

**LASALLE PARISH CLERK OF COURT
JENA, LOUISIANA**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2008**

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 1/14/09

LaSalle Parish Clerk of Court
Jena, Louisiana

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LaSalle Parish Clerk of Court

Jena, LA

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2008

As management of the LaSalle Parish Clerk of Court, we offer readers of the Clerk's financial statements this narrative overview and analysis of the financial activities of the Clerk for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the Clerk's financial statements, which are attached.

Financial Highlights

(GWFS)

- The assets of the governmental activities of the Clerk exceeded its liabilities at the close of the most recent fiscal year by \$44,541 (net assets).
- In the governmental activities, the Clerk's office had total revenues of \$694,147 and total expenses of \$718,588.

(FFS)

- In the General Fund the Clerk's office has total revenues of \$707,347 and total expenditures of \$696,356 which increased the fund balance by \$10,991 leaving a fund balance of \$8,656.
- The Clerk's capital outlay for the year was \$2,848.
- The Agency Funds have total assets of \$384,442.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Clerk's basic financial statements. The Clerk's basic financial statements consist of the Statement of Net Assets, Statement of Activities, Balance Sheet, Statement of Revenue, Expenditures and Changes in Fund Balances, and the Notes to the Basic Financial Statements.

The Clerk's overall financial position and operations for the past two years summarized below on the information in the current and prior financial statements.

**Statement of Net Assets
Governmental Activities**

<u>Category</u>	<u>2008</u>	<u>2007</u>	<u>Amount of Change</u>
Cash & Cash Equivalents	\$26,860	\$ 3,630	\$ 23,230
Receivables	1,577	946	631
Due To Others	165	0	165
Capital Assets, Net	<u>35,885</u>	<u>74,751</u>	<u>(38,866)</u>
Total Assets	<u>\$64,487</u>	<u>\$79,327</u>	<u>\$(14,840)</u>
Accounts Payable	\$15,432	\$ 6,911	\$ 8,521
Payroll & Related Liabilities	4,514	0	4,514
Long-Term Debt (Within One Year)	0	3,434	(3,434)
Long-Term Debt (Due After One Year)	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$19,946</u>	<u>\$10,345</u>	<u>\$ 9,601</u>
Investment in Capital Assets, Net of Debt	\$35,885	\$74,751	\$(38,866)
Unrestricted Assets	<u>8,656</u>	<u>(5,769)</u>	<u>14,425</u>
Total Net Assets	<u>\$44,541</u>	<u>\$68,982</u>	<u>\$(24,441)</u>

**Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund**

<u>Category</u>	<u>2008</u>	<u>2007</u>	<u>Amount of Change</u>
Revenues	\$707,347	\$623,764	\$ 83,583
Expenditures	<u>696,356</u>	<u>675,541</u>	<u>20,815</u>
Excess/Deficiency of Revenues over Expenditures	\$ 10,991	\$ (51,777)	\$ 62,768
Fund Balance-Beginning	<u>(2,335)</u>	<u>49,442</u>	<u>(51,777)</u>
Fund Balance-Ending	<u>\$ 8,656</u>	<u>\$ (2,335)</u>	<u>\$ 10,991</u>

Government-Wide Statements

The government-wide statements report information about the LaSalle Parish Clerk of Court 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 two government-wide statements report the LaSalle Parish Clerk of Court's net assets and how they have changed. Net assets equal the difference between the government's assets and liabilities.

- Over time, increases or decreases in the Clerk's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the government, one needs to consider additional non-financial factors such as changes in the Clerk's revenue sources.

The government-wide financial statements of the LaSalle Parish Clerk of Court include the *Governmental Activities*. Most of the Clerk's basic services are included here, such as legal recordings and filings.

Fund Financial Statements

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

The LaSalle Parish Clerk of Court has the following types of funds:

- *Governmental Funds* – Most of the Clerk's basic services are included in governmental funds, which focus on (a) how cash and other financial assets can readily be converted to cash flow in and out and (b) the balances left at year-end that are available for spending. Consequently, the governmental fund 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 Clerk's programs. Because this information does not encompass the additional long-term focus of the governmental-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.
- *Fiduciary Funds* – The Clerk is the trustee, or fiduciary, for certain funds. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Clerk's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the Clerk's governmental-wide financial statements because the Clerk cannot use these assets to finance its operations.

Contacting the LaSalle Parish Clerk of Court

This financial report is designed to provide a general overview of the LaSalle Parish Clerk of Court's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following:

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Johnson, Thomas & Cunningham

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INDEPENDENT AUDITOR'S REPORT

Honorable Steve D. Andrews
LaSalle Parish Clerk of Court
Jena, Louisiana

We have audited the accompanying financial statements of the governmental activities, major fund and fiduciary funds of the LaSalle Parish Clerk of Court, Jena, Louisiana, a component unit of the LaSalle Parish Police Jury, as of and for the year ended June 30, 2008, which collectively comprise the Clerk's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the LaSalle Parish Clerk of Court's 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 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 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund and fiduciary funds of the LaSalle Parish Clerk of Court as of June 30, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 10, 2008, on our consideration of the LaSalle Parish Clerk of Court's internal control over financial reporting and 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 conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 1 through 4 and 29, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

December 10, 2008

Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

LaSalle Parish Clerk of Court
Statement of Net Assets
June 30, 2008

	Governmental <u>Activities</u>
ASSETS:	
Current Assets:	
Cash	\$26,860
Accounts Receivable	1,577
Due From Others	<u>165</u>
Total Current Assets	\$28,602
Noncurrent Assets	
Capital Assets, Net	<u>35,885</u>
Total Assets	<u>\$64,487</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$15,432
Payroll & Related Liabilities	<u>4,514</u>
Total Liabilities	<u>\$19,946</u>
NET ASSETS:	
Invested in Capital Assets	\$35,885
Unrestricted	<u>8,656</u>
Total Net Assets	<u>\$44,541</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Statement of Activities
June 30, 2008

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
Judicial	<u>\$718,588</u>	<u>\$576,210</u>	<u>\$0</u>	<u>\$0</u>	<u>\$(142,378)</u>
General Revenues:					
					\$ 113,634
					2,854
					<u>1,449</u>
					<u>\$ 117,937</u>
					\$ (24,441)
					<u>68,982</u>
					<u>\$ 44,541</u>

See notes to financial statements.

FUND FINANCIAL STATEMENTS

LaSalle Parish Clerk of Court
Balance Sheet-Governmental Fund
June 30, 2008

ASSETS:

Cash	\$26,860
Accounts Receivable	1,577
Due From Others	<u>165</u>
Total Assets	<u>\$28,602</u>

LIABILITIES:

Accounts Payable	\$15,432
Payroll & Related Liabilities	<u>4,514</u>
Total Liabilities	19,946

FUND BALANCES:

Unreserved	<u>8,656</u>
Total Liabilities & Fund Balance	<u>\$28,602</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Assets
June 30, 2008

Total Fund Balance for the Governmental Fund at June 30, 2008		\$ 8,656
Total Net Assets reported for Governmental Activities in the Statement of Net Assets is different because:		
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:		
Furniture, Fixtures, and Equipment,	\$ 194,988	
Net of Accumulated Depreciation	<u>(159,103)</u>	<u>35,885</u>
Total Net Assets of Governmental Activities at June 30, 2008		<u>\$44,541</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
June 30, 2008

Revenues:	
Licenses & Permits	\$ 2,117
Charges for Services	574,092
Miscellaneous	<u>131,138</u>
Total Revenues	<u>\$707,347</u>
Expenditures:	
Current-	
Judicial-	
Personnel Services	\$531,150
Operating Services	99,557
Operating Supplies	46,284
Miscellaneous	13,084
Capital Expenditures	2,848
Debt Service	<u>3,433</u>
Total Expenditures	<u>\$696,356</u>
Excess of Revenues over Expenditures	\$ 10,991
Fund Balance (Deficit)-Beginning of Year	<u>(2,335)</u>
Fund Balance-End of Year	<u>\$ 8,656</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended June 30, 2008

Total Net Change in Fund Balance at June 30, 2008, per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 10,991
The Change in Net Assets reported for Governmental Activities in the Statement of Activities is different because:		
Payments made on Long-term Debt are shown as expenditures in the Governmental Funds, but the payments reduce Long-term Liabilities in the Statement of Net Assets. Changes in Long-term Debt were		3,433
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts are:		
Capital Outlays	\$ 2,848	
Depreciation Expense	<u>(28,513)</u>	(25,665)
The net affect of sales transaction involving capital assets is to decrease net assets		
Decrease in Depreciable Assets	\$(34,074)	
Decrease in Accumulated Depreciation	<u>20,874</u>	<u>(13,200)</u>
Total Changes in Net Assets at June 30, 2008, per Statement of Activities		<u>\$(24,441)</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Advance Deposit <u>Fund</u>	Registry of Court <u>Fund</u>	Non-Support <u>Fund</u>	<u>Total</u>
ASSETS:				
Cash & Cash Equivalents	<u>\$184,918</u>	<u>\$198,151</u>	<u>\$1,373</u>	<u>\$384,442</u>
LIABILITIES:				
Due to Others	<u>\$184,918</u>	<u>\$198,151</u>	<u>\$1,373</u>	<u>\$384,442</u>

See notes to financial statements.

LaSalle Parish Clerk of Court
Statement of Changes in Fiduciary Net Assets
for the Year Ended June 30, 2008

	Advance Deposit <u>Fund</u>	Registry of Court <u>Fund</u>	Non-Support <u>Fund</u>	<u>Total</u>
ADDITIONS:				
Suits and Successions	\$333,631	\$125,325	\$13,761	\$472,717
Interest Income	<u>0</u>	<u>1,183</u>	<u>0</u>	<u>1,183</u>
Total Additions	<u>\$333,631</u>	<u>\$126,508</u>	<u>\$13,761</u>	<u>\$473,900</u>
DEDUCTIONS:				
Clerk's Costs (paid to general fund)	\$287,588	\$ 0	\$ 8,205	\$295,793
Settlements to Litigants	42,549	54,551	0	97,100
Sheriff's Fees	18,349	0	3,138	21,497
Court Reporters	543	0	0	543
Attorneys, Curators, Notary	528	0	0	528
Judges' Supplemental Fund	819	0	0	819
Other Deductions	<u>2,208</u>	<u>1</u>	<u>1,065</u>	<u>3,274</u>
Total Deductions	<u>\$352,594</u>	<u>\$ 54,552</u>	<u>\$12,408</u>	<u>\$419,554</u>
Change in Liabilities	\$ (18,963)	\$ 71,956	\$ 1,353	\$ 54,346
Total Liabilities-Beginning	<u>203,881</u>	<u>126,195</u>	<u>20</u>	<u>330,096</u>
Total Liabilities-Ending	<u>\$184,918</u>	<u>\$198,151</u>	<u>\$ 1,373</u>	<u>\$384,442</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

Introduction:

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the LaSalle Parish 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.

1. Summary of Significant Accounting Policies:

A. BASIS OF PRESENTATION-

The accompanying financial statements of the LaSalle Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. REPORTING ENTITY-

As the governing authority of the parish, for reporting purposes, the LaSalle Parish Police Jury is the financial reporting entity for LaSalle Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) other 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 LaSalle Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the LaSalle Parish Police Jury provides office facilities for the Clerk of Court, the Clerk of Court was determined to be fiscally dependent on the Police Jury and accordingly is considered to be a component unit of the LaSalle Parish Police Jury, the financial reporting entity. The accompanying basic financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the LaSalle Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING-

The LaSalle Parish Clerk of Court 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 of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the Clerk of Court are classified into two categories: governmental and fiduciary. An emphasis is placed on major funds, and the General Fund is considered to be a major fund.

Governmental Fund

General Fund - The General Fund (Salary Fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the LaSalle Parish 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.

Fiduciary Funds

Agency Funds - The agency funds, the Advance Deposit Fund, Registry of Court Fund, and Non-Support Fund account for assets held by the clerk as an agent for others and litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the LaSalle Parish Clerk of Court, except for the fiduciary funds which are reported separately.

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

The government-wide financial statements 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 nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances 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 differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The governmental fund and agency funds 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 LaSalle Parish Clerk of Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

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 is recorded when the time deposits have matured and the income is available. 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*.

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

E. BUDGETARY ACCOUNTING-

Formal budgetary accounting is employed as a management control. The LaSalle Parish Clerk of Court prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Clerk of Court amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amount by five percent or more. All budget appropriations lapse at year end.

F. CASH AND CASH EQUIVALENTS-

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. The Clerk's policy is to include time deposits and certificates of deposits in cash equivalents.

G. INVESTMENTS-

Investments are limited by R. S. 33:2955 and the LaSalle Parish Clerk of Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. RECEIVABLES-

All receivables are reported at their gross value. The Clerk expects to collect all balances due, and no allowance for bad debts is recorded.

I. INTERFUND BALANCES-

During the course of operations, numerous transactions occur between the funds to account for the disposition of collections. Any resulting receivables and payables are classified in due to and due from accounts between the funds.

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

J. CAPITAL ASSETS-

Capital assets are carried at historical cost. Depreciation of all exhaustible capital assets used by the LaSalle Parish Clerk of Court is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

K. COMPENSATED ABSENCES-

Full-time employees of the LaSalle Parish Clerk of Court earn ten days of vacation and five days of sick leave each two years. The leave must be used in the two years earned, and there are no vesting privileges. Therefore no liability for compensated absences has been recorded in the accompanying financial statements.

L. ESTIMATES-

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

M. EQUITY CLASSIFICATIONS-

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets”.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

2. Cash and Cash Equivalents:

Cash and Cash Equivalents are held separately by each of the Clerk's funds. At June 30, 2008, cash and cash equivalents totaled \$411,301 (book balances). Bank account balances at June 30, 2008, totaled \$443,381. Of this amount, \$201,373 was insured by FDIC, and \$242,008 was secured by pledged securities. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, LA R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent has failed to pay deposited funds upon demand.

3. Accounts Receivable:

The following is a summary of receivables at June 30, 2008:

<u>Class of Receivable</u>	<u>Total</u>
Fees & charges for services	<u>\$1,577</u>

4. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2008, is as follows:

	<u>Balance</u> <u>06-30-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06-30-08</u>
Furniture fixtures, and equipment	\$226,214	\$ 2,848	\$(34,074)	\$ 194,988
Less, accumulated depreciation	<u>(151,464)</u>	<u>(28,513)</u>	<u>20,874</u>	<u>(159,103)</u>
Total Capital Assets, net	<u>\$ 74,750</u>	<u>\$(25,665)</u>	<u>\$(13,200)</u>	<u>\$ 35,885</u>

Depreciation expense of \$28,513 was charged to the judicial function.

5. Accounts Payable and Accruals:

The following is a summary of accounts payable at June 30, 2008:

<u>Class of Payable</u>	<u>Total</u>
Vendor	\$15,432
Payroll Related Accruals	<u>4,514</u>
Total	<u>\$19,946</u>

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

6. Pension Plan:

Plan Description – Substantially all employees of the LaSalle Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produces 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 provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy – Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the LaSalle Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.75 percent of annual covered payroll. Of the 8.25 percent of the member contributions, the LaSalle Parish Clerk of Court pays all. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of a plan member and the LaSalle Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the result of the valuation for the prior fiscal year. The LaSalle Parish Clerk of Court's contribution to the System for the years ending June 30, 2008, 2007, and 2006, were \$37,302, \$46,998 and \$43,841, respectively, equal to the required contribution for each year.

7. Postretirement Benefits:

The LaSalle Parish Clerk of Court provides certain continuing health care and life insurance benefits for its 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 are provided by an insurance company with monthly premium payments being made by the Clerk to the Louisiana Clerks of Court Association. The LaSalle Parish Clerk of Court provides 100 percent of the cost of the monthly premiums for retired employees. The Clerk of Court recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. Total cost of these post retirement benefits to the Clerk's office for the year ended June 30, 2008 was \$11,138.

LaSalle Parish Clerk of Court
Notes to Financial Statements
June 30, 2008

8. Long-Term Debt:

A summary of changes in long-term debt follows:

Balance June 30, 2007	\$ 3,434
Additions	0
Deletions	<u>(3,434)</u>
Balance June 30, 2008	<u>\$ 0</u>

9. Risk Management:

The LaSalle Parish Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk of Court.

10. Expenditures of the Clerk of Court Paid by the LaSalle Parish Police Jury:

Certain expenses of the LaSalle Parish Clerk of Court's office are paid by the LaSalle Parish Police Jury. In addition to furnishing the building where the Clerk's office is located, the Police Jury pays all utility bills, some insurance, and furnishes some of the equipment in the Clerk's office.

11. Litigation and Claims:

In October 2005, a class action suit was filed against the Louisiana Clerks of Court Association and all of the District Clerks of Court in the State of Louisiana. The Clerks of Court plan to hire one attorney to represent all of the defendants. Although the outcome of this lawsuit is not presently determinable, management believes resolution of this matter would not create a liability in excess of insurance coverage, and therefore would not have an adverse effect on the financial condition of the LaSalle Parish Clerk of Court.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

LaSalle Parish Clerk of Court
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
REVENUES:				
Licenses & Permits-				
Marriage Licenses	\$ 2,378	\$ 1,689	\$ 2,117	\$ 428
Charges for Services-				
Recordings	185,039	66,156	80,569	14,413
Cancellations	100	55	60	5
Mortgage Certificates	96,538	80,089	96,640	16,551
Notarial Fees	450	435	505	70
Civil Suits	180,735	240,780	287,588	46,808
Copies	70,397	60,121	76,387	16,266
UCC Filings	16,122	17,665	21,670	4,005
Clerk's Registry	7,802	9,331	10,673	1,342
Qualifying Fees	0	5,147	0	(5,147)
Miscellaneous-				
Sundry	117,981	96,843	113,634	16,791
Interest	1,767	1,169	2,854	1,685
Sale of Assets	<u>0</u>	<u>0</u>	<u>14,650</u>	<u>14,650</u>
Total Revenues	<u>\$679,309</u>	<u>\$579,480</u>	<u>\$707,347</u>	<u>\$ 127,867</u>
EXPENDITURES:				
Current-				
Judicial-				
Personnel Costs	\$521,408	\$435,639	\$531,150	\$ (95,511)
Operating Services-				
Outside Services	17,804	19,967	20,147	(180)
Auto Insurance	2,652	650	709	(59)
Suit Findings	6,423	5,454	7,287	(1,833)
Advertising	5,334	2,012	2,670	(658)
Maintenance & Repair	814	1,191	2,834	(1,643)
Legal & Accounting	15,060	21,755	24,563	(2,808)
Qualifying Fees	0	0	10,702	(10,702)
Rents & Leases	12,564	9,578	11,179	(1,601)
Judges Supp Comp Fund	0	7,443	9,880	(2,437)
Telephone	9,452	7,691	10,641	(2,950)

Continued next page.

LaSalle Parish Clerk of Court
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	Original Budget	Final Budget	Actual	Variance Favorable/ (Unfavorable)
Operating Supplies-				
Marriage Licenses	\$ 2,071	\$ 1,194	\$ 1,577	\$ (383)
UCC Filings	4,402	4,102	5,700	(1,598)
Auto Expense	4,109	1,239	1,133	106
Office Expense	32,986	32,080	37,874	(5,794)
Miscellaneous-				
Dues & Subscriptions	1,052	1,795	4,441	(2,646)
Seminars & Travel	2,719	2,474	2,891	(417)
Other	3,688	10,911	5,752	5,159
Capital Expenditures	27,261	12,125	2,848	9,277
Debt Service	<u>9,510</u>	<u>2,180</u>	<u>2,378</u>	<u>(198)</u>
Total Expenditures	<u>\$679,309</u>	<u>\$579,480</u>	<u>\$696,356</u>	<u>\$(116,876)</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$ 10,991	\$ 10,991
Fund Balance-Beginning of Year	<u>56,272</u>	<u>442</u>	<u>(2,335)</u>	<u>(2,777)</u>
Fund Balance-End of Year	<u>\$ 56,272</u>	<u>\$ 442</u>	<u>\$ 8,656</u>	<u>\$ 8,214</u>

See accountant's report.

SUPPLEMENTARY INFORMATION

Johnson, Thomas & Cunningham

Certified Public Accountants

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Mark D. Thomas, CPA - A Professional Corporation

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

Honorable Steve D. Andrews
LaSalle Parish Clerk of Court
Jena, Louisiana

We have audited the financial statements of the governmental activities, major fund and fiduciary funds of the LaSalle Parish Clerk of Court, Jena, Louisiana, as of and for the year ended June 30, 2008, which collectively comprise the LaSalle Parish Clerk of Court's, a component unit of the LaSalle Parish Police Jury, basic financial statements and have issued our report thereon dated December 10, 2008. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Clerk's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of audit findings as item 08-01 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we believe that the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying Schedule of Audit Findings as item 08-02.

The Clerk's response to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the Clerk's response and accordingly express no opinion on it.

This report is intended solely for the information of management and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

December 10, 2008

Natchitoches, Louisiana

LaSalle Parish Clerk of Court
Schedule of Audit Findings
Year Ended June 30, 2008

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unqualified opinion was issued on the general purpose financial statements of the LaSalle Parish Clerk of Court as of and for the year ended June 30, 2008.
2. The audit disclosed one significant deficiency in internal control, and this deficiency was determined to be a material weakness.
3. The audit did disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The following finding relates to the financial statements and is required to be reported in accordance with *Government Auditing Standards*:

Internal Control-

08-01 Reconciliation of Accounts

Condition - A good system of internal control includes the reconciling of related account balances to ensure completeness and accuracy. At June 30, 2008, the Clerk of Court's office did not have a system in place to reconcile the cash accounts of the Advance Deposit Fund to the related individual docket balances held by that fund.

Effect - Intentional or unintentional errors could be made in recording cash receipts and disbursements to the individual docket balances. In addition, amounts earned and paid to the Salary (General) Fund could be in error. These errors could occur and not be detected without reconciling procedures.

Cause - The software system currently in use by the Clerk's office does not have a feature allowing a print-out summarizing the individual docket balances in total. Account summaries of individual docket transactions can be printed on a suit-by-suit basis, but the number of suits accounted for in this fund precludes printing out such statements to arrive at a total.

Recommendation - The Clerk's office should institute procedures to reconcile the cash accounts of the Advance Deposit Fund to the individual docket balances on at least a monthly basis.

Management's Response - The software used in our civil section at the present time does not allow this office to reconcile the amount of cash on hand with the amount shown in accounting records. During the next year, this office will actively pursue the implementation of reconciliation procedures by attempting to have our software augmented to prepare the reports and print-outs necessary for these procedures.

LaSalle Parish Clerk of Court
Schedule of Audit Findings-continued
Year Ended June 30, 2008

Compliance and Other Matters-

08-02 Compliance with Local Government Budget Act

Condition – Louisiana State Law requires that the budget be amended if actual revenues are less than budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more. For the year ended June 30, 2008, actual expenditures were more than budgeted expenditures by more than 5% and the budget was not amended.

Cause – Oversight of management to ensure the budget was amended prior to the year end.

Recommendation – The Clerk's office should institute procedures to ensure the budget is amended whenever actual revenues are less than budgeted revenues by more than 5% and/or actual expenditures are more than budgeted expenditures by more than the 5% allowed.

Management's Response – The Clerk's office will institute procedures to ensure the budget is amended when required.

III. PRIOR YEAR AUDIT FINDINGS

07-01 Reconciliation of Accounts

Finding - A good system of internal control includes the reconciling of related account balances to ensure completeness and accuracy. At June 30, 2007, the Clerk of Court's office did not have a system in place to reconcile the cash accounts of the Advance Deposit Fund to the related individual docket balances held by that fund.

Status – As of June 30, 2008, this condition still exists. See current year finding 08-01.