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BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2006
With Supplemental Information Schedules

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 11-8-06

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Annual Financial Statements
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As of and for the Year Ended June 30, 2006
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Louisiana Certified
Public Accountants

Independent Auditor's Report

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

I have audited the basic financial statements of the Bossier Parish Clerk of Court, a component unit of the Bossier Parish Police Jury, as of June 30, 2006, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Bossier Parish Clerk of Court's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Bossier Parish Clerk of Court as of June 30, 2006, and the changes in its financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Management's discussion and analysis, and supplementary information on pages 6 through 9 and 29 through 30, respectively are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information and reviewing the source of selected information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Bossier Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued a report dated September 21, 2006, on the Bossier Parish Clerk of Court's compliance with laws and regulations, and my consideration of the agency's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

West Monroe, Louisiana
September 21, 2006

REQUIRED SUPPLEMENTARY INFORMATION
PART I

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Management's Discussion and Analysis
June 30, 2006

As management of the Bossier Parish Clerk of Court, I offer readers of the Bossier Parish Clerk of Court's financial statements this narrative overview and analysis of the financial activities of the Bossier Parish Clerk of Court for the fiscal year ended June 30, 2006. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Clerk's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Clerk of Court's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial Statements) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Bossier Parish Clerk of Court's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Bossier Parish Clerk of Court's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Bossier Parish Clerk of Court is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bossier Parish Clerk of Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Bossier Parish Clerk of Court can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Bossier Parish Clerk of Court adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Bossier Parish Clerk of Court's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Bossier Parish Clerk of Court's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, assets of the Bossier Parish Clerk of Court exceeded liabilities by $2,637,799. Approximately 27% of the Bossier Parish Clerk of Court's net assets reflects its investment in capital assets (e.g., equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending.

The balance in unrestricted net assets is affected by two factors: 1) resources expended, over time, by the Bossier Parish Clerk of Court to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET ASSETS

	2006	2005
ASSETS		
Cash and cash equivalents	$1,287,993	$1,061,963
Investments	416,116	394,631
Receivables	199,331	163,540
Prepaid expenses	44,912	44,361
Capital assets (net of accumulated depreciation)	705,999	373,940
TOTAL ASSETS	$2,654,351	$2,038,435
LIABILITIES		
Accounts payable	$16,552	$9,687
NET ASSETS		
Invested in capital assets, net of related debt	705,999	373,940
Unrestricted	1,931,800	1,654,808
TOTAL NET ASSETS	$2,637,799	$2,028,748

STATEMENT OF ACTIVITIES

	2006	2005
Judicial:		
Personal services	$1,809,925	$1,803,676
Operating services	138,866	175,628
Materials and supplies	224,628	188,410
Travel	10,248	5,934
Depreciation expense	119,090	146,389
Total Program Expenses	2,302,757	2,320,037
Program revenues:		
License and permits	10,843	11,012
Clerk's supplemental compensation	17,650	16,800
Court cost, fees, and charges	1,107,836	806,631
Fees for recording legal documents	1,375,390	1,137,797
Fees for certified copies of documents	238,572	192,447
Non support	35,558	44,079
Miscellaneous fees	614	639
Total program revenues	2,786,463	2,209,405
Net Program Expenses	483,706	(110,632)
General revenues - Interest earned	125,345	52,500
Special item - loss on disposal of asset		(9,918)
Change in Net Assets	609,051	(68,050)
Net Assets - Beginning of year	2,028,748	2,096,798
Net Assets - End of year	$2,637,799	$2,028,748

Financial Analysis of the Government's Funds

As noted earlier, the Bossier Parish Clerk of Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide

information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2006, the General Fund unreserved, undesignated fund balance of $1,931,800 showed an increase of $276,992 over June 30, 2005.

General Fund Budgetary Highlights

Differences between revenues of the original budget and the final budget were due primarily to an increase in fees, charges and commissions, and interest earnings. Differences between expenditures of the original budget and the final budget were due to a decrease in capital outlay.

Capital Asset and Debt Administration

Capital assets. The Bossier Parish Clerk of Court's investment in capital assets for its governmental activities as of June 30, 2006, amounts to $705,999 (net of accumulated depreciation). This investment includes furniture and equipment. The increase in capital assets for the year was $451,149, and there were no decreases.

Long-term debt. The Bossier Parish Clerk of Court has no debt outstanding.

Requests for Information

This financial report is designed to provide a general overview of the Bossier Parish Clerk of Court's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bossier Parish Clerk of Court, P.O. Box 430, Benton, LA 71006-0430.

September 21, 2006

BASIC FINANCIAL STATEMENTS

Statement A

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

STATEMENT OF NET ASSETS
June 30, 2006

ASSETS	
Cash and cash equivalents	$1,287,993
Investments	416,116
Receivables - fees, charges, and commissions	199,331
Prepaid expenses	44,912
Capital assets (net of accumulated depreciation)	705,999
TOTAL ASSETS	$2,654,351
LIABILITIES	
Accounts payable	$16,552
NET ASSETS	
Invested in capital assets, net of related debt	705,999
Unrestricted	1,931,800
TOTAL NET ASSETS	$2,637,799

The accompanying notes are an integral part of this statement.

Statement B

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

STATEMENT OF ACTIVITIES
June 30, 2006

Judicial:	
Personal services	$1,809,925
Operating services	138,866
Materials and supplies	224,628
Travel	10,248
Depreciation expense	119,090
Total Program Expenses	2,302,757
Program revenues:	
License and permits	10,843
Clerk's supplemental compensation	17,650
Court cost, fees, and charges	1,107,836
Fees for recording legal documents	1,375,390
Fees for certified copies of documents	238,572
Non support	35,558
Miscellaneous fees	614
Total program revenues	2,786,463
Net Program Expenses	483,706
General revenues - Interest earned	125,345
Change in Net Assets	609,051
Net Assets - Beginning of year	2,028,748
Net Assets - End of year	$2,637,799

The accompanying notes are an integral part of this statement.

Statement C

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2006

	GENERAL FUND
ASSETS	
Cash and cash equivalents	$1,287,993
Investments	416,116
Receivables - fees, charges, and commissions	199,331
Prepaid expenses	44,912
TOTAL ASSETS	$1,948,352
LIABILITIES AND FUND EQUITY	
Liabilities - Accounts payable	$16,552
Fund Equity - fund balances - unreserved - undesignated	1,931,800
TOTAL LIABILITIES AND FUND EQUITY	$1,948,352

The accompanying notes are an integral part of this statement.

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets

For the Year Ended June30, 2006

Total Fund Balances at June 30, 2006 - Governmental Funds (Statement C)		$1,931,800
Cost of capital assets at June 30, 2006	$1,592,068	
Less: Accumulated depreciation as of June 30, 2006	(886,069)	705,999
Net Assets at June 30, 2006 (Statement A)		$2,637,799

The accompanying notes are an integral part of this statement.

Statement D

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,
and Changes in Fund Balances

For the Year Ended June 30, 2006

REVENUES	
Licenses and permits - marriage	$10,843
Fees, charges, and commissions for services:	
Court costs, fees, and charges	1,125,486
Fees for recording legal documents	1,375,390
Fees for certified copies of documents	238,572
Non Support	35,558
Miscellaneous	614
Use of money and property - interest earnings	125,345
Total revenues	2,911,808
EXPENDITURES	
Current:	
General government - judicial:	
Personal services	1,809,925
Operating services	138,866
Materials and supplies	224,628
Travel and other charges	10,248
Capital outlay	451,149
Total expenditures	2,634,816
EXCESS OF REVENUES OVER EXPENDITURES	276,992
FUND BALANCES AT BEGINNING OF YEAR	1,654,808
FUND BALANCES AT END OF YEAR	$1,931,800

The accompanying notes are an integral part of this statement.

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

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

For the Year Ended June 30, 2006

Total net change in fund balances - governmental funds (Statement D)	$276,992
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	332,059
Change in net assets of governmental activities (Statement B)	$609,051

The accompanying notes are an integral part of this statement.

Statement E

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2006

	ADVANCE DEPOSIT	REGISTRY OF COURT	NON SUPPORT	TOTAL
ASSETS				
Cash and cash equivalents	$1,110,125	$1,493,486	$57,352	$2,660,963
Investments	125,000			125,000
TOTAL ASSETS	$1,235,125	$1,493,486	$57,352	$2,785,963
LIABILITIES				
Unsettled deposits held for others	$1,235,125	$1,493,486	$57,352	$2,785,963

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

The accompanying financial statements of the Bossier Parish Clerk of Court have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments,* issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Bossier Parish Police Jury is the financial reporting entity for Bossier Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Bossier Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 police jury does not appoint a voting majority but are fiscally dependent on the police jury.

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 police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Bossier Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the Bossier Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The clerk of court's basic financial statements include both government-wide (reporting the clerk of court as a whole) and fund financial statements (reporting the clerk's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the clerk are classified as governmental.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the clerk, except for fiduciary funds. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets. The clerk first uses restricted resources to finance qualifying activities.

The government-wide financial statements are 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*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the clerk's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the clerk's general revenues.

Allocation of Indirect Expenses - The clerk reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Depreciation on buildings is assigned to the "general administration" function due to the fact that buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS

The financial transactions of the clerk are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

Governmental Fund Type

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

Fiduciary Fund Type - Agency Funds

The Advance Deposit, Registry of Court and Child Support Expense agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. 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.

Governmental funds and the fiduciary type 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 clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, 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 the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are recorded in the year in which they are earned.

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

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above criteria, intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

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

E. CASH AND CASH EQUIVALENTS

Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2006, the clerk of court has cash and cash equivalents (book balances) totaling $3,948,956.

Demand deposits	$2,652,003
Petty Cash	1,296,483
Time deposits	470
Total	$3,948,956

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 are secured as follows:

Bank Balances	$4,064,659
Federal deposit insurance	$1,914,607
Pledged securities (uncollateralized)	3,810,064
Total	$5,724,671

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the clerk, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, 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.

F. INVESTMENTS

Investments held at June 30, 2006 consist of $541,116, in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2006 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

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

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The clerk maintains a threshold level of $1,000 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the clerk, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

H. ANNUAL AND SICK LEAVE

All employees of the clerk of court's office earn five days of non-cumulative vacation leave after one full year of service, and ten days of vacation leave each year thereafter. Employees are eligible for 12 days of non-cumulative sick leave annually, and up to six weeks of maternity leave. Employees are allowed up to six weeks leave for major surgery.

I. RISK MANAGEMENT

The clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering her automobile, professional liability and surety bond coverage. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2006.

2. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

Balance, June 30, 2005	$1,140,919
Additions	451,149
Deletions	NONE
Balance, June 30, 2006	$1,592,068
Less accumulated depreciation	(886,069)
Net Capital Assets	$705,999

3. PENSION PLAN

Substantially all employees of the Bossier 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 produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or 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 B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Bossier Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 15.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Bossier 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 results of the valuation for the prior fiscal year. The Bossier Parish Clerk of Court's

contributions to the System for the years ending June 30, 2006, 2005, and 2004, were $170,321, $152,005, and $116,547, respectively, equal to the required contributions for each year.

4. POST RETIREMENT BENEFITS

The Bossier Parish Clerk of Court provides certain 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 employee and the clerk of court. The clerk of court recognizes the cost of providing these benefits (the clerk's cost of premiums) as an expenditure when the premiums are due, which was $269,470, for the year ended June 30, 2006. Of this amount, $35,598, was for retiree benefits.

5. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances deposits due others follows:

	Advance Deposit Fund	Registry of Court Fund	Non Support Fund	Total
Balance, July 1, 2005	$1,144,880	$1,102,203	$48,772	$2,295,855
Additions	1,657,780	1,507,161	46,204	3,211,145
Deletions	(1,567,535)	(1,115,878)	(37,624)	(2,721,037)
Balance June 30, 2006	$1,235,125	$1,493,486	$57,352	$2,785,963

6. LITIGATION AND CLAIMS

The Bossier Parish Clerk of Court is not involved in any litigation at June 30, 2006, nor is she aware of any unasserted claims.

7. EXPENDITURES OF THE CLERK OF COURT PAID BY THE POLICE JURY

The Bossier Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Bossier Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

Schedule 1

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2006

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
License and permits	$10,850	$10,642	$10,843	$201
Fees, charges, and commissions for services:				
Court costs, fees, and charges	811,680	1,078,824	1,125,486	46,662
Fees for recording legal documents	1,250,000	1,335,722	1,375,390	39,668
Fees for certified copies of documents	188,000	232,416	238,572	6,156
Non Support	41,000	35,558	35,558	
Miscellaneous	500	614	614	
Use of money and property - interest earnings	35,000	124,119	125,345	1,226
Total revenues	2,337,030	2,817,895	2,911,808	93,913
EXPENDITURES				
Current:				
General government - judicial				
Personal services and related benefits	1,872,725	1,809,932	1,809,925	7
Operating services	140,678	144,020	138,866	5,154
Materials and supplies	210,000	220,528	224,628	(4,100)
Travel and other charges	5,500	10,234	10,248	(14)
Capital outlay	500,000	453,659	451,149	2,510
Total expenditures	2,728,903	2,638,373	2,634,816	3,557
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(391,873)	179,522	276,992	97,470
FUND BALANCE AT BEGINNING OF YEAR	1,498,003	1,654,808	1,654,808	NONE
FUND BALANCE AT END OF YEAR	$1,106,130	$1,834,330	$1,931,800	$97,470

See accompanying note to budgetary comparison schedule.

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2006

A proposed budget, prepared on the modified accrual basis of accounting, is published in the official journal at least ten days prior to the public hearing. A public hearing is held at the Bossier Parish Clerk's office during the month of June for comments from taxpayers. The budget is then legally adopted by the clerk and amended during the year, as necessary. The budget is established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

OTHER SUPPLEMENTARY INFORMATION

PART III

FIDUCIARY FUND TYPE - AGENCY FUNDS

ADVANCE DEPOSIT FUND

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

REGISTRY OF COURT FUND

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

NON SUPPORT FUND

The Non Support Fund accounts funds which have been received from the Louisiana Department of Social Services after judgement has been rendered in court litigation. The funds are disbursed to the appropriate bodies and others.

Schedule 2

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2006

	ADVANCE DEPOSIT FUND	REGISTRY OF COURT FUND	NON SUPPORT FUND	TOTAL
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	$1,144,880	$1,102,203	$48,772	$2,295,855
ADDITIONS				
Deposits - suits and successions	1,657,780			1,657,780
Appropriations from state			46,204	46,204
Interest earned on investments		5,331		5,331
Other additions		1,501,830		1,501,830
Total additions	1,657,780	1,507,161	46,204	3,211,145
Total	2,802,660	2,609,364	94,976	5,507,000
REDUCTIONS				
Clerk's costs to General Fund	880,027		35,368	915,395
Deposits settled to:				
Secretary of State fees	8,826			8,826
Settlements to litigants	274,602	1,115,878		1,390,480
Witnesses, appraisers, keepers, etc	289			289
Stenographer's fees	8,924			8,924
Judicial district fees	70,118			70,118
Appraisers, curators, and keepers	29,223			29,223
Sheriff's fees	189,090		2,256	191,346
Other reductions	106,436			106,436
Total reductions	1,567,535	1,115,878	37,624	2,721,037
UNSETTLED DEPOSITS AT END OF YEAR	$1,235,125	$1,493,486	$57,352	$2,785,963

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS PART IV

Independent Auditor's Report Required
by *Government Auditing Standards*

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Member American
Institute of Certified
Public Accountants

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Member Society of
Louisiana Certified
Public Accountants

Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

I have audited the basic financial statements of the Bossier Parish Clerk of Court, a component unit of the Bossier Parish Police Jury, as of and for the year ended June 30, 2006 and have issued my report thereon dated September 21, 2006. I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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

Internal Control Over Financial Reporting
In planning and performing my audit, I considered the Bossier Parish Clerk of Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana
Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
June 30, 2006

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

West Monroe, Louisiana
September 21, 2006

Schedule 3

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2006

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Bossier Parish Clerk of Court.

2. No instances of noncompliance material to the financial statements of the Bossier Parish Clerk of Court were disclosed during the audit.

3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

Schedule 4

BOSSIER PARISH CLERK OF COURT
Benton, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2006

There were no findings reported in the audit report for the year ended June 30, 2005.