

**VERMILION PARISH CLERK OF COURT**  
Abbeville, Louisiana

**Financial Report**

**Year Ended June 30, 2007**

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 2/6/08

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(A Corporation of Certified Public Accountants)

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The Honorable Diane Meaux Broussard  
Vermilion Parish Clerk of Court  
Abbeville, Louisiana

We have audited the accompanying financial statements of the governmental activities and major fund of the Vermilion Parish Clerk of Court, a component unit of the Vermilion Parish Police Jury, as of and for the year ended June 30, 2007, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Vermilion Parish Clerk of Court's management. Our responsibility is to express opinions 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 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 of our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Vermilion Parish Clerk of Court as of June 30, 2007, and the respective changes in financial position 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 11, 2007, on our consideration of the Vermilion 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 assessing the results of our audit.

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The budgetary comparison information on page 26 is not a required part of the basic financial statements but is 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. The Vermilion Parish Clerk of Court has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vermilion Parish Clerk of Court's basic financial statements. The other supplementary information section is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Dannall, Sikes, Gardes & Frederick*  
A Corporation of Certified Public Accountants

Abbeville, Louisiana  
December 11, 2007

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)**

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Statement of Net Assets  
June 30, 2007

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 714,425
Receivables	61,865
Prepaid expenditures	31,459
Capital assets, net of depreciation	<u>166,608</u>
Total assets	<u>974,357</u>
<b>LIABILITIES</b>	
Accounts payable	28,458
Long term liabilities	
Capital lease payable -	
Due within one year	36,492
Due in more than one year	<u>101,483</u>
Total liabilities	<u>166,433</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	28,633
Unrestricted	<u>779,291</u>
Total net assets	<u>\$ 807,924</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
 Abbeville, Louisiana

Statement of Activities  
 Year Ended June 30, 2007

Activities	Expenses	Program Revenues Charges for Operating Grants Services and Contributions	Net (Expense) Revenues and Changes in Net Assets Total Governmental Activities
Governmental activities:			
General government	\$ 1,836,125	\$ 31,582	\$ 149,796
Interest on long-term debt	<u>6,560</u>	<u>-</u>	<u>(6,560)</u>
Total primary government	<u>\$ 1,842,685</u>	<u>\$ 31,582</u>	<u>143,236</u>
General revenues:			
Investment earnings			8,110
Appropriation from Clerk's Supplement Fund			17,325
Appropriation from Vermilion Parish Police Jury			<u>20,000</u>
Total general revenues and transfers			<u>45,435</u>
Change in net assets			188,671
Net assets - beginning of year			<u>619,253</u>
Net assets - end of year			<u>\$ 807,924</u>

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Balance Sheet – Governmental Fund  
June 30, 2007

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 714,425
Receivables	61,865
Prepaid expenditures	<u>31,459</u>
Total assets	<u>\$ 807,749</u>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 28,458
Total liabilities	<u>28,458</u>
<b>Fund balances:</b>	
Reserved for prepaid expenditures	31,459
Unreserved:	
Undesignated	<u>747,832</u>
Total fund balances	<u>779,291</u>
Total liabilities and fund balances	<u>\$ 807,749</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
To the Statement of Net Assets  
June 30, 2007

Total fund balances for the governmental fund at June 30, 2007		\$ 779,291
Cost of capital assets at June 30, 2007	\$ 695,364	
Less: accumulated depreciation	<u>(528,756)</u>	166,608
Capital lease payable:		
Due within one year	(36,492)	
Due in more than one year	<u>(101,483)</u>	<u>(137,975)</u>
Total net assets of governmental activities at June 30, 2007		<u>\$ 807,924</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances –  
Governmental Fund  
Year Ended June 30, 2007

	General Fund
<b>Revenues:</b>	
Licenses and permits	\$ 42,298
Fees, charges and commissions -	
Fees for recording legal documents	1,449,319
Court costs, fees and charges	410,942
Fees for certified copies	43,398
Intergovernmental	51,582
Miscellaneous	<u>33,817</u>
Total revenues	<u>2,031,356</u>
<b>Expenditures:</b>	
Current -	
General government -	
Salaries	871,062
Employee benefits	498,966
Insurance	16,096
Operation and maintenance	234,786
Advertising	773
Vehicle	18,206
Professional services	59,506
Miscellaneous	62,096
Police jury expenditures	31,642
Capital outlay	125,522
Debt service -	
Principal	18,123
Interest	<u>6,560</u>
Total expenditures	<u>1,943,338</u>
Excess of revenues over expenditures	<u>88,018</u>
Other financing sources:	
Proceeds from capital lease	<u>150,533</u>
Total other financing sources	<u>150,533</u>
Excess of revenues and other financial sources over expenditures	<u>238,551</u>
 Fund balances, beginning of year	 <u>540,740</u>
 Fund balances, end of year	 <u>\$ 779,291</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Fund  
To the Statement of Activities  
Year Ended June 30, 2007

Total net change in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 238,551
Add: Capital outlay costs which are reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balances	125,522
Principal payments on long-term debt reported as expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance	18,123
Less: Proceeds of capital lease provide current financial resources to Governmental Funds but increase liabilities in the Statement of Net Assets	(150,533)
Depreciation expense is not recognized as an expenditure in the governmental fund	(39,399)
Loss on disposal of asset not recognized as an expenditure in the governmental fund	<u>(3,593)</u>
Total change in net assets per Statement of Activities	<u>\$ 188,671</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Statement of Agency Assets and Liabilities – Fiduciary Funds  
June 30, 2007

	<u>Agency Funds</u>
ASSETS	
Cash	<u>\$1,229,625</u>
LIABILITIES	
Due to litigants and others	<u>\$1,229,625</u>

The accompanying notes are an integral part of the basic financial statements.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

As the governing authority of the Parish, for reporting purposes, the Vermilion Parish Police Jury is the financial reporting entity for Vermilion Parish. The financial reporting entity consists of the primary government (Police Jury), organizations for which the primary government is financially accountable, and 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 Vermilion 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. The criteria includes:

Appointing a voting majority of an organization's governing body, and

The ability of the Police Jury to impose its will on that organization and/or

The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.

Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.

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 Policy Jury provides the Vermilion Parish Clerk of Court (Clerk) with office space, operational expenditures and certain capital purchases, the Clerk was determined to be a component unit of the Vermilion Parish Policy Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Clerk and do not present information on the Police Jury, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The accompanying basic financial statements of the Clerk 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.

Government-Wide Financial Statements (GWFS)

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

The statement of activities presents a comparison between direct expenses and program revenues for the Clerk'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. Program revenues include (a) fees and charges paid by the recipients of services offered by the Clerk, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

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. The various funds of the Clerk are classified into two categories: governmental and fiduciary. Since the resources in the fiduciary funds cannot be used for Clerk operations, they are not included in the government-wide statements. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The General Fund of the Clerk is considered to be a major fund. The funds of the Clerk are described below:

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund –

General Fund – This fund is the primary operating fund of the Clerk and it accounts for the operations of the Clerk's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Clerk's policy.

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 cash held by the clerk of court as an agent for litigants 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 agency funds are as follows:

Advance Deposit Fund – The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of the Court Fund – The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Non-Support Fund – The Non-Support Fund, as provided by Louisiana Revised Statute 13:848, accounts for the collection and disbursement of fees in criminal cases that have been sent by the Department of Social Services.

Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded with the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assets, Liabilities, and Equity

**Cash and interest-bearing deposits**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Clerk.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The clerk has established the policy of including all short-term, highly liquid investments with maturities of 90 or fewer days in cash and cash equivalents. Under state law, the clerk may deposit funds in demand deposits, interest-bearing demand deposits, 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.

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the clerk's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 or fewer days, they are classified as cash equivalents.

Prepaid items

The clerk's policy regarding prepaid expenditures is to record the portion of insurance premiums and maintenance agreements that is paid during the current fiscal year for future periods.

Capital assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value at the date of donation. The Clerk maintains a threshold level of \$1,000 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. 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. Depreciation is provided using the straight-line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Office equipment	5-10
Computer and microfilm equipment	5-10

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences

Employees of the Clerk of Court's office earn 5 to 20 days of leave each year depending on length of service. Such leave is to be used for vacation, sickness, or emergencies. Employees are allowed to carryover a maximum of 15 days of unused leave to the following year. Because the estimated amount that could be paid for leave at year-end is not material, no accruals have been made for such absences.

Restricted net assets

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

1. Externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; and
2. Imposed by law through constitutional provisions or enabling legislation.

Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

Revenues, Expenditures and Expenses

Operating revenues and expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. Revenues and fees, charges and commissions for services are recorded when the Clerk is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned. Substantially all other revenues are recorded when received.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function and in the funds financial statements, expenditures are classified by type.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary and Budgetary Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court. Such amendments were not material in relation to the original appropriations.

The following procedures apply to establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.

Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts utilizing the direct write-off method. Although this method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at June 30, 2007.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the Clerk may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the Clerk of Court has cash and cash equivalents (book balances) totaling \$1,943,003 as follows:

	Governmental Fund Type	Fiduciary Fund Type	Total
Cash and demand deposits	\$ 5,945	\$ 9,207	\$ 15,152
Money market and savings accounts	708,480	1,220,417	1,928,897
	\$ 714,425	\$1,229,624	\$ 1,944,049

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at June 30, 2007, and the related federal insurance and pledged securities:

Bank balances	\$ 2,080,464
Federal insurance	686,175
Pledged securities (Category 3)	1,329,219
Total unsecured deposits	\$ 65,070

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Clerk of Court's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007 was as follows:

	<u>Balance</u> 6/30/2006	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 6/30/2007
<b>Governmental activities:</b>				
Computer equipment	\$ 329,538	\$ 120,412	\$ (28,530)	\$ 421,420
Office equipment	223,807	5,110	(12,800)	216,117
Microfilm equipment	<u>137,376</u>	<u>-</u>	<u>(79,549)</u>	<u>57,827</u>
Total	<u>690,721</u>	<u>125,522</u>	<u>(120,879)</u>	<u>695,364</u>
<b>Less: accumulated depreciation</b>				
Computer equipment	297,329	28,684	(28,350)	297,663
Office equipment	186,903	8,343	(9,387)	185,859
Microfilm equipment	<u>122,411</u>	<u>2,372</u>	<u>(79,549)</u>	<u>45,234</u>
Total	<u>606,643</u>	<u>39,399</u>	<u>(117,286)</u>	<u>528,756</u>
<b>Net capital assets</b>	<u>\$ 84,078</u>	<u>\$ 86,123</u>	<u>\$ (3,593)</u>	<u>\$ 166,608</u>

Included in the above balances at June 30, 2007 are assets acquired through capital leases.

Capital leases included in the capital asset listing:

Computer equipment	\$ 251,710
Office equipment	27,808
Other equipment	<u>66,647</u>
	<u>\$ 346,165</u>

Depreciation expense of \$39,399 was charged to the general government function.

NOTE 4 PENSION PLAN

Plan Description – The Vermilion Parish Clerk of Court contributes to the Clerk of Court Retirement and Relief Fund (Retirement System), a cost-sharing multiple employer defined benefit pension plan administered by the Clerk of Court Retirement and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:1501 – 1540 to provide retirement, disability and survivor benefits to members throughout the State of Louisiana. The Clerk of Court Retirement and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Clerk of Court Retirement and Relief Fund, 11745 Bricksome Ave., Suite B-1, Baton Rouge, Louisiana 70816.

VERMILIN PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 4 PENSION PLAN (Continued)

Funding Policy – Plan members are required to contribute 8.25% of their annual covered salary and the Vermilion Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 16.75% of annual covered payroll. The contribution requirements of plan members and the Vermilion Parish Clerk of Court are established and may be amended by the Clerk of Court Retirement and Relief Fund. The Vermilion Parish Clerk of Court's contributions to the Retirement System for the years ended June 30, 2007, 2006, and 2005 were \$136,188, \$120,149, and \$109,474, respectively.

NOTE 5 DEFERRED COMPENSATION PLAN

Certain employees of Vermilion Parish Clerk of Court participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

NOTE 6 CHANGES IN AGENCY FUND BALANCES

	Advanced Deposit Fund	Registry of Court Fund	Non- Support Fund
Balance, beginning of year	\$ 502,172	\$ 899,590	\$ 9,452
Additions	991,286	320,017	35,079
Reductions	(956,865)	(535,255)	(35,851)
Balance, end of year	\$ 536,593	\$ 684,352	\$ 8,680

NOTE 7 POST RETIREMENT BENEFITS

The Vermilion Parish Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the Clerk's employees become eligible for these benefits if they reach normal retirement age while working for the Clerk of Court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and the Clerk of Court. The Clerk of Court recognizes the cost of providing these benefits (the Clerk's portion of the premiums) as expenditures when the monthly premiums are due.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 8 CAPITAL LEASE PAYABLE

The Clerk records items under capital leases as an asset and an obligation in the accompanying financial statements. Assets under capital leases totaled \$346,165 at June 30, 2007, as detailed in Note 3. At June 30, 2007 the Clerk of Court had two obligations under capital leases payable through December 2008 and December 2010, respectively, with implied interest rates of 6.15% and 9.00 % per annum, and monthly payments of \$201 and \$3,746, respectively. Interest expense totaled \$6,559 for the year ended June 30, 2007. Following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments as of June 30, 2007.

<u>Year Ending June 30,</u>	
2008	\$ 47,360
2009	46,156
2010	44,952
2011	<u>22,476</u>
Total minimum payments required	160,944
Less: Amount representing interest	<u>(22,969)</u>
Present value of net minimum lease payments	<u>\$ 137,975</u>

NOTE 9 OPERATING LEASES

The Clerk is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and the results of the lease agreements are not reflected in the Clerk's account groups.

Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2007 amount to \$9,191 and will be paid within the next fiscal year.

NOTE 10 EXPENDITURES PAID BY THE VERMILION PARISH POLICE JURY

Certain operating expenditures of the Clerk's office are paid by the Vermilion Parish Police Jury and are included in the accompanying financial statements. These expenditures are summarized as follows:

Book binding	\$ 9,856
Film processing	1,295
Maintenance	15,880
Supplies	<u>4,611</u>
	<u>\$ 31,642</u>

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Notes to Basic Financial Statements

NOTE 11 RISK MANAGEMENT

The Clerk is exposed to risks of loss in the areas of auto liability, professional liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

NOTE 12 COMPLIANCE WITH LAWS AFFECTING LOUISIANA GOVERNMENTS

The Clerk received notification from the Office of the Legislative Auditor, State of Louisiana, regarding the possible violation of the state's dual office holding prohibition which states that at no time shall a person holding an elective office be at the same time holding another elective office, or full-time appointive office. Upon receiving notification, the Clerk's legal counsel was contacted and advised that the matter should be brought to the District Attorney for assistance. The District Attorney informed the clerk that he would file the action contemplated by R.S. 42:65(A) and seek a declaratory judgment on the legality of the matter. The Clerk's legal counsel recommended no action be taken, if any is warranted, by the Clerk until the Court(s) have rendered a decision regarding this matter.

**REQUIRED SUPPLEMENTARY INFORMATION**

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year Ended June 30, 2007

	Budget		Actual Amounts	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 18,000	\$ 43,500	\$ 42,298	\$ (1,202)
Fees, charges and commissions -				
Court costs, fees and charges	392,250	397,750	410,942	13,192
Fees for recording legal documents	1,447,000	1,431,100	1,449,319	18,219
Fees for certified copies	48,000	45,000	43,398	(1,602)
Intergovernmental	30,000	29,000	51,582	22,582
Miscellaneous	24,785	31,025	33,817	2,792
Total revenues	<u>1,960,035</u>	<u>1,977,375</u>	<u>2,031,356</u>	<u>53,981</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government -				
Salaries	847,900	872,600	871,062	1,538
Employee benefits	439,200	525,300	498,966	26,334
Insurance	16,255	16,140	16,096	44
Operation and maintenance	163,000	200,600	234,786	(34,186)
Advertising	500	800	773	27
Vehicle	15,200	18,100	18,206	(106)
Professional services	43,000	61,500	59,506	1,994
Miscellaneous	36,500	78,800	62,096	16,704
Police jury expenditures	-	-	31,642	(31,642)
Capital outlay	5,000	163,533	125,522	38,011
Debt service -				
Principal	-	13,000	18,123	(5,123)
Interest	-	4,700	6,560	(1,860)
Total expenditures	<u>1,566,555</u>	<u>1,955,073</u>	<u>1,943,338</u>	<u>11,735</u>
Excess of revenues over expenditures	<u>393,480</u>	<u>22,302</u>	<u>88,018</u>	<u>65,716</u>
<b>Other financing sources:</b>				
Proceeds from capital lease	-	150,533	150,533	-
Excess of revenues and other financial sources over expenditures	393,480	172,835	238,551	65,716
Fund balance, beginning of year	<u>540,740</u>	<u>540,740</u>	<u>540,740</u>	<u>-</u>
Fund balance, end of year	<u>\$ 934,220</u>	<u>\$ 713,575</u>	<u>\$ 779,291</u>	<u>\$ 65,716</u>

**OTHER SUPPLEMENTARY INFORMATION**

**OTHER FINANCIAL INFORMATION**

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana  
General Fund

Budgetary Comparison Schedule – Revenues and Other Financing Sources  
Year Ended June 30, 2007

	Budget		Actual Amounts	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>Licenses and permits:</b>				
Marriage licenses	\$ 5,500	\$ 6,000	\$ 6,214	\$ 214
Passports	<u>12,500</u>	<u>37,500</u>	<u>36,084</u>	<u>(1,416)</u>
Total licenses and permits	<u>18,000</u>	<u>43,500</u>	<u>42,298</u>	<u>(1,202)</u>
<b>Fees, charges and commissions:</b>				
Court costs, fees, and charges -				
Criminal costs	32,000	32,000	35,269	3,269
Court attendance reporting	8,500	8,500	8,580	80
Fax fees	6,500	6,500	6,987	487
Copy card fees	300,000	275,000	277,808	2,808
Jury summons fees	24,000	50,000	57,790	7,790
Notarial fees	-	350	370	20
Other	9,250	13,400	13,247	(153)
Stamp Copies	<u>12,000</u>	<u>12,000</u>	<u>10,891</u>	<u>(1,109)</u>
Total court costs, fees and charges	<u>392,250</u>	<u>397,750</u>	<u>410,942</u>	<u>13,192</u>
Fees for recording legal documents:				
Recordings	900,000	820,000	834,817	14,817
Cancellations	1,500	1,000	960	(40)
Mortgage certificates	115,000	75,000	64,160	(10,840)
Suits and successions	<u>430,500</u>	<u>535,100</u>	<u>549,382</u>	<u>14,282</u>
Total fees for recording legal documents	<u>1,447,000</u>	<u>1,431,100</u>	<u>1,449,319</u>	<u>18,219</u>
Fees for certified copies	<u>48,000</u>	<u>45,000</u>	<u>43,398</u>	<u>(1,602)</u>
<b>Intergovernmental:</b>				
Appropriation from Police Jury	-	-	20,000	20,000
Federal grant - non-support	<u>30,000</u>	<u>29,000</u>	<u>31,582</u>	<u>2,582</u>
Total intergovernmental	<u>30,000</u>	<u>29,000</u>	<u>51,582</u>	<u>22,582</u>
<b>Miscellaneous:</b>				
Interest earned	5,500	8,000	8,110	110
Clerks supplement	18,535	17,325	17,325	-
Other	<u>750</u>	<u>5,700</u>	<u>8,382</u>	<u>2,682</u>
Total miscellaneous	<u>24,785</u>	<u>31,025</u>	<u>33,817</u>	<u>2,792</u>
<b>Other financing sources:</b>				
Proceeds from capital lease	-	<u>150,533</u>	<u>150,533</u>	-
Total revenues and other financing sources	<u>\$1,960,035</u>	<u>\$2,127,908</u>	<u>\$2,181,889</u>	<u>\$ 53,981</u>

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana  
General Fund

Budgetary Comparison Schedule – Expenditures  
Year Ended June 30, 2007

	Budget		Actual Amounts	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>Expenditures:</b>				
<b>Salaries -</b>				
Clerk	\$ 104,900	\$ 104,100	\$ 103,970	\$ 130
Deputies	714,000	727,000	725,780	1,220
Others	<u>29,000</u>	<u>41,500</u>	<u>41,312</u>	<u>188</u>
Total salaries	<u>847,900</u>	<u>872,600</u>	<u>871,062</u>	<u>1,538</u>
<b>Employee benefits -</b>				
Pension fund	128,700	137,000	136,188	812
Uniforms & related items	10,000	8,500	7,994	506
Payroll taxes	10,500	10,500	11,788	(1,288)
Deferred compensation	23,000	24,300	24,300	-
Hospitalization insurance	<u>267,000</u>	<u>345,000</u>	<u>318,696</u>	<u>26,304</u>
Total employee benefits	<u>439,200</u>	<u>525,300</u>	<u>498,966</u>	<u>26,334</u>
<b>Insurance -</b>				
Deputy liability	230	315	315	-
Errors and omissions	12,000	11,550	11,550	-
Fire and casualty	525	525	478	47
Workers' compensation	<u>3,500</u>	<u>3,750</u>	<u>3,753</u>	<u>(3)</u>
Total insurance	<u>16,255</u>	<u>16,140</u>	<u>16,096</u>	<u>44</u>
<b>Operation and maintenance -</b>				
<b>Office:</b>				
Supplies	45,000	60,000	64,025	(4,025)
Printing	7,000	8,000	7,245	755
Postage/box rental	21,000	21,000	21,987	(987)
Maintenance	1,000	6,000	5,776	224
Book binding	-	1,000	24,357	(23,357)
Rental - microfilm storage	3,000	1,500	1,509	(9)
Telephone/fax	15,000	11,500	11,496	4
Equipment maintenance	20,000	20,000	19,532	468
Equipment rental	20,000	22,000	22,025	(25)
Software maintenance	25,000	26,100	35,529	(9,429)
Supplies - computer	5,000	23,000	20,973	2,027
Shipping	<u>1,000</u>	<u>500</u>	<u>332</u>	<u>168</u>
Total operation and maintenance	<u>163,000</u>	<u>200,600</u>	<u>234,786</u>	<u>(34,186)</u>

(continued)

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana  
General Fund

Budgetary Comparison Schedule -- Expenditures (Continued)  
Year Ended June 30, 2007

	Budget		Actual Amounts	Final Budget Positive or (Negative)
	Original	Final		
Advertising -				
General	-	100	90	10
Public notice	500	700	683	17
Total advertising	<u>500</u>	<u>800</u>	<u>773</u>	<u>27</u>
Automobile -				
Rental	9,000	12,250	12,233	17
Operation and maintenance	4,500	4,000	4,141	(141)
Insurance	1,700	1,850	1,832	18
Total automobile	<u>15,200</u>	<u>18,100</u>	<u>18,206</u>	<u>(106)</u>
Professional services -				
Accounting	15,000	19,000	18,700	300
Legal	3,000	12,500	11,462	1,038
Scanning	25,000	30,000	29,344	656
Total professional services	<u>43,000</u>	<u>61,500</u>	<u>59,506</u>	<u>1,994</u>
Miscellaneous -				
Dues and subscriptions	2,300	25,100	1,002	24,098
Clerk's supplemental compensation	20,000	20,000	22,452	(2,452)
Election costs	-	9,000	9,054	(54)
Travel and conventions	13,700	20,800	26,294	(5,494)
Other	500	3,900	3,294	606
Total miscellaneous	<u>36,500</u>	<u>78,800</u>	<u>62,096</u>	<u>16,704</u>
Police jury expenditures -				
Book binding	-	-	9,856	(9,856)
Film processing	-	-	1,295	(1,295)
Equipment maintenance	-	-	15,880	(15,880)
Purchase of supplies	-	-	4,611	(4,611)
Total police jury expenditures	<u>-</u>	<u>-</u>	<u>31,642</u>	<u>(31,642)</u>

(continued)

VERMILION PARISH CLERK OF COURT  
 Abbeville, Louisiana  
 General Fund

Budgetary Comparison Schedule – Expenditures (Continued)  
 Year Ended June 30, 2007

	Budget		Actual Amounts	Final Budget Positive or (Negative)
	Original	Final		
Capital outlay -				
Computer equipment	-	153,533	120,412	33,121
Office equipment	<u>5,000</u>	<u>10,000</u>	<u>5,110</u>	<u>4,890</u>
Total capital outlay	<u>5,000</u>	<u>163,533</u>	<u>125,522</u>	<u>38,011</u>
Debt service -				
Principal - capital lease	-	13,000	18,123	(5,123)
Interest - capital lease	<u>-</u>	<u>4,700</u>	<u>6,560</u>	<u>(1,860)</u>
Total debt service	<u>-</u>	<u>17,700</u>	<u>24,683</u>	<u>(6,983)</u>
Total expenditures	<u>\$1,566,555</u>	<u>\$1,955,073</u>	<u>\$1,943,338</u>	<u>\$ 11,735</u>

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana  
Agency Funds

Combining Statement of Assets and Liabilities  
June 30, 2007

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Non- Support</u>	<u>Total</u>
ASSETS				
Cash	<u>\$ 536,593</u>	<u>\$ 684,352</u>	<u>\$ 8,680</u>	<u>\$1,229,625</u>
LIABILITIES				
Due to litigants and others	<u>\$536,593</u>	<u>\$ 684,352</u>	<u>\$ 8,680</u>	<u>\$1,229,625</u>

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana  
Agency Funds

Combining Statement of Changes in Assets and Liabilities  
Year Ended June 30, 2007

ASSETS	Advance Deposit	Registry of Court	Non- Support	Total
Balances, beginning of year	\$ 502,172	\$ 899,590	\$ 9,452	\$1,411,214
Additions:				
Deposits in civil suits	987,711	-	-	987,711
Security bond deposits	3,575	-	-	3,575
Deposits by order of the court	-	293,400	-	293,400
Interest earnings	-	26,617	-	26,617
Deposits in non-support suits	-	-	35,079	35,079
Total additions	<u>991,286</u>	<u>320,017</u>	<u>35,079</u>	<u>1,346,382</u>
Total	<u>1,493,458</u>	<u>1,219,607</u>	<u>44,531</u>	<u>2,757,596</u>
Reductions:				
Payments by order of the court	-	534,899	-	534,899
Refund of deposits	189,618	-	-	189,618
Clerk's fees transferred to general fund	549,028	356	31,582	580,966
Sheriff's fees - local	54,881	-	3,167	58,048
Sheriff's fees - other parishes	43,842	-	1,102	44,944
Commissioner of insurance - report fee	230	-	-	230
Court reporter fees	112	-	-	112
Attorney fees	3,640	-	-	3,640
Battered women's fees	2,840	-	-	2,840
Curator fees	754	-	-	754
Secretary of state fees	5,830	-	-	5,830
Court of appeal fees	1,812	-	-	1,812
Witness and other fees	193	-	-	193
Law library fees	6,444	-	-	6,444
Judges support compensation fees	29,664	-	-	29,664
Judicial costs	22,520	-	-	22,520
Payments to police jury	45,457	-	-	45,457
Total reductions	<u>956,865</u>	<u>535,255</u>	<u>35,851</u>	<u>1,527,971</u>
Balances, end of year	<u>\$ 536,593</u>	<u>\$ 684,352</u>	<u>\$ 8,680</u>	<u>\$1,229,625</u>
LIABILITIES				
Due to litigants and others, beginning of year	\$ 502,172	\$ 899,590	\$ 9,452	\$1,411,214
Additions	991,286	320,017	35,079	1,346,382
Reductions	<u>956,865</u>	<u>535,255</u>	<u>35,851</u>	<u>1,527,971</u>
Due to litigants and others, end of year	<u>\$ 536,593</u>	<u>\$ 684,352</u>	<u>\$ 8,680</u>	<u>\$1,229,625</u>

**COMPLIANCE  
AND  
INTERNAL CONTROL**



**Darnall, Sikes,  
Gardes Frederick.**

(A Corporation of Certified Public Accountants)

**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***

The Honorable Diane Meaux Broussard  
Vermilion Parish Clerk of Court  
Abbeville, Louisiana

We have audited the financial statements of the governmental activities, and major fund of the Vermilion Parish Clerk of Court, a component unit of the Vermilion Parish Police Jury, as of and for the year ended June 30, 2007, which collectively comprise the Vermilion Parish Clerk of Court's basic financial statements and have issued our report thereon dated December 11, 2007. 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 Vermilion Parish Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Vermilion Parish Clerk of Court's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the Vermilion Parish Clerk of Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 Vermilion Parish Clerk of Court'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 Vermilion Council Clerk of Court's financial statements that is more than inconsequential will not be prevented or detected by the Vermilion Parish Clerk of Court's internal control. We considered the deficiency described in the accompanying schedule of findings and questioned costs as items 07-1 to be a significant deficiency in internal control over financial reporting.

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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 internal 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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be 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 Vermilion Parish Clerk of Court'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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 07-2.

The Vermilion Parish Clerk of Court's response to the findings identified in our audit is described in the accompanying management's corrective action plan. We did not audit the Vermilion Parish Clerk of Court's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of 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 those specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Dannall, Sikes, Gaudes & Frederick*

A Corporation of Certified Public Accountants

Abbeville, Louisiana  
December 11, 2007

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Schedule of Findings and Questioned Costs  
Year Ended June 30, 2007

Part I: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unqualified opinion has been issued on Vermilion Parish Clerk of Court financial statements as of and for the year ended June 30, 2007.

Reportable Condition – Financial Reporting

A reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is reported as 07-1 in Part II.

Material Noncompliance – Financial Reporting

We noted an instance of material noncompliance during the audit of the financial statements which is shown as item 07-2 in Part II.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2007.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

07-1 Inadequate Segregation of Accounting Functions

Finding: Due to the small number of accounting personnel, the Vermilion Parish Clerk of Court did not have adequate segregation of accounting functions within the accounting system.

07-2 Unsecured Deposits

Finding: Louisiana Revised Statute 39:1225 requires that funds on deposit be secured by federal deposit insurance or the pledge of securities. As of June 30, 2007, the Vermilion Parish Clerk of Court had certain funds on deposit at local financial institutions which exceeded FDIC insurance but were not fully secured by pledged securities.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2007, the Vermilion Parish Clerk of Court did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana

Summary Schedule of Prior Year Audit Findings  
Year Ended June 30, 2007

06-1 Inadequate Segregation of Accounting Functions

Finding: Due to the small number of accounting personnel, the Vermilion Parish Clerk of Court did not have adequate segregation of accounting functions within the accounting system.

Status: This finding is unresolved. See finding 07-1.

06-2 Deferred Compensation Plan- Employer Matching Contribution

Finding: The Clerk of Court participates in the Louisiana Public Employees Deferred Compensation Plan. The Clerk of Court elected from the inception in the year 2000 to match employees elective contributions up to 5% of compensation. During the audit, we noted that the matching contribution for certain employees was incorrectly calculated.

Status: This finding is resolved.

06-3 Unsecured Registry of Court Deposits

Finding: Louisiana Revised Statute 39:1225 requires that funds on deposit be secured by federal deposit insurance or the pledge of securities. As of June 30, 2006, the Vermilion Parish Clerk of Court had certain Registry of Court funds on deposit at local financial institutions which exceeded FDIC insurance but were not fully secured by pledged securities.

Status: This finding is unresolved. See finding 07-2.

**VERMILION PARISH CLERK OF COURT  
Abbeville, Louisiana**

**Management's Corrective Action Plan  
Year Ended June 30, 2007**

**Response to Finding 07-1:**

**The Vermilion Parish Clerk of Court will segregate accounting functions to the extent possible.**

**Response to Finding 07-2:**

**The Vermilion Parish Clerk of Court will contact the financial institutions to assure that the proper value of securities is pledged.**