>\$ (6,630)</u>
Total governmental activities	<u>972,430</u>	<u>177,444</u>	<u>788,356</u>	<u>(6,630)</u>
			<u>Excess of revenues over expenses</u>	<u>(6,631)</u>
			<u>Net assets - January 1, 2005</u>	<u>89,475</u>
			<u>Net assets - December 31, 2005</u>	<u>\$ 82,844</u>

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

EAST BATON ROUGE PARISH CORONER'S OFFICE

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2005

ASSETS

	<u>General Fund</u>
<u>ASSETS</u>	
Cash	\$ 650
Accounts receivable:	
Coroner's Emergency Certificate Fees	28,310
Due from City Parish	<u>29,602</u>
Total Assets	<u>\$ 58,562</u>

LIABILITIES AND FUND EQUITY

<u>LIABILITIES</u>	
Accounts payable	\$ 29,602
Total Liabilities	<u>29,602</u>
<u>FUND EQUITY</u>	
Fund balances:	
Unreserved - undesignated	<u>28,960</u>
Total Liabilities and Fund Equity	<u>\$ 58,562</u>

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

EAST BATON PARISH CORONER'S OFFICE

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
December 31, 2005**

Total fund balances - Governmental Funds		\$ 28,960
Cost of capital assets at December 31, 2005	\$ 189,367	
Less: accumulated depreciation as of December 31, 2005	<u>133,889</u>	55,478
Long-Term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities consist of:		
Compensated absences	<u>1,594</u>	1,594
Total net assets at December 31, 2005 - Governmental Activities		<u>\$ 82,844</u>

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

EAST BATON ROUGE PARISH CORONER'S OFFICE
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
December 31, 2005

	General Fund
<u>REVENUES</u>	
Fee Revenue	\$ 177,444
City of Baton Rouge	788,356
Total Revenues	965,800
<u>EXPENDITURES</u>	
General Government:	
Current operating:	
Personnel service	559,718
Professional services	219,038
Other operating	172,446
Capital outlay	-
Total Expenditures	951,202
<u>EXCESS OF EXPENDITURES OVER</u>	
<u>REVENUES</u>	14,598
Fund balances - beginning of year	14,362
Fund balances - end of year	\$ 28,960

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

EAST BATON ROUGE PARISH CORONER'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
December 31, 2005

Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses		\$ 14,598
Capital Assets:		
Capital outlay capitalized	\$ -	
Depreciation expense for year ended December 31, 2005	<u>21,229</u>	(21,229)
Change in Net Assets - Governmental Activities		<u>\$ (6,631)</u>

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

EAST BATON ROUGE PARISH CORONER'S OFFICE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The East Baton Rouge Parish Coroner's Office determines the manner and cause of death for those cases that fall within its jurisdiction. The Coroner's Office orders autopsies and issues death certificates. It also evaluates the mentally ill and the chemically dependent and determines the appropriate action for the persons in need of the services.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

A. Financial Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the East Baton Rouge Parish Coroner's Office (the Coroner's Office) is considered a component unit of the City-Parish of Baton Rouge.

As the governing authority of the parish, for reporting purposes, the City-Parish of Baton Rouge is the financial reporting entity for East Baton Rouge Parish. The financial reporting entity consists of (a) the primary government (City-Parish), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the City-Parish of Baton Rouge 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 City-Parish 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 City-Parish.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Financial Reporting Entity (continued)

2. Organizations for which the City-Parish does not appoint a voting majority but are fiscally dependent on the City-Parish.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the City-Parish provides a significant amount of financial revenues, the coroner's office was determined to be a component unit of the City-Parish of Baton Rouge, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Coroner and do not present information on the City-Parish, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Governmental-wide Statements:

The statement of net assets and the statement of activities display information about the primary government (City-Parish). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Organization's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not associated as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

The fund financial statements provide information about the Organization's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

The Organization reports the following major governmental fund:

General Fund – The general fund accounts for all operations of the coroner's office. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

C. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Coroner maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the Coroner, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 7 years.

D. Basis of Accounting / Measurement Focus

All governmental funds of the Coroner follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Government-wide Financial Statements (GWFS)

The GWFS were prepared using 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 No. 33, *Accounting and Financial Reporting for Non-exchange transactions*.

Program Revenues

Program revenues included in the Statement of Activities derive directly from parties outside the Coroner's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Coroner's general revenues.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

D. Basis of Accounting / Measurement Focus (continued)

Governmental Fund Financial Statements

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 generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the Coroner is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by employees, and general long-term obligations principal and interest payments are recognized only when due.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgets and Budgetary Accounting

The Coroner's Office follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Coroner's Office prepares operating budgets for the general fund at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

F. Cash

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Coroner's Office may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

G. 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.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

2. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2005 are as follows:

	<u>Vehicles</u>	<u>Furniture & Equipment</u>	<u>Total</u>
Cost of Capital Assets, December 31, 2004	\$ 89,014	\$ 100,353	\$ 189,367
Additions	-	-	-
Cost of Capital Assets, December 31, 2005	<u>89,014</u>	<u>100,353</u>	<u>189,367</u>
Accumulated depreciation, December 31, 2004	47,690	64,970	112,660
Additions	<u>11,861</u>	<u>9,368</u>	<u>21,229</u>
Accumulated depreciation, December 31, 2005	<u>59,551</u>	<u>74,338</u>	<u>133,889</u>
Capital assets, net of accumulated depreciation, at December 31, 2005	<u>\$ 29,463</u>	<u>\$ 26,015</u>	<u>\$ 55,478</u>

As of December 31, 2005, depreciation expense was \$21,229.

3. CASH AND CERTIFICATES OF DEPOSIT

At December 31, 2005, the carrying amount of the Coroner's Office deposits was \$650 and the bank balances were \$650. The bank balance was covered by federal depository insurance.

EAST BATON ROUGE PARISH CORONER'S OFFICE

NOTES TO FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN

Employees whose salaries are paid by the Coroner's Office are members of the City of Baton Rouge and the East Baton Rouge Employees' Retirement System. The system administers a cost-sharing multiple-employer defined benefit pension plan. Pertinent information relative to the plan follows:

Plan Description. Any person who becomes a regular full-time employee, excluding commissioned law enforcement officers, becomes a member of the Retirement System as a condition of employment. An employee's benefit rights vest after the employee has been a member of the Retirement System for 10 year. There are two categories of benefit payments. Full retirement benefits are granted with 25 years of service, regardless of age. Minimum eligibility requirements are granted with 20 years of service regardless of age; or at age 55 with 10 years of service. Benefits are established and amended by state statute. The Retirement System issues a publicly available financial report includes financial statements and required supplementary information which includes the regular account and the police guaranty trust account. Both trust accounts are administered by the CPERS Board. The financial report may be obtained by writing to the Employees' Retirement System, Post Office Box 1471, Baton Rouge, Louisiana 70821-1471.

Funding Policy. The plan requires that the Retirement System be funded on an actuarially sound basis. Under the current plan, both employee and employer contributions are set by the CPERS board on an annual basis to properly fund the system. In 2005, employees made a mandatory contribution of 8.8% of gross earnings, while the employer contributed 14.50% of active payroll. The total employer contributions to CPERS for the year ended December 31, 2005, 2004, and 2003 were \$53,540, \$46,791, and \$50,755, respectively. This was equal to the statutorily required contributions.

EAST BATON ROUGE PARISH CORONER'S OFFICE

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
<u>REVENUES</u>			
Fee Revenue	\$ -	\$ -	\$ 177,444
City Parish of Baton Rouge	680,860	742,148	788,356
Total Revenues	732,228	742,148	965,800
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	465,770	475,690	559,718
Professional services	180,000	180,000	219,038
Other operating	86,458	86,458	172,446
Capital outlay	-	-	-
Total Expenditures	732,228	742,148	951,202
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>			
	-	-	14,598
<u>FUND BALANCES</u>			
Beginning of year	37,942	37,942	14,362
End of year	\$ 37,942	\$ 37,942	\$ 28,960

EAST BATON ROUGE PARISH CORONER'S OFFICE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDIT RESULTS

1. The auditor's report expressed an unqualified opinion on the financial statements of East Baton Rouge Coroner's Office.
2. One reportable condition disclosed during the audit of the financial statements is reported in the East Baton Rouge Parish Coroner's Office.
3. No instances of noncompliance material to the financial statements of East Baton Rouge Parish Coroner's Office, were disclosed during the audit.

FINDINGS - FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS

05-01 Segregation of Duties

Condition: The performance of accounting procedures is limited to a small number of people.

Criteria: Internal controls should be in place that provides reasonable assurance that financial transactions are properly accounted for. Segregation of duties among accounting staff is an integral part of internal controls.

Effect: There is insufficient segregation of duties within the accounting staff.

Recommendation: No action is recommended. It would not be cost effective.

Response: We concur with the recommendation. It would not be cost effective to increase the size of our staff to achieve effective segregation of duties.

COMPLIANCE

None