

LAFAYETTE PARISH CLERK OF COURT

Financial Report

Year Ended June 30, 2013

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 FEB 05 2014

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INDEPENDENT AUDITORS' REPORT

The Honorable Louis J Perret
Lafayette Parish Clerk of Court
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Lafayette Parish Clerk of Court's basic financial statements as listed in the table of contents

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditors' Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule and schedule of funding progress on pages 34 through 35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and then comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Lafayette Parish Clerk of Court has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lafayette Parish Clerk of Court's basic financial statements. The other supplementary information on pages 37 through 48 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 certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative information on the other supplementary information has been derived from the Lafayette Parish Clerk of Court's 2012 financial statements, which was subjected to the auditing procedures applied by us in the audit of the basic financial statement and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2013 on our consideration of the Lafayette Parish Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lafayette Parish Clerk of Court's internal control over financial reporting and compliance.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 26, 2013

BASIC FINANCIAL STATEMENTS

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Net Position
June 30, 2013

	Governmental Activities
ASSETS	
Current assets	
Cash and interest-bearing deposits	\$ 10,230,866
Accounts receivable	313,179
Insurance stop loss receivable	52,212
Due from other governmental units	12,507
Accrued interest	462
Prepaid expenditures	24,155
Inventory	7,141
Total current assets	10,640,522
Noncurrent assets	
Capital assets, net	695,606
Total assets	11,336,128
LIABILITIES	
Current liabilities	
Accounts and other payables	614,983
Due to other governmental agencies	7,911
Compensated absences	366,060
Total current liabilities	988,954
Noncurrent liabilities	
Compensated absences	508,267
Net OPEB obligation	4,431,328
Total noncurrent liabilities	4,939,595
Total liabilities	5,928,549
NET POSITION	
Invested in capital assets	695,606
Unrestricted	4,711,973
Total net position	\$ 5,407,579

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Activities
For the Year Ended June 30, 2013

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
General government	\$ 10,248,020	\$ 8,341,637	\$ 154,654	\$ (1,751,729)
General revenues				
				35,682
Interest and investment earnings				279,761
Miscellaneous				260,261
Charges reimbursable by primary government				<u>575,704</u>
Total general revenues and transfers				
				(1,176,025)
Change in net position				
				<u>6,583,604</u>
Net position - July 1, 2012				
				<u>\$ 5,407,579</u>
Net position - June 30, 2013				

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

FUND FINANCIAL STATEMENTS (FFS)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Balance Sheet - Governmental Fund
June 30, 2013

	<u>General Fund</u>
ASSETS	
Cash	\$ 5,881
Interest-bearing deposits	10,224,985
Receivables	
Accounts receivable	313,179
Insurance stop loss receivable	52,212
Due from other governmental agencies	12,507
Accrued interest	462
Prepaid expenditures	24,155
Inventory	<u>7,141</u>
 Total assets	 <u>\$10,640,522</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Cash overdraft	\$ 112,664
Accounts payable	280,750
Claims payable	96,506
Payroll liabilities payable	115,519
Due to other governmental agencies	7,911
Compensated absences	<u>366,060</u>
Total liabilities	<u>979,410</u>
 Fund balance	
Nonspendable (prepaid expenditures and inventory)	31,296
Unassigned	<u>9,629,816</u>
Total fund balance	<u>9,661,112</u>
 Total liabilities and fund balance	 <u>\$10,640,522</u>

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2013

Total fund balance for the governmental fund at June 30, 2013		\$9,661,112
Cost of capital assets at June 30, 2013	\$3,582,218	
Less Accumulated depreciation	<u>(2,886,612)</u>	695,606
Noncurrent liabilities at June 30, 2013		
Compensated absences payable	(508,267)	
Net OPEB obligation payable	<u>(4,431,328)</u>	(4,939,595)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Insurance claims payable		<u>(9,544)</u>
Total net position of governmental activities at June 30, 2013		<u>\$5,407,579</u>

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
For the Year Ended June 30, 2013

	<u>General Fund</u>
Revenues	
Licenses and permits	\$ 296,724
Fees, charges and commissions -	
Court costs, fees and charges	371,335
Fees for recording legal documents	6,944,843
Fees for certified copies	728,735
Intergovernmental	414,915
Miscellaneous	315,443
Total revenues	9,071,995
Expenditures	
Current -	
General government	
Personnel services and related benefits	6,782,286
Operating services	772,157
Material and supplies	1,085,200
Appropriations to Lafayette Parish Government	286,261
Capital outlay	66,807
Total expenditures	8,992,711
Excess of revenues over expenditures	79,284
Fund balance, beginning of year	9,581,828
Fund balance, end of year	\$ 9,661,112

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2013**

Total net change in fund balance for the year ended June 30, 2013 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 79,284
Add Capital outlay costs which are considered as expenditures on Statement	\$ 66,807	
Less Loss on disposals for year ended June 30, 2013	(20)	
Less Depreciation expense for year ended June 30, 2013	<u>(301,815)</u>	(235,028)
Less Net change in compensated absences payable		(43,186)
Less Net change in OPEB obligation		(975,148)
Less Net change in estimated group health insurance claims, which were incurred through June 30, 2013, but not reported in the funds because they were not due and payable with current economic resources were accrued and recorded as an expense in the statement of activities		<u>(1,947)</u>
Total change in net position for the year ended June 30, 2013 per Statement of Activities		<u><u>\$(1,176,025)</u></u>

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Fiduciary Net Position
June 30, 2013

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 605,581
Interest-bearing deposits	<u>10,903,601</u>
Total assets	<u>\$11,509,182</u>
LIABILITIES	
Due to litigants and others	<u>\$11,509,182</u>

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

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Lafayette Parish Clerk of Court (Clerk of Court) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A Financial Reporting Entity

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 shall have other duties and powers provided by law. A Clerk of Court is elected for a term of four years.

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official. As an independently elected official, the Clerk of Court is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.

B Basis of Presentation

The accompanying basic financial statements of the Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court'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 for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the Clerk of Court are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a Total assets, liabilities, revenues, or expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b Total assets, liabilities, revenues, or expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The major fund of the Clerk of Court is described below

Governmental Fund -

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 of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, the Clerk of Court reports the following fund type

Fiduciary Funds -

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in this category by the Clerk of Court are the agency funds. The agency funds are as follows:

Advance Deposit Fund – accounts for advance deposits on suits filed by litigants

Registry of the Court Fund – accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation

Election Qualifying Fund – accounts for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees

C Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within 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 the 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.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (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 utilizes 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 position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities reflects the economic resources, measurement focus, and accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with professional standards.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as 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.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

D Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources,
and Equity

Cash and interest-bearing deposits

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include fees and charges paid by the recipients for goods or services offered by the programs.

Inventory

Inventory in the Clerk of Court's General Fund consists of copies of historical books produced and published by the Clerk of Court for sale to the general public. The books are recorded at cost, which is lower than market at June 30, 2013.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. 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 of Court maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets 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. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Useful lives for furniture, fixtures, and equipment range from five to ten years.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Compensated Absences

Employees of the Clerk of Court's office earn 10 to 20 days of vacation leave each year depending on length of service. In addition, employees earn 12 days of personal leave each year. Vacation leave must be used in the year earned. Upon resignation or retirement, employees are paid for unused vacation leave at the employee's current rate of pay. Personal leave may be accumulated to a maximum of 90 days and carried over to succeeding years. Employees are paid for unused personal leave upon termination or retirement.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There are no deferred inflows or outflows as of June 30, 2013.

Equity Classifications

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

- a Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

- a **Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact
- b **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments
- c **Committed** – amounts that can be used only for specific purposes determined by a formal decision of the Clerk of Court, which is the highest level of decision-making authority for the Clerk of Court
- d **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes
- e **Unassigned** – all other spendable amounts

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Clerk of Court considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk of Court considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk of Court has provided otherwise in his commitment or assignment actions.

R S 13 785 requires that every four years (at the close of the term of office) the Clerk of Court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office. This payment is limited to no more than that which was received by the clerk in accordance with R S 13 784(A) during said term of office. At June 30, 2013, there was no amount due to the parish treasurer even though the General Fund's fund balance at June 30, 2013 exceeded one-half of the revenues of the General Fund for the last year of the clerk's four-year term of office because the Lafayette Parish Clerk of Court did not receive any funds from the parish treasurer in accordance with R.S. 13 784(A) during the current term of office.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

E 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. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character and Function

F. Budgetary and Budgetary Accounting

The Clerk of Court follows these procedures in 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.
- 6 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, except for capital outlay, were not material in relation to the original appropriations.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

G Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off 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, 2013.

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within 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 of Court 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, 2013, the Clerk of Court has cash and interest-bearing deposits (book balances) totaling \$21,740,048 as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash	\$ 5,881	\$ 605,581	\$ 611,462
Time and money market deposits	10,224,985	10,903,601	21,128,586
Total	\$ 10,230,866	\$ 11,509,182	\$ 21,740,048

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates fair value. 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 fair 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, 2013, and the related federal insurance and pledged securities:

Bank balances	\$23,117,849
Federal insurance	\$ 6,161,211
Pledged securities	16,956,638
Total federal insurance and pledged securities	\$23,117,849

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Deposits in the amount of \$16,956,638 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging financial institutions' trust department or agent, but not in Clerk of Court's name (considered to be Category 3 deposits). The Clerk of Court does not have a formal written policy for custodial credit risk.

(3) Due from Other Governmental Units

Amount due from other governmental units at June 30, 2013 consisted of the following

General Fund

Amount due from State of Louisiana - Non-support program	<u>\$ 12,507</u>
--	------------------

(4) Capital Assets

Capital asset balances and activity for the year ended June 30, 2013 is as follows

	Balance 07/01/12	Additions	Deletions	Balance 06/30/13
Furniture, fixtures and equipment	\$ 3,660,253	\$ 66,807	\$ 144,842	\$ 3,582,218
Less Accumulated depreciation	<u>2,729,619</u>	<u>301,815</u>	<u>144,822</u>	<u>2,886,612</u>
Net capital assets	<u>\$ 930,634</u>	<u>\$ (235,008)</u>	<u>\$ 20</u>	<u>\$ 695,606</u>

Depreciation expense of \$301,815 was charged to the general government function.

(5) Accounts and Other Payables

The accounts and other payables consisted of the following at June 30, 2013

	<u>General Fund</u>
Cash overdraft	\$ 112,664
Accounts	280,750
Payroll liabilities	115,519
Claims payable	<u>106,050</u>
Total	<u>\$ 614,983</u>

Excess funds on deposit for the risk management program are held in an interest bearing account and transferred to the operating account as checks clear the bank. Cash overdrafts of \$112,664, consisted of outstanding checks in the risk management program operating account.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(6) Pension Plan

Plan Description – Substantially all employees of the Clerk of Court, except part-time and temporary employees, 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 3.33% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Effective January 1, 2011, the retirement age increased to 65 and the amount paid monthly for life was changed to equal to 3% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. Effective January 1, 2011, the age for this benefit increased to 65 years of age. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks' of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

Funding Policy – Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Clerk of Court is required to contribute at an actuarially determined rate. The rate as of June 30, 2013 was 17.25% of annual covered payroll. Effective July 1, 2012, the Clerk of Court has elected to pay a portion of the member's share of the required contribution equal to 4.0% of their annual covered salary. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Clerk of Court are established and may be amended by state statute. As provided by R.S. 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 Clerk of Court's contributions to the System for the years ended June 30, 2013, 2012, and 2011 were \$868,015, \$684,021, and \$672,041, respectively.

(7) Post-Retirement Health Care and Life Insurance Benefits

Plan Description – In accordance with the Employer Health and Welfare Benefit Plan established in November 1986, the Clerk of Court provides certain continuing health care and life insurance benefits for its retired employees. The plan is a single-employer defined benefit health care plan administered by the Clerk of Court. The Clerk of Court has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Funding Policy The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 42%) and the Clerk of Court (approximately 58%) Until 2008, the Clerk of Court recognized the cost of providing these benefits (the Clerk of Court's portion of premiums) as an expenditure when the monthly premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis Effective July 1, 2008, the Clerk of Court implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45) The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs

In the fiscal year ending June 30, 2013, the Clerk of Court's portion of health care funding cost for retired employees totaled \$156,329 These amounts were applied toward the Net OPEB Benefit Obligation as shown below

Annual Required Contribution the Clerk of Court's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45 The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL) A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits The total ARC for the fiscal year ending June 30, 2013 is \$1,204,881 for post-employment benefits, as set forth below

Normal Cost	\$ 479,158
30-year UAL amortization amount	<u>725,723</u>
Annual required contribution	<u>\$1,204,881</u>

Net Post-employment Benefit Obligation (Asset) The table below shows the Clerk of Court's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2013

Annual required contribution	\$ 1,204,881
Interest on OPEB obligation	138,247
Adjustment to annual required contribution	<u>(211,651)</u>
Annual OPEB cost	1,131,477
Contributions made	<u>(156,329)</u>
Change in Net OPEB Obligation	975,148
Net OPEB obligation - beginning of year	<u>3,456,180</u>
Net OPEB obligation - end of year	<u>\$ 4,431,328</u>

The Clerk of Court's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset) for 2011, 2012 and 2013 follows

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	\$ 1,131,477	13.8%	\$ 4,431,328
6/30/2012	1,090,034	12.4%	3,456,180
6/30/2011	998,536	16.4%	2,501,451

Funded Status and Funding Progress In the fiscal year ending June 30, 2013, the Clerk of Court made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2013, the Actuarial Accrued Liability (AAL) was \$11,614,754, which is defined as that portion, as determined by a particular actuarial cost method (Clerk of Court uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2013, the entire actuarial accrued liability of \$11,614,754 was unfunded.

Actuarial accrued liability (AAL)	\$ 11,614,754
Actuarial valuation of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 11,614,754</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 4,409,144
UAAL as a percentage of covered payroll	263%

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. In accordance with GASB Statement No. 45, the Clerk of Court qualifies for valuations on a tri-annual basis. The latest actuarial valuation was performed on July 1, 2011.

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the Clerk of Court's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Actuarial Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation the projected unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1 Investment return of 4.0% per annum, compounded annually

2 Retirement Rates

Age	Rate
55	25%
56-59	5%
60-74	75%
75	100%

3 Withdrawal Rates

Age	Rate	Age	Rate
18	5%	31	11%
19	11%	32-33	10%
20	21%	34-35	9%
21	19%	36-37	6%
22	18%	38-40	5%
23-26	16%	41-43	4%
27	15%	44-52	3%
28	14%	53-68	2%
29	13%	69-70	1%
30	12%	71+	0%

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

4. Disability Rates

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
28-33	0 01%	47-48	0 33%
34	0 02%	49	0 50%
35	0 03%	50-52	0 37%
36	0 04%	53	0 55%
37	0 05%	54	0 50%
38	0 08%	55	0 44%
39-42	0 15%	56	0 30%
43	0 17%	57	0 24%
44	0 26%	58	0 21%
45	0 27%	59	0 08%
46	0 30%	60+	0 00%

5 100% of employees are assumed to elect continued coverage in retirement

6 25% of employees are assumed to have a covered spouse in retirement (no dependent children are assumed)

7 Female spouses are assumed to be three years younger than male spouses, on average

8 Per Capita Health Costs (Monthly)

<u>Age</u>	<u>Retiree</u>		<u>Spouse</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
55	719	756	719	757
60	891	859	891	860
64	1,113	1,026	1,113	1,030
65	286	275	286	275
70	344	323	344	323
75	412	379	412	379
80	477	434	477	434
85	540	493	540	493

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

9 Medical Inflation

Year	Medical, Dental and Vision Without Medicare
2011-2012	7 10%
2012-2013	6 90%
2013-2014	6 40%
2014-2015	5 90%
2015-2019	5 80%
2019-2078	5 70%
2078-2079	4 50%
2079-2080	4 40%
2080-2082	4 30%
2082 and after	4 20%

(8) Risk Management

A Commercial Insurance Coverage

The Clerk of Court 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.

B Group Self-Insurance

The Clerk of Court maintains a limited risk management program for group hospitalization insurance. The Clerk of Court has contracted Benesys, Inc. to act as the third party administrator for the program. An excess of coverage insurance policy covers individual claims in excess of \$40,000 per year and \$1,210,000 per lifetime.

The General Fund participates in the program. The claims liability of \$96,506 reported in the General Fund at June 30, 2013, is based on the loss that is probable to have been at the date of the financial statements and the amount of the loss that can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The Clerk of Court currently does not discount its claims liabilities. Changes in the claims liability, including claims that have been incurred but not reported are as follows:

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year End
2011 - 2012	\$ 179,528	\$ 900,271	\$ 996,746	\$ 83,053
2012 - 2013	83,053	1,109,321	1,086,324	106,050

(9) Changes in Agency Fund Balances

The following is a summary of changes in agency fund unsettled deposits for the year ended June 30, 2013

	Year Ended June 30, 2013			Unsettled Deposits at End of Year
	Unsettled Deposits at Beginning of Year	Additions	Reductions	
Agency funds				
Advance Deposit	\$ 5,573,763	\$ 6,323,375	\$ 6,060,263	\$ 5,836,875
Registry of Court	4,939,633	12,044,799	11,312,704	5,671,728
Election Qualifying	577	2	-	579
Totals	<u>\$ 10,513,973</u>	<u>\$ 18,368,176</u>	<u>\$ 17,372,967</u>	<u>\$ 11,509,182</u>

(10) Operating Leases

The Clerk of Court is contracted under one vehicle lease agreement and two property leases. The vehicle lease is \$849 monthly and expires in March, 2016. The property leases are \$1,700 monthly, expiring June 30, 2014 with the option to renew for another four years, and \$3,000 monthly, expiring March 1, 2017.

In addition, the Clerk of Court leases eleven copiers under operating leases ranging from 39 to 48 months and expiring at various dates from February, 2014 through March, 2017.

Future minimum lease payments are as follows

2014	\$ 108,333
2015	65,081
2016	55,831
2017	<u>28,665</u>
Total	<u>\$ 257,910</u>

Lease expense for the years ended June 30, 2013 and June 30, 2012 was \$74,778 and \$74,223, respectively.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(11) Changes in Compensated Absences

The following is a summary of compensated absence transactions of the Clerk of Court for the year ended June 30, 2013

	Balance 7/1/2012	Additions	Reductions	Balance 6/30/2013	Due Within One Year
Compensated absences	\$ 832,693	\$ 235,716	\$(194,082)	\$ 874,327	\$ 366,060

(12) Deferred Compensation Plan

The Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan (the Plan) adopted under the provisions of the Internal Revenue Code Section 457. The plan, available to all Clerk of Court's employees, permits the employees to defer a portion of their salary until future years. The Clerk of Court matches 50% of employee contributions. The Clerk of Court's contribution to the plan amounted to \$130,987 for the year ended June 30, 2013.

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.

(13) Expenditures Paid by the Lafayette City-Parish Consolidated Government

The Clerk of Court's office is located in the Lafayette Parish Courthouse. The Lafayette City-Parish Consolidated Government pays the upkeep and maintenance of the courthouse. These expenditures are not reflected in the accompanying financial statements. Income relating to court reporting attendance, maintenance agreements and capital outlay required to be paid by the Lafayette City-Parish Consolidated Government are reported as revenues. During the year ended June 30, 2013, the required payments by the Lafayette City-Parish Consolidated Government were not received by the Clerk of Court but are reflected as appropriation expenditures.

(14) Litigation

There is no litigation pending against the Clerk of Court at June 30, 2013.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(15) New Accounting Pronouncements

In April, 2012, the Accounting Standards Board (GASB) approved Statement No 65, "Items Previously Reported as Assets and Liabilities" This statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No 65 must be implemented by the Clerk of Court for the year ending June 30, 2014. The effect of implementation on the Clerk of Court's financial statements has not yet been determined.

In June, 2012 the GASB approved Statement No 67, "Financial Reporting for Pension Plans" and Statement No 68, "Accounting and Financial Reporting for Pensions" GASB Statement No 67 replaces the requirements of GASB Statement Nos 25 and 50 relating to financial reporting and note disclosures of pension plans. GASB Statement No 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through plans covered by Statement No 67. The provisions of GASB Statement No 67 must be implemented by the Louisiana Clerks' of Court Retirement and Relief Fund for the year ending June 30, 2014 and provisions of GASB Statement No 68 must be implemented by the Clerk of Court for the year ending June 30, 2015. The effect of implementation of these statements on the Clerk of Court's financial statements has not yet been determined.

(16) Excess of Expenditures Over Appropriations

The General Fund had actual expenditures in excess of budgeted expenditures for the year ended June 30, 2013, as follows:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	<u>\$8,168,934</u>	<u>\$8,634,512</u>	<u>\$8,992,711</u>	<u>\$ (358,199)</u>

(17) Subsequent Event Review

The Clerk of Court has evaluated subsequent events through November 26, 2013, the date which the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues				
Licenses and permits	\$ 108,000	\$ 310,300	\$ 296,724	\$ (13,576)
Fees, charges and commissions -				
Court costs, fees and charges	433,830	365,350	371,335	5,985
Fees for recording legal documents	6,500,000	6,894,700	6,944,843	50,143
Fees for certified copies	615,000	690,500	728,735	38,235
Intergovernmental	395,000	385,000	414,915	29,915
Miscellaneous	305,250	311,065	315,443	4,378
Total revenues	<u>8,357,080</u>	<u>8,956,915</u>	<u>9,071,995</u>	<u>115,080</u>
Expenditures				
Current -				
General government				
Personnel services and related benefits	6,478,136	6,485,072	6,782,286	(297,214)
Operating services	570,498	770,810	772,157	(1,347)
Material and supplies	721,900	1,045,030	1,085,200	(40,170)
Appropriations to Lafayette Parish				
Government	220,400	271,900	286,261	(14,361)
Capital outlay	178,000	61,700	66,807	(5,107)
Total expenditures	<u>8,168,934</u>	<u>8,634,512</u>	<u>8,992,711</u>	<u>(358,199)</u>
Excess (deficiency) of revenues over expenditures	188,146	322,403	79,284	(243,119)
Fund balance, beginning of year	<u>9,581,828</u>	<u>9,581,828</u>	<u>9,581,828</u>	-
Fund balance, end of year	<u>\$9,769,974</u>	<u>\$ 9,904,231</u>	<u>\$ 9,661,112</u>	<u>\$ (243,119)</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Schedule of Funding Progress - Other Post Employment Benefits
For the Year Ended June 30, 2013

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liabilities (AAL)</u>	<u>Unfunded Actuarial Accrued Liabilities (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
July 1, 2011	\$ -	\$10,842,901	\$10,842,901	0 0%	\$4,211,679	257%
July 1, 2008	\$ -	\$ 8,884,257	\$ 8,884,257	0 0%	\$4,175,173	213%

OTHER SUPPLEMENTARY INFORMATION

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Comparative Statement of Net Position
June 20, 2013 and 2012

	Governmental Activities	
	2013	2012
ASSETS		
Current assets		
Cash and interest-bearing deposits	\$10,230,866	\$ 9,694,490
Accounts receivable	313,179	276,016
Insurance stop loss receivable	52,212	97,500
Due from other governmental units	12,507	41,613
Accrued interest	462	3,073
Prepaid expenditures	24,155	29,770
Inventory	7,141	7,175
Total current assets	10,640,522	10,149,637
Noncurrent assets		
Capital assets, net	695,606	930,634
Total assets	11,336,128	11,080,271
LIABILITIES		
Current liabilities		
Accounts and other payables	614,983	203,602
Due to other governmental units	7,911	4,192
Compensated absences	366,060	367,612
Total current liabilities	988,954	575,406
Noncurrent liabilities		
Compensated absences	508,267	465,081
Net OPEB obligation	4,431,328	3,456,180
Noncurrent liabilities	4,939,595	3,921,261
Total liabilities	5,928,549	4,496,667
NET POSITION		
Invested in capital assets	695,606	930,634
Unrestricted	4,711,973	5,652,970
Total net position	\$ 5,407,579	\$ 6,583,604

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 of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in the fund. General operating expenditures are paid from this fund.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Comparative Balance Sheet
June 30, 2013 and 2012

	2013	2012
ASSETS		
Cash	\$ 5,881	\$ 106,849
Interest-bearing deposits	10,224,985	9,587,642
Receivables		
Accounts receivable	313,179	276,016
Insurance stop loss receivable	52,212	97,500
Due from other governmental agencies	12,507	41,613
Accrued interest	462	3,073
Prepaid expenditures	24,155	29,770
Inventory	7,141	7,175
Total assets	\$10,640,522	\$ 10,149,638
LIABILITIES AND FUND BALANCE		
Liabilities		
Cash overdraft	\$ 112,664	\$ -
Accounts payable	280,750	116,241
Claims payable	96,506	75,457
Payroll liabilities payable	115,519	4,308
Due to other governmental agencies	7,911	4,192
Compensated absences	366,060	367,612
Total liabilities	979,410	567,810
Fund balance		
Nonspendable (prepaid expenditures and inventory)	31,296	36,945
Unassigned	9,629,816	9,544,883
Total fund balance	9,661,112	9,581,828
Total liabilities and fund balance	\$10,640,522	\$ 10,149,638

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			Variance with Final Budget Positive (Negative)	2012 Actual
	Budget		Actual		
	Original	Final			
Revenues					
Licenses and permits	\$ 108,000	\$ 310,300	\$ 296,724	\$ (13,576)	\$ 101,920
Fees, charges and commissions -					
Court costs, fees and charges	433,830	365,350	371,335	5,985	426,645
Fees for recording legal documents	6,500,000	6,894,700	6,944,843	50,143	6,513,319
Fees for certified copies	615,000	690,500	728,735	38,235	610,303
Intergovernmental	395,000	385,000	414,915	29,915	429,300
Miscellaneous	305,250	311,065	315,443	4,378	314,420
Total revenues	<u>8,357,080</u>	<u>8,956,915</u>	<u>9,071,995</u>	<u>115,080</u>	<u>8,395,907</u>
Expenditures					
Current -					
General government					
Personnel services and related benefits	6,478,136	6,485,072	6,782,286	(297,214)	6,417,558
Operating services	570,498	770,810	772,157	(1,347)	577,054
Material and supplies	721,900	1,045,030	1,085,200	(40,170)	491,804
Appropriations to Lafayette Parish Government	220,400	271,900	286,261	(14,361)	234,687
Capital outlay	178,000	61,700	66,807	(5,107)	386,157
Total expenditures	<u>8,168,934</u>	<u>8,634,512</u>	<u>8,992,711</u>	<u>(358,199)</u>	<u>8,107,260</u>
Excess (deficiency) of revenues over expenditures	188,146	322,403	79,284	(243,119)	288,647
Fund balance, beginning of year	<u>9,581,828</u>	<u>9,581,828</u>	<u>9,581,828</u>	-	<u>9,293,181</u>
Fund balance, end of year	<u>\$9,769,974</u>	<u>\$9,904,231</u>	<u>\$9,661,112</u>	<u>\$ (243,119)</u>	<u>\$9,581,828</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			Variance - Positive (Negative)	2012 Actual
	Budget		Actual		
	Original	Final			
Licenses and permits					
Marriage licenses	\$ 53,000	\$ 52,000	\$ 49,830	\$ (2,170)	\$ 49,555
Passports	39,000	65,300	59,900	(5,400)	36,775
Birth/death certificates	16,000	193,000	186,994	(6,006)	15,590
Total licenses and permits	<u>108,000</u>	<u>310,300</u>	<u>296,724</u>	<u>(13,576)</u>	<u>101,920</u>
Fees, charges and commissions					
Court costs, fees and charges -					
Criminal costs	290,000	227,000	224,796	(2,204)	284,640
Court attendance reporting	27,000	27,000	26,000	(1,000)	25,860
Other	116,830	111,350	120,539	9,189	116,145
Total court costs, fees and charges	<u>433,830</u>	<u>365,350</u>	<u>371,335</u>	<u>5,985</u>	<u>426,645</u>
Fees for recording legal documents					
Recordings	2,130,000	2,570,000	2,601,907	31,907	2,189,509
Index search	16,500	13,700	13,540	(160)	16,020
Cancellations	218,000	400,000	414,187	14,187	223,284
Mortgage certificates	85,000	80,000	82,941	2,941	81,400
Suits and successions	3,990,000	3,765,000	3,764,293	(707)	3,943,090
UCC filing	60,500	66,000	67,975	1,975	60,016
Total fees for recording legal documents	<u>6,500,000</u>	<u>6,894,700</u>	<u>6,944,843</u>	<u>50,143</u>	<u>6,513,319</u>
Certified copies	<u>615,000</u>	<u>690,500</u>	<u>728,735</u>	<u>38,235</u>	<u>610,303</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues (Continued)
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			Variance - Positive (Negative)	2012 Actual
	Budget		Actual		
	Original	Final			
Intergovernmental					
Charges reimbursable by parish government	200,000	230,000	260,261	30,261	208,827
Federal grant - non-support	<u>195,000</u>	<u>155,000</u>	<u>154,654</u>	<u>(346)</u>	<u>220,473</u>
Total intergovernmental	<u>395,000</u>	<u>385,000</u>	<u>414,915</u>	<u>29,915</u>	<u>429,300</u>
Miscellaneous					
Interest earned	50,000	34,200	35,682	1,482	64,019
Elections	60,000	44,765	44,765	-	55,440
Other	<u>195,250</u>	<u>232,100</u>	<u>234,996</u>	<u>2,896</u>	<u>194,961</u>
Total miscellaneous	<u>305,250</u>	<u>311,065</u>	<u>315,443</u>	<u>4,378</u>	<u>314,420</u>
 Total revenues	 <u>\$ 8,357,080</u>	 <u>\$ 8,956,915</u>	 <u>\$ 9,071,995</u>	 <u>\$ 115,080</u>	 <u>\$ 8,395,907</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013			Variance - Positive (Negative)	2012 Actual
	Budget		Actual		
	Original	Final			
Expenditures					
Current -					
Personnel services and related benefits -					
Salaries					
Clerk	\$ 138,960	\$ 138,960	\$ 138,960	\$ -	\$ 138,660
Deputy clerks	4,294,000	4,157,326	4,256,528	(99,202)	4,059,393
Clerk's expense allowance	110,000	13,656	13,656	-	13,626
Clerk's supplemental fund	13,646	48,000	48,000	-	45,600
Unemployment	48,000	-	-	-	442
Hospitalization claims, net	1,073,530	1,139,930	1,262,979	(123,049)	1,249,480
Payroll taxes, retirement and compensated absences	<u>800,000</u>	<u>987,200</u>	<u>1,062,163</u>	<u>(74,963)</u>	<u>910,357</u>
Total personnel services and related benefits	<u>6,478,136</u>	<u>6,485,072</u>	<u>6,782,286</u>	<u>(297,214)</u>	<u>6,417,558</u>
Operating services -					
Insurance	45,200	44,700	44,673	27	45,200
Professional fees	66,710	49,350	49,158	192	90,463
UCC filing	55,000	65,000	65,947	(947)	57,473
Telephone	33,000	33,500	32,465	1,035	30,291
Travel and conventions	8,500	6,500	7,678	(1,178)	8,452
Election expense allowance	12,000	17,000	16,633	367	11,765
Copier expense	65,000	65,000	65,863	(863)	69,038
Computer operations	210,000	285,000	285,331	(331)	186,788
Parking fees	29,088	32,100	32,099	1	29,088
Training	5,000	8,000	8,037	(37)	5,597
Center for family violence contribution	33,000	151,500	151,172	328	32,246
Workers' compensation	8,000	8,160	8,160	-	7,950
Miscellaneous	-	5,000	4,941	59	2,703
Total operating services	<u>570,498</u>	<u>770,810</u>	<u>772,157</u>	<u>(1,347)</u>	<u>577,054</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2013
With Comparative Actual Amounts for the Year Ended June 30, 2012

	2013		Actual	Variance - Positive (Negative)	2012 Actual
	Budget				
	Original	Final			
Materials and supplies -					
Office supplies and operations	643,200	922,030	963,600	(41,570)	449,444
Automobile and maintenance	17,500	16,000	15,172	828	5,342
Dues and subscription	3,600	5,000	4,033	967	3,568
Leases and rentals	-	32,400	32,400	-	30,048
Uniforms	57,600	69,600	69,995	(395)	3,402
Total materials and supplies	<u>721,900</u>	<u>1,045,030</u>	<u>1,085,200</u>	<u>(40,170)</u>	<u>491,804</u>
Appropriations to Lafayette City-Parish Consolidated Government - Operating revenues and expenditures unreimbursed	<u>220,400</u>	<u>271,900</u>	<u>286,261</u>	<u>(14,361)</u>	<u>234,687</u>
Capital outlay -					
Office equipment	3,000	6,700	5,172	1,528	2,901
Computer equipment	100,000	20,000	19,615	385	76,253
Computer software	75,000	35,000	42,020	(7,020)	307,003
Total capital outlay	<u>178,000</u>	<u>61,700</u>	<u>66,807</u>	<u>(5,107)</u>	<u>386,157</u>
Total expenditures	<u>\$8,168,934</u>	<u>\$8,634,512</u>	<u>\$8,992,711</u>	<u>\$ (358,199)</u>	<u>\$8,107,260</u>

FIDUCIARY FUNDS

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 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. Withdrawals of the funds can be made only upon specific court order.

Election Qualifying Fund -

The Election Qualifying Fund is used to account for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Fiduciary Funds

Combining Statement of Fiduciary Assets and Liabilities
June 30, 2013
With Comparative Totals for June 30, 2012

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Totals</u>	
				<u>2013</u>	<u>2012</u>
ASSETS					
Cash	\$ -	\$ 605,581	\$ -	\$ 605,581	\$ 5,236
Interest-bearing deposits	<u>5,836,875</u>	<u>5,066,147</u>	<u>579</u>	<u>10,903,601</u>	<u>10,508,737</u>
Total assets	<u>\$ 5,836,875</u>	<u>\$5,671,728</u>	<u>\$ 579</u>	<u>\$ 11,509,182</u>	<u>\$10,513,973</u>
LIABILITIES					
Due to litigants and others	<u>\$ 5,836,875</u>	<u>\$5,671,728</u>	<u>\$ 579</u>	<u>\$ 11,509,182</u>	<u>\$10,513,973</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013
With Comparative Totals For the Year Ended June 30, 2012

	Advance Deposit	Registry of Court	Election Qualifying	Totals	
				2013	2012
ASSETS					
Balances, beginning of year	<u>\$ 5,573,763</u>	<u>\$ 4,939,633</u>	<u>\$ 577</u>	<u>\$ 10,513,973</u>	<u>\$ 10,244,609</u>
Additions					
Suits and successions	6,323,375	-	-	6,323,375	6,689,786
Deposits per court order	-	12,026,422	-	12,026,422	1,873,301
Interest earned	-	18,377	2	18,379	104,910
Total additions	<u>6,323,375</u>	<u>12,044,799</u>	<u>2</u>	<u>18,368,176</u>	<u>8,667,997</u>
Total	<u>11,897,138</u>	<u>16,984,432</u>	<u>579</u>	<u>28,882,149</u>	<u>18,912,606</u>
Reductions					
Clerk's costs (transferred to General Fund)	3,762,369	-	-	3,762,369	3,943,291
Refunds to litigants	1,116,338	-	-	1,116,338	1,091,341
Other	557,340	-	-	557,340	570,543
Interest earned (transferred to General Fund)	-	100,877	-	100,877	51,600
Lafayette Parish Sheriff fees	449,729	-	-	449,729	456,293
Other Sheriff fees	174,487	-	-	174,487	182,367
Disbursements by court order	-	11,211,827	-	11,211,827	2,103,198
Total reductions	<u>6,060,263</u>	<u>11,312,704</u>	<u>-</u>	<u>17,372,967</u>	<u>8,398,633</u>
Balances, end of year	<u>\$ 5,836,875</u>	<u>\$ 5,671,728</u>	<u>\$ 579</u>	<u>\$ 11,509,182</u>	<u>\$ 10,513,973</u>
LIABILITIES					
Due to litigants and others, beginning of year	<u>\$ 5,573,763</u>	<u>\$ 4,939,633</u>	<u>\$ 577</u>	<u>\$ 10,513,973</u>	<u>\$ 10,244,609</u>
Additions	6,323,375	12,044,799	2	18,368,176	8,667,997
Reductions	<u>6,060,263</u>	<u>11,312,704</u>	<u>-</u>	<u>17,372,967</u>	<u>8,398,633</u>
Due to litigants and others, end of year	<u>\$ 5,836,875</u>	<u>\$ 5,671,728</u>	<u>\$ 579</u>	<u>\$ 11,509,182</u>	<u>\$ 10,513,973</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Combined Schedule of Interest-Bearing Deposits - All Funds
June 30, 2013

	Financial Institution	Interest Rate	Term	Maturity Date	Amount
General Fund -					
Certificate of deposit	I	0.15%	1 year	08/21/13	\$ 100,000
Certificate of deposit	R	0.35%	1 year	11/06/13	100,000
Interest-bearing deposits	I	variable	N/A	N/A	1,393,398
Interest-bearing deposits	I	variable	N/A	N/A	2,559
Interest-bearing deposits	I	variable	N/A	N/A	3,855
Interest-bearing deposits	I	variable	N/A	N/A	8,349,572
Interest-bearing deposits	I	variable	N/A	N/A	<u>275,601</u>
Total General Fund					<u>10,224,985</u>
Advance Deposit Fund -					
Certificate of deposit	R	0.35%	1 year	10/24/13	500,000
Certificate of deposit	M	0.15%	1 year	10/01/13	500,000
Certificate of deposit	C	0.50%	1 year	04/28/14	500,000
Certificate of deposit	T	0.55%	1 year	08/11/13	500,000
Interest-bearing deposits	Ch	variable	N/A	N/A	<u>3,836,875</u>
Total Advance Deposit Fund					<u>5,836,875</u>
Registry of the Court Fund -					
Interest-bearing deposits	I	variable	N/A	N/A	<u>5,066,147</u>
Total Registry of the Court Fund					<u>5,066,147</u>
Election Qualifying Fund -					
Interest-bearing deposits	I	variable	N/A	N/A	<u>579</u>
Total - all funds					<u>\$ 21,128,586</u>
Financial Institution					
(M) Mid-South Bank					
(I) Iberia Bank					
(R) Rayne State Bank					
(Ch) Chase Bank					
(C) Community First Bank					
(T) Tri-Parish Bank					

**INTERNAL CONTROL
AND
COMPLIANCE**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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

The Honorable Louis J. Perret
Lafayette Parish Clerk of Court
Lafayette, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Lafayette Parish Clerk of Court's basic financial statements and have issued our report thereon dated November 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lafayette Parish Clerk of Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Lafayette Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lafayette Parish Clerk of Court's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of current and prior year audit findings and corrective action plan, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of current and prior year audit findings and corrective action plan as item 13-1(IC) to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lafayette Parish Clerk of Court's financial statements are free from 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Lafayette Parish Clerk of Court's Response to Findings

The Lafayette Parish Clerk of Court's response to the finding identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. The Lafayette Parish Clerk of Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
November 26, 2013

LAFAYETTE PARISH CLERK OF COURT

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 2013

<u>Ref No</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Completion Date</u>
CURRENT YEAR (6/30/13) --						
<u>Internal Control</u>						
13-1(IC)	06/30/07	The Clerk of Court does not have a staff person who has the training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes	No	The Clerk of Court has evaluated the cost vs the benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation	Louis J Perret, Clerk of Court	N/A
PRIOR YEAR (6/30/12) --						
<u>Internal Control</u>						
12-1(IC)	06/30/07	The Clerk of Court does not have a staff person who has the training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes	No	The Clerk of Court has evaluated the cost vs the benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation	Louis J Perret, Clerk of Court	N/A