

WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
SCHEDULES

JUNE 30, 2017

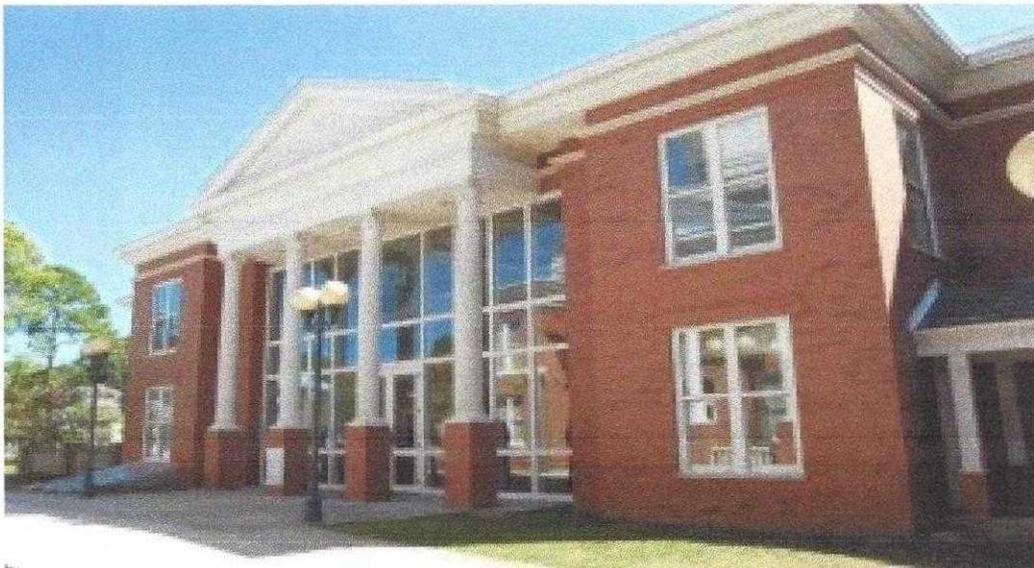


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INDEPENDENT AUDITOR'S REPORT

The Honorable Felicia Ann Hendl,
West Feliciana Parish Clerk of
Court
P. O. Box 1843
St. Francisville, Louisiana 70775

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental-type activities of the West Feliciana Parish Clerk of Court, a component unit of the West Feliciana Parish Police Jury, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the West Feliciana Parish Clerk of Court's basic financial statements as listed in the table of contents. I have also audited each fiduciary fund type of the West Feliciana Parish Clerk of Court, as of and for the year ended June 30, 2017, as displayed in the Clerk of Court's basic financial statements.

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.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained *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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental-type activities as well as each fiduciary fund type of the West Feliciana Parish Clerk of Court, a component unit of the West Feliciana Parish Police Jury, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance 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 management's discussion and analysis, budgetary comparison schedule and schedules of funding progress, employer's share of net pension liability and employer contributions be presented to supplement the basic financial statements. Such 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. I 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 comparing the information for consistency with management's responses to my inquiries, the basic financial statements and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

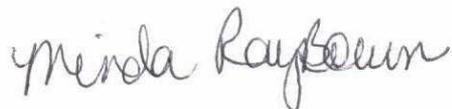
Other Matters -Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Feliciana Parish Clerk of Court's basic financial statements. The combining statement of fiduciary net position, schedule of changes in fiduciary net position and schedule of compensation, benefits and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare 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 of to the basic financial statements themselves, and other

additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining statement of fiduciary net position, schedule of changes in fiduciary net position and schedule of compensation, benefits and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 27, 2017, on my consideration of the West Feliciana Parish Clerk of Court's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my 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 West Feliciana Parish Clerk of Court's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Minda Raybourn".

Minda Raybourn, CPA
Franklinton, LA
December 27, 2017

WEST FELICIANA PARISH CLERK OF COURT
ST.FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017

The purpose of management's discussion and analysis (MD&A) is to introduce the basic financial statements and provide an analytical overview of the Clerk of Court's financial activities. Since this information is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the financial statements beginning on page 9.

OVERVIEW OF THE FINANCIAL STATEMENT PRESENTATION1

This annual report consists of three components - (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. There is also other supplementary information contained in this report provided for additional information. The government-wide financial statements provide information about the activities of the Clerk of Court as a whole and present a longer- term view of its finances. Fund financial statements depict how these activities were financed in the short-term as well as what remains for future spending.

Government-wide Financial Statements. The government-wide financial statements present financial information for all activities of the Clerk from an economic resource measurement focus using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. They include a statement of net position and statement of activities.

Statement of Net Position. This statement presents information on all of the Clerk's assets, deferred outflows of resources, liabilities and inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Clerk of Court's office is improving or not.

Statement of Activities. This statement presents information showing how the Clerk's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement is designed to show the Clerk's financial reliance on general revenues.

The government-wide financial statements can be found on pages 9-10 of this report.

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 Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Clerk of Court has only one category of funds: governmental funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the focus with fund statements is to provide a distinct view of the Clerk of Court's governmental funds only. These statements report short-term fiscal accountability emphasizing the use of spendable resources during the year and balances of spendable resources available at the end of the year.

Because the view of governmental funds is short-term and the view of the government-wide financial statements is long-term, it is useful to compare these two perspectives. The governmental funds provide a reconciliation to the government-wide statements to assist in understanding the differences between the two viewpoints. These statements can be found on pages 12-15 of this report.

**WEST FELICIANA PARISH CLERK OF COURT
ST.FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Fiduciary Funds. The Clerk of Court is the trustee, or fiduciary, over assets which can only be used for the trust beneficiaries; these include advance deposits, registry of court and indigent transcript funds. The activity of these funds are reported separately in the statement of fiduciary net position on page 16 and schedule of changes in fiduciary net position found in supplementary information. These activities are excluded from government-wide and fund financial statements because the assets of fiduciary funds cannot be used to finance operations of the Clerk.

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. The index of the notes is found on page 18 with the actual notes beginning immediately afterwards.

FINANCIAL ANALYSIS OF THE CLERK OF COURT

The net position increased by \$28,651 or 8% from \$357,271 to \$385,922. Below is a comparison of the current and prior year's net position.

**SUMMARY OF NET POSITION
GOVERNMENTAL ACTIVITIES**

	2017	2016
Assets		
Current assets	665,718	638,995
Investments	62,419	62,708
Capital assets, net	11,474	7,087
Total Assets	739,611	708,790
Deferred Outflows of Resource	237,408	145,262
Liabilities		
Current liabilities	12,473	7,054
Long-term liabilities	561,342	454,788
Total Liabilities	573,815	461,842
Deferred Inflows of Resources	17,282	34,939
Net Position		
Net Investment in capital assets	11,474	7,087
Unrestricted	374,448	350,184
Net Position	385,922	357,271

**WEST FELICIANA PARISH CLERK OF COURT
ST.FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Total revenues decreased by \$4,685 or 1%. Total expenditures increased by \$80,950 or 19%. A summary of changes in net position is presented below:

**SUMMARY OF CHANGES IN NET POSITION
GOVERNMENTAL ACTIVITIES**

	2017	2016
Revenues		
Charges for services	490,192	528,244
Grants	6,182	-
General Revenues	28,455	1,270
Total Revenues	524,829	529,514
Expenses		
Intergovernmental	24,823	26,459
General government	471,355	388,769
Total Expenses	496,178	415,228
Change in net position	28,651	114,286
Net position, beginning	357,271	242,985
Net position, ending	385,922	357,271

BUDGETARY HIGHLIGHTS.

The Clerk of court received \$62,201 more in revenues than it anticipated during the current year. Expenditures were realized at less than originally budgeted by \$4,390. This created a positive change in net position by \$21,106. The budgetary comparison schedule includes more detail and can be found in the required supplementary information following the notes.

CAPITAL ASSETS

At June 30, 2017, the Clerk of Court had \$11,474, net of depreciation, invested in fixed assets. This amounts represents a net increase of \$4,387 from the previous year. The clerk of court purchased new equipment of \$7,945. The Clerk of Court recorded depreciation expense for \$3,558.

**WEST FELICIANA PARISH CLERK OF COURT
ST.FRANCISVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Below is a comparative table:

CAPITAL ASSETS, NET OF DEPRECIATION

	2017	2016
Furniture	10,596	5,777
Equipment	878	1,310
Total	11,474	7,087

DEBT

The Clerk of court had \$81,581 in other post-retirement benefits and \$479,761 in net pension liability at the end of the fiscal year. The other post-retirement benefits increased \$16,747 which is the required contribution based on actuarial estimations less contributions during the year.

The net pension liability increased \$89,807 from the prior year. This liability is reported in accordance with GASB No. 68 and is based on actuarial estimates.

Below is a comparative table:

OUTSTANDING DEBT AT YEAR END

	2017	2016
Other post-retirement benefits	81,581	64,834
Net pension liability	479,761	389,954
Total	561,342	454,788

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Clerk of Court's finances, comply with finance-related laws and regulations and demonstrate the Clerk of Court's commitment to public accountability. Any questions or requests for additional information can be obtained by contacting the West Feliciana Parish Clerk of Court, P. O. Box 1843, St. Francisville, Louisiana 70775, (225) 635-3794.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2017**

ASSETS

Cash and cash equivalents	\$	663,472
Receivables		2,246
Investments		62,419
Capital assets, net		<u>11,474</u>
Total Assets		739,611

DEFERRED OUTFLOWS OF RESOURCES

Related to pensions	237,408
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LIABILITIES

Accounts payable	4,580
Payroll deductions payable	7,892
Other post-employment benefits payable	81,581
Net pension liability	<u>479,761</u>
Total Liabilities	573,815

DEFERRED INFLOWS OF RESOURCES

Related to pensions	<u>17,282</u>
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NET POSITION

Net investment in capital assets	11,474
Unrestricted	<u>374,448</u>
Total Net Position	<u><u>385,922</u></u>

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

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

<u>Functional/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenues (Expenses)</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities					
General government	\$ 471,355	\$ 465,288	\$ -	\$ 6,182	\$ 115
Intergovernmental	24,823	24,904	-	-	81
Total Governmental Activities	496,178	490,192	-	6,182	196
		General Revenues			
					1,252
					27,203
					28,455
					28,651
					357,271
					385,922

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

FUND FINANCIAL STATEMENTS

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

ASSETS

Cash and cash equivalents	663,472
Receivables:	
Accounts, net	2,246
Investments	<u>62,419</u>
Total Assets	<u><u>728,137</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts payable	4,580
Payroll deductions payable	<u>7,892</u>
Total Liabilities	12,473
Fund Balances:	
Unassigned	<u>715,665</u>
Total Liabilities and Fund Balances	<u><u>728,137</u></u>

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

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2017**

Total Fund Balances - Total Governmental Funds	\$	715,665
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheets. This is the capital assets, net of accumulated depreciation, reported on the Statements of Net Position.		11,474
Long-term liabilities of governmental activities do not require the use of current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. These are the long-term liabilities of the Clerk's governmental activities:		
Other post-employment benefits		(81,581)
Net pension liability		(479,761)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources related to pensions		237,408
Deferred inflows of resources related to pensions		(17,282)
		385,922
Total Net Position - Governmental Activities		385,922

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

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

REVENUES

Intergovernmental revenues	\$	24,904
Charges for services:		
Court costs and fees		272,933
Certified copies and data processing		52,900
Licenses		2,640
Recording fees		135,679
Grants		6,182
Interest earned		1,252
Other revenues		1,136
		497,626
Total Revenues		497,626

EXPENDITURES

General government		476,610
		476,610
	Change in Fund Balances	21,016
Fund Balances, beginning		694,649
Fund Balances, ending		715,665

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

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

Net Change in Fund Balances - Total Governmental Funds	\$	21,016
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay which is considered expenditures on statement of revenues, expenditures, and changes in fund balance.	7,945	
Depreciation Expense	<u>(3,558)</u>	4,387

Non employer's contributions to the clerk of court pension plan		27,203
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Some of the items reported in the statement of activities do not require the use of current financial resources are therefore are not reported as expenditures in the governmental funds.

Increase in other post-retirement benefits		(16,748)
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Pension expense not requiring the use of current economic resources and therefore, not reported as a fund expenditure		(7,207)
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Change in Net Position - Governmental Activities		<u><u>28,651</u></u>
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The accompanying notes are an integral part of the basic financial statements.

**WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017**

ASSETS

Cash and cash equivalents	\$ 566,972
Total Assets	<u>\$ 566,972</u>

NET POSITION

Held in trust for others	<u>\$ 566,972</u>
Total Net Position	<u>\$ 566,972</u>

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

NOTES TO FINANCIAL STATEMENTS

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

INTRODUCTION

The West Feliciana Parish Clerk of Court (hereinafter referred to as the Clerk), as provided by Article V, Section 28 of the Louisiana Constitution of 1974, serves as the ex-officio notary public; the recorder of conveyances, mortgages and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accounting and reporting practice of the West Feliciana Parish Clerk of Court conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the West Feliciana Parish Police Jury is the financial reporting entity for West Feliciana Parish. The Clerk, therefore, is considered a component unit of the West Feliciana Parish Police Jury. It has been determined that the financial statements of the Council would be misleading if data of the Clerk is not included because of the nature or significance of the relationship. The accompanying financial statements, however, present only the transactions of the West Feliciana Parish Clerk of Court.

Government-wide Accounting: In accordance with Government Accounting Standards Boards Statement No. 34, the Clerk has presented a statement of net position and statement of activities for the Clerk as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. Those funds are reported separately. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity

Interfund receivables and payable are eliminated in the statement of net position except for the net

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses, from one function to another or within the same function, is eliminated in the statement of activities. Allocated expenses are reported by the function to which they were allocated.

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year 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 \$500 or more for capitalizing assets. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows: equipment and furniture – 5-7 years. Capital assets are reported net of accumulated depreciation on the statement of net position.

Program Revenues

The statement of activities presents three categories of program revenues - (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the Clerk. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are reserved for a specific use.

Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Clerk has chosen not to do so.

Operating Revenues

Proprietary funds separately report operating and non-operating revenues.

Restricted Net Position

Restricted net position is those for which a constraint has been imposed either externally or by law. The Clerk recognizes the use of restricted resources for expenditures that comply with the specific restrictions. Restricted resources are exhausted before unrestricted net position is used.

Fund Accounting: The Clerk uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the Clerk are classified under two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds: Governmental funds account for all or most of the Clerk's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds of the Clerk include:

1. General – accounts for all activities not required to be reported in another fund.

Fiduciary Funds: These fund types are used to account for assets held in trust for third-party individuals, private organizations and/or other governmental units/funds. Fiduciary funds include:

1. Agency Funds -The Advance Deposit and Registry of Court agency funds account for assets held by the Clerk as an agent for others, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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.

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

Basis of Accounting/Measurement Focus: In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The type of financial statement presentation determines the accounting and financial reporting treatment applied to a fund.

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental and business-type activities are included in the statement of net position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the statement of activities. In these statements, capital assets are reported and depreciated in each fund, and long-term debt is reported.

The fund statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. Principle and interest paid on long-term debt is reported as current expenses.

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Budgets and Budgetary Accounting: The Clerk adopts an annual budget for its general fund, prepared in accordance with the basis of accounting utilized by that fund. Appropriations lapse at year-end. There were amendments made to the budget during the fiscal year ended June 30, 2017.

Cash and Cash Equivalents: Cash includes amounts in demand deposits, interest bearing demand deposits and time certificates. Cash equivalents include amounts in investments with original maturities of 90 days or less. Under state law, the Clerk may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments: Investments are limited by Louisiana Revised Statute 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

Inventory: Inventory is reported at cost. It includes only office supplies, the amount of which is considered immaterial. Therefore, the acquisition of such items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

Receivables: Trade receivables are recorded at management's estimate of the amount that is expected to be collected. This is based in part on historical information. There is no allowance recorded in the accompanying financial statements as management expects nearly 100% of its outstanding receivables to be collected. Revenues become susceptible to accrual when they become both measurable and available.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences: The Clerk has the following policy relating to vacation and sick leave:

Vacation leave – All full-time employees of the Clerk earn vacation leave at varying rates depending on their length of employment with the Clerk's office. Such leave is non-cumulative beyond the year in which it is earned. If an employee terminates at the end of the year, he/she will be paid for his/her unused vacation leave earned.

Sick leave – Sick leave is earned at a rate of one to one and one-half days per month, depending upon their length of service. Sick leave may be carried forward from year to year.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually earned. Because leave is non-cumulative, no provision for compensated absences is recorded in the accompanying financial statements.

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Long-Term Obligations: In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of net position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

Pension Plan: The Louisiana Clerks' of Court Retirement and Relief Fund prepared its employer schedules in accordance with GASB No. 68 – *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* which provides for the accrual basis of accounting. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

Net Position/Fund Balances: In the statement of net position, the difference between a government's assets and deferred outflows of resources and its liabilities and deferred inflows of resources is recorded as net position. The three components of net position are as follows:

Net Investment in Capital Assets

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Position

Net position that is reserved by external sources, such as banks or by law, is reported separately as restricted net position. When assets are required to be retained in perpetuity, this non-expendable net position are recorded separately from expendable net position. These are components of restricted net position.

Unrestricted Net Position

This category represents net position not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Non-spendable

This includes amounts in permanent funds and inventories that are permanently precluded from conversion to cash.

Restricted

Fund balances that are restricted include those resources constrained to a specific purpose by enabling legislation, external parties or constitutional provisions.

Committed

Fund balances may be committed for a specific purpose by the highest level of decision-making authority through a formal action such as the adoption of an ordinance. The removal of or change in this commitment can only be accomplished by the same level of authority through the same type of action taken to commit the fund balances initially.

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Assigned

Resources earmarked for a specific purpose by a government's management are reported as assigned fund balances.

Unassigned

This category represents that portion of equity that is available for any purpose.

Louisiana R.S. 13:785 requires that the Clerk, at the close of his/her term of office (every four years), must pay the parish treasurer the portion of the general fund's fund balance that exceeds ½ of the revenues of the Clerk's last year of his/her term. At June 30, 2017, there was no amount due as this was not the last year of the Clerk's term of office, and no determination of the amount that will be due, if any, can be made at this time.

Inter-fund Transactions: All interfund transactions except quasi-external transactions are reported as operating transfers. These are eliminated in the government-wide statements.

NOTE 2 - CASH AND CASH EQUIVALENTS

Deposits are stated at cost, which approximates market. Under state law, they must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, La. 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 that the fiscal agent has failed to pay deposited funds upon demand.

With the adoption of GASB Statement No. 40, only deposits that are considered exposed to custodial credit risk are required to be disclosed. The Clerk has no deposits exposed to custodial credit risk.

At June 30, 2017, the Clerk had cash and cash equivalents (book balances) as follows:

	<u>Governmental Activities</u>	<u>Fiduciary Activities</u>
Demand deposits	379,641	-
Money market savings	-	336,616
LAMP, Inc.	283,831	230,356
Total	<u>663,472</u>	<u>566,972</u>

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The Clerk has investments in a local government investment pool that is administered by a non-profit corporation, LAMP, Inc. This corporation was organized under the laws of the State of Louisiana, and its purpose is to provide a safe environment for the placement of public funds in short-term, high-quality investments. Investments in its portfolio is restricted to those issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its assigns in accordance with La. R.S. 33:2955.

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. Because its design allows participants immediate access to their funds, the funds held in LAMP are considered cash equivalents. The investments held by LAMP are stated at fair value based on quoted market rates determined on a weekly basis. The value of the position in the external investment pool is the same as the value of the pool shares.

The following facts are relevant for money market-like investment pools:

Credit Risk. LAMP is rated AAAM by Standard & Poor's.

Custodial Credit Risk. Participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of Credit Risk. Pooled investments are excluded from the 5% disclosure requirements.

Interest Rate Risk. Money market-like investment pools are excluded from this disclosure requirements per paragraph 15 of GASB Statement No. 40.

Foreign Currency Risk. This type of risk is not applicable to money market-like pools.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and a board of directors. It is not registered with the SEC as an investment company. Administrative offices can be reached at 800-249-5267 for questions or additional information.

NOTE 3 -INVESTMENTS

Investments at June 30, 2017, which are fully insured, are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Cost/Carrying Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
Certificates of deposit:				
Cottonport Bank	\$ 62,419	\$ 62,419	12/07/2017	.50%

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The Clerk categorizes the fair value measurements of its investments based on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. This hierarchy, that has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 are significant unobservable inputs. All of the Clerk's investments fall in Level 1.

Credit Risk. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2017, the Clerk had \$62,419 in certificates of deposit with original maturity dates greater than 90 days, fully secured by FDIC and pledged securities held by the custodial bank in joint custody.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Clerk has no determinable interest rate risk.

Concentration of Credit Risk. This type risk relates to the amount of investments in any one source. At June 30, 2017, the Clerk had all investments at one entity. Because it is insured, the Clerk accepts this risk.

NOTE 4-RECEIVABLES

The net receivables, with the exception of inter-fund transactions, at June 30, 2017, totaled \$2,246. All are for charges for services and no allowance has been recorded because all are expected to be collected. The Clerk utilizes the direct write-off method for any receivables considered as bad debts.

NOTE 5-CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017, was as follows:

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	Beginning Balance	Additions	Retirements	Ending Balance
Capital Assets, being depreciated				
Equipment	59,318	7,945		67,263
Less: accumulated depreciation	53,542	3,126		56,668
Equipment, net	5,777	4,819	-	10,596
Furniture	5,015			5,015
Less: accumulated depreciation	3,704	432		4,136
Furniture, net	1,310	(432)	-	878
Net Capital Assets	7,087	4,387	-	11,474

All depreciation expense was charged to governmental activities.

NOTE 6 -ACCOUNTS AND OTHER PAYABLES

The payables, with the exception of inter-fund and intergovernmental transactions, at June 30, 2017, are as follows:

Class of Payable	General Fund	Fiduciary funds
Trade payables	4,580	-
Payroll liabilities	7,892	-
Other Payables	-	566,972
Total	12,473	566,972

NOTE 7-INTERGOVERNMENTAL TRANSACTIONS

Intergovernmental revenues of the general fund for the year ended June 30, 2017, was as follows:

State supplement	\$22,750
L.a. Dept. of Elections	<u>2,154</u>
Total	<u>\$24,904</u>

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NOTE 8-ON-BEHALF PAYMENTS

Certain operating expenditures of the Clerk's office are paid by the West Feliciana Parish Police Jury. Additionally, the Police Jury provides office space and certain furniture for the Clerk's use. These expenditures are not reported in the accompanying financial statements.

NOTE 9-LEASES

There is an operating lease for mailing equipment. Rental and maintenance paid during the year on this equipment totaled \$1,781. The Clerk has no capital leases.

NOTE 10-PENSION PLAN

Plan Description. Substantially all employees of the West Feliciana Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund, a cost-sharing, multiple-employer defined benefit pension plan, which was established in accordance with La. Revised Statute 11:1501 to provide regular, disability and survivor benefits for clerks of court, their deputies and other employees, and their beneficiaries.

Retirement Benefits. All regular employees who are under the age of 60 at the time of original employment are required to participate in the plan. 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 1/3 per cent of their average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average final compensation. Final average compensation for those hired prior to July 1, 2006, is based on the employee's highest compensated 36 consecutive months, with a limit of increase of 10% in each of the last 3 years of measurement. For those hired on or after that date, in accordance with Act 273 of the 2010 regular session, compensation is based on the highest compensated 60 consecutive months with a limit of 10% increase in each of the last 6 years of measurement. 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. Act 273 increased retirement age to age 60 with an accrual rate of 3% for those hired on or after January 2, 2011.

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Disability Benefits. The plan also provides disability benefits, established by La. R.S. 11:218. Effective through June 30, 2008, a member who has been certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

- (1) A member who is totally and permanently disabled solely as a result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of 1/2 of his monthly average final compensation or, at the option of the disability retiree, 2 1/2 percent of his monthly average final compensation multiplied by the number of years of credited service; however, such monthly benefit shall not exceed \$25 for each year of his credited service or 2/3rds of his monthly average final compensation, whichever is less.
- (2) A member who has 10 or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to 3% of his monthly average final compensation multiplied by the number of years of credited service; however, such monthly benefit shall not exceed \$35 for each year of credited service or 80% of his monthly average final compensation, whichever is less.

Effective for applications approved or payable on or after June 30, 2008, employees that have been officially certified as totally and permanently disabled pursuant to La. R.S. 11:218 and either (1) the disability was caused solely as a result of injuries sustained in the performance of his/her official duties; or (2) the employee has at least 10 years of service credit are eligible for disability benefits. The member shall be paid the greatest of 40% of their monthly average final compensation or 75% of their monthly regular retirement benefit computed pursuant to La. R.S. 11:1521(c).

For members leaving covered employment before attaining early retirement age but after completing 12 years of credited service become eligible for a deferred allowance provided he lives to the minimum service retirement age and does not withdraw his accumulated contributions.

Survivor Benefits. If a member who has less than 5 years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If a member has 5 or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately reduced ¼ of 1% for each month by which payments commence in advance of the member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid 1/2 of the member's accrued retirement benefit in equal shares. Upon the death of any former member with 12 or more years of service, automatic Option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

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Deferred Retirement Option Plan (DROP). In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in DROP for up to 36 months and defer the receipt of benefits. During the year ended June 30, 2007, participants had to have been an active contributing member for one full year before becoming eligible for DROP. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefit that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the DROP account.

Upon termination of employment at the end of the specified period of participation, a participant may receive, at his option, a lump sum payment. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Upon termination, the member receives a lump sum payment from DROP equal to the payments made to that fund on his behalf, or a true annuity based on his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal methods of benefit computation. The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least 36 months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Cost of Living Adjustments. The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of \$40 per month. The Louisiana statutes allow the Board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977, or the member's retirement date if later. In lieu of granting a cost of living increase as described herein, the statutes allow the Board to grant a cost of

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living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed \$1. In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

Contributions. Contribution requirements are actuarially determined each year. For the year ending June 30, 2017, the Clerk's rate was 19% of annual covered payroll while the employees contributed 8.25%. Contributions to the Fund also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The Clerk of Court's contributions to the system for the years ending June 30, 2017, 2016 and 2015, were \$65,919, \$63,503 and \$61,963, respectively.

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Contributions from non-employer contributing entities were \$27,203.

Pension Liabilities, Pension Expense, Deferred Outflows and Inflows of Resources Related to Pensions. At June 30, 2017, the Clerk reported a liability of \$479,791 for its proportionate share of the Fund's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the net pension liability was based on a projection of the Clerk's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Clerk's proportion at that date was .0259334%.

Pension expense of \$73,125 was recognized for the year ended June 30, 2017. Deferred outflows and inflows of resources related to pensions were reported from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	4,896	16,330
Changes of assumptions	29,547	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	54,271	952
Net differences between projected and actual earnings on plan investments	82,775	-
Employer contributions subsequent to measurement date	65,919	-
Total	237,408	17,282

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Deferred outflows of resources of \$65,919 related to pensions resulting from the Clerk's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2018	28,379
2019	28,379
2020	40,560
2021	27,992
	<u>125,311</u>

Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The actuarial assumptions used in the June 30, 2016 valuation (excluding mortality) were based on the assumptions used in the June 30, 2016 actuarial funding valuation, and were initially designed to match, to the extent possible, those used by the prior actuary for the fiscal 2010 valuation. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2016 is as follows:

Valuation Date	6/30/2016
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment rate of return	7.00%, net of investment expense
Projected salary increases	5.00%
Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females) RP-2000 Healthy Annuitant Table (set forward 1 year for males)
Expected Remaining Service Lives	2016-5 years 2015-5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed to be substantively automatic.

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The actuarial assumptions used are based on the assumptions used in the 2016 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2009 - June 30, 2014, unless otherwise specified.

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return was 7.20% for the year ended June 30, 2016.

The best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2016 is summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income:		
Core fixed income	5.00%	1.00%
Core plus fixed income	15.00%	1.50%
Domestic Equity:		
Large cap domestic equity	21.00%	4.25%
Non-large cap domestic equity	7.00%	4.00%
International Equity:		
Large cap international equity	15.50%	5.25%
Small cap international equity	5.00%	5.00%
Emerging markets	6.50%	7.25%
Real Estate	10.00%	4.75%
Master Limited Partnerships	5.00%	6.50%
Hedge Funds	10.00%	3.50%
Totals	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

1% decrease	6.00%	682,691
Current discount rate	7.00%	479,761
1% increase	8.00%	307,514

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Payables to the Pension Plan

The Clerk of Court's payable to the LACRF at June 30, 2017 was zero as the required contribution owed for the 2nd quarter of the 2017 calendar year was paid in full at the end of the fiscal year.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LACRF 2016 annual financial report at www.laclerksofcourt.org.

NOTE 11-DEFERRED COMPENSATION PLAN

All of the employees of the Clerk are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 25% of their salary (not to exceed \$16,500 per year) to the plan on a pre-tax basis. The contributions are withheld from the employee's paycheck and the Clerk matches up to \$200 per month for each employee. The contributions are fully vested immediately and are remitted to a third-party administrator each payday where they are deposited to an account in the employee's name. The Clerk of Court does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2017, the Clerk's matching funds totaled \$15,150.

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NOTE 12-OTHER POST-EMPLOYMENT BENEFITS

From an accrual accounting perspective, the cost of postemployment healthcare benefits should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2010, the Clerk of Court began to recognize the cost of postemployment healthcare in the year when employee services are received, to report the accumulated liability from prior years, and to provide information useful in assessing potential demands on the Clerk of Court's future cash flows. Because the Clerk of Court adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2010 liability.

Plan Description: The Clerk of Court's defined benefit postemployment health care plan (the Retiree Health Plan) provides medical, dental, vision and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust (LCCIT), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association. The plan issues a publicly available financial report.

Funding Policy: The contribution requirements of plan members and the Clerk of Court are established and may be amended by the LCCIT board of trustees. The Clerk of Court pays for the entire premium charge by the LCCA for retirees and their dependents. Retirees are not required to contribute.

Annual OPEB Cost and Net OPEB Obligation: For 2017, the Clerk of Court's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The Clerk of Court utilizes the level percentage of projected payroll amortization method to amortize the unfunded actuarial accrued liability.

The following table shows the components of the Clerk of Court's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk of Court's net OPEB obligation:

Annual required contribution	17,827
Interest on net OPEB obligation	2,269
Adjustment to annual required contribution	(3,349)
Annual OPEB cost	<u>16,747</u>
Contributions made	-
Increase in net OPEB obligation	<u>16,747</u>
Net OPEB obligation, beginning of year	<u>64,834</u>
Net OPEB obligation, ending of year	<u><u>81,581</u></u>

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JUNE 30, 2017**

The Clerk's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for the year ended June 30, 2017, is as follows:

Year Ended	Discount Rate	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	3.50%	8,721	0.00%	56,013
6/30/2016	3.50%	8,721	0.00%	64,834
6/30/2017	3.50%	16,747	0.00%	81,581

Funding Status and Funding Progress. As of June 30, 2017, the actuarial accrued liability for benefits was \$159,414, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$264,597 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 60.25%.

The projection of future benefit payments for an on-going plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funding status of the Plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented in the required supplementary information following the notes, presents multi-year trend information about whether the actuarial value of the Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive Plan 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.

NOTE 13 -RELATED PARTY TRANSACTIONS

There were no related party transactions requiring disclosure.

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14-LITIGATION AND CLAIMS

There is no litigation that would require disclosure in the accompanying financial statements.

NOTE 15-SUBSEQUENT EVENTS

There were no events between the close of the year through December 27, 2017, the date on which the financial statements were available to be issued, that would materially impact these basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental revenues	\$ 27,675	\$ 21,791	24,904	\$ 3,113
Charges for services:				
Court costs and fees	303,304	238,818	272,933	34,115
Certified copies and data processing	58,787	46,288	52,900	6,612
Licenses	2,934	2,310	2,640	330
Recording fees	150,776	118,719	135,679	16,959
Grants	6,870	5,409	6,182	773
Interest earned	1,392	1,096	1,252	157
Other revenues	1,262	994	1,136	142
	<hr/>			
Total Revenues	553,000	435,425	497,626	62,201
 <u>EXPENDITURES</u>				
General government	490,000	473,000	468,665	4,335
Capital Outlay	-	8,000	7,945	55
	<hr/>			
Total Expenditures	490,000	481,000	476,610	4,390
Change in Fund Balances	63,000	(45,575)	21,016	57,811
Fund Balances, beginning	694,649	694,649	694,649	-
	<hr/>			
Fund Balances, ending	<u>757,649</u>	<u>649,074</u>	<u>715,665</u>	<u>57,811</u>

See Independent Auditor's Report

**WEST FELICIANA PARISH CLERK OF COURT ST.
FRANCISVILLE, LOUISIANA
SCHEDULE OF FUNDING PROGRESS
YEAR ENDED JUNE 30, 2017**

Actuarial Valuation Date	Actuarial Value of Assets	Discount Rate	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/2015	-	3.50%	69,572	69,572	0.00%	250,200	27.81%
6/30/2016	-	3.50%	69,572	69,572	0.00%	246,778	28.19%
6/30/2017	-	3.50%	159,414	159,414	0.00%	264,597	60.25%

See independent auditor's report.

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2017**

Year	Employer's Proportion of the Net Pension Liab (Asset)	Employer's Proportionate Share of the Net Pension Liab (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liab (Asset) as a % of its Covered Employee Payroll	Plan Fiduciary Net Pension as a % of the Total Pension Liability
2017	0.259334%	\$479,761	\$264,597	181.32%	287.15%
2016	0.025996%	\$389,954	\$246,778	158.02%	357.20%
2015	0.260190%	\$419,463	\$252,515	166.11%	79.37%

This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

See independent auditor's report.

**WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
YEAR ENDED JUNE 30, 2017**

<u>Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a %age of Covered Employee Payroll</u>
2017	\$ 65,919	\$ 65,919	\$ -	\$ 264,597	24.91%
2016	\$ 47,723	\$ 63,503	\$ (15,780)	\$ 246,778	25.73%
2015	\$ 40,795	\$ 61,963	\$ (21,168)	\$ 252,515	24.54%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2017**

NOTE 1-BUDGETARY BASIS OF ACCOUNTING

The budgetary comparison schedule of the General Fund (referred to by the Clerk as the Salary Fund) has been presented on the modified accrual basis of accounting which is consistent with accounting principles generally accepted in the United States of America.

NOTE 2 -PENSION

Changes in Benefit Terms. There was no change of benefit terms during any of the years presented.

Changes of Assumptions. Amounts reported in fiscal year June 30, 2016, by the Louisiana Clerks' of Court Retirement and Relief Fund reflect no changes of benefit assumptions.

SUPPLEMENTAL INFORMATION

**WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017**

ASSETS

Cash and cash equivalents	\$ 566,972
Total Assets	<u>\$ 566,972</u>

NET POSITION

Held in trust for others	<u>\$ 566,972</u>
Total Net Position	<u>\$ 566,972</u>

See independent auditor's report.

**WEST FELICIANA PARISH CLERK OF
COURT ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
YEAR ENDED JUNE 30, 2017**

	Advance Deposit Fund	Registry of Court Fund	Total
Additions			
Interest earned	102	46	147
Suits and successions	275,509	15,000	290,509
Total Additions	275,611	15,046	290,656
Deductions			
Clerk of Court's costs	189,726	-	189,726
Settlement to/on behalf of litigants	29,705	2,569	32,274
Attorney, curator, and notary fees	15,958	-	15,958
Sheriff's fees	17,784	-	17,784
Total deductions	253,173	2,569	255,742
Change in net position	22,438	12,477	34,914
Net position, beginning of year	441,742	90,316	532,058
Net position, ending of year	464,179	102,793	566,972

See independent auditor's report.

**WEST FELICIANA PARISH CLERK OF COURT
ST FRANCISVILLE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
YEAR ENDED JUNE 30, 2017**

Agency Head

Felicia Ann Hendl
Clerk of Court

Purpose	Amount
Salary	\$ 102,948
Supplemental pay	22,800
Certificaton compensation	7,206
Elections/jury commission	1,800
Expense allowance	13,295
Benefits - retirement	27,675
Benefits - deferred compensation	12,000
Benefits - group insurance	15,500
Travel:	
Auto allowance	22,207
Registration fees	1,175
Membership fees	2,354
Airfare	364
Lodging	1,031
Reimbursements for office expenses	
	<hr/>
Total Compensation, Benefits and Other Payments	<u><u>230,355</u></u>

See Independent Auditor's Report

Minda B. Raybourn

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

The Honorable Felicia Ann Hendl,
West Feliciana Parish Clerk of Court
P. O. Box 1843
St. Francisville, Louisiana 70775

I 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-type activities and each fiduciary fund of the West Feliciana Parish Clerk of Court, a component unit of the West Feliciana Parish Police Jury, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the West Feliciana Parish Clerk of Court's basic financial statements, and have issued my report thereon dated December 27, 2017.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the West Feliciana 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 West Feliciana Parish Clerk of Court's internal control. Accordingly, I do not express an opinion on the effectiveness of the West Feliciana Parish Clerk of Court's internal control.

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 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. A *significant deficiency* is a deficiency, or a combination of deficiencies,

in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

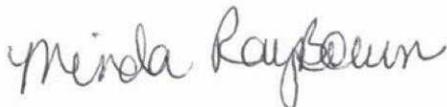
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Feliciana Parish Clerk of Court's financial statements are free from material misstatement, I 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 my audit, and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

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



Minda B. Raybourn CPA
Franklinton, La
December 27, 2017

**WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2017**

I have audited the financial statements of the West Feliciana Parish Clerk of Court as of and for the year ended June 30, 2017, and have issued my report thereon dated December 27, 2017. I 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. My audit of the financial statements as of June 30, 2017, resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

A. Report on Compliance and Internal Control Material to the Financial Statements

Internal Control	Significant Deficiencies	o No
	Material weaknesses	o No

Compliance	Material to Financial Statements	o No
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B. Federal Awards

N/A

Section II Financial Statement Findings

None

Section III Federal Award Findings and Questioned Costs

None

Section IV Management Letter

None

WEST FELICIANA PARISH CLERK OF COURT
ST. FRANCISVILLE, LOUISIANA

SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2016

Section I Financial Statement Findings

None

Section II Internal Control and Compliance Material to the Financial Statements

None

Section III Compliance and Internal Control Material to Federal Awards

None

Section IV Management Letter

None

INDEPENDENT ACCOUNTANT’S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Minda B. Raybourn

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

December 27, 2017

To the Honorable Felicia Ann Hendl
West Feliciana Parish Clerk of Court
PO Box 1843
St. Francisville, LA 70775
And Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by West Feliciana Clerk of Court (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

There were no exceptions noted as a result of applying this procedure.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and addressed the functions noted above except for how vendors are added to the vendor list and the use of purchase requisitions and purchase orders.

Management reponse: The Clerk of Court utilizes the Quickbooks software which does not limit how vendors are added. The Clerk of Court maintains the accounting and has the final approval of adding vendors to the software. The Clerk, as agency head, has the final approval of all purchases.

- c) **Disbursements**, including processing, reviewing, and approving

There were no exceptions noted as a result of applying this procedure.

- d) **Receipts**, including receiving, recording, and preparing deposits

There were no exceptions noted as a result of applying this procedure.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

There were no exceptions noted as a result of applying this procedure.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

There were no exceptions noted as a result of applying this procedure.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

There were no exceptions noted as a result of applying this procedure.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

There were no exceptions noted as a result of applying this procedure.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

There were no exceptions noted as a result of applying this procedure.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The Clerk does not have debt service and therefore, this attribute is not applicable.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

The Clerk does not have a Board or Finance Committee, and therefore, this procedure is not applicable.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

This procedure is not applicable.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

This procedure is not applicable.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

A listing of client bank accounts and management's representation the listing is complete were obtained.
4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;
 - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

Bank statements and reconciliations for all months in the fiscal period were obtained for selected accounts noting that management's review were documented on the reconciliations.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Management has documentation and has reviewed items that have been outstanding for more than 6 months at the end of the fiscal year.

Collections

- 5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

A listing of cash collection locations and management's representation that the listing is complete were obtained.

- 6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

In the cash collection location selected, the person responsible for collecting cash is not responsible for depositing cash in the bank, recording transactions, or reconciling the bank account. The Clerk has one collection location and the cash drawer is shared with multiple employees. The person responsible for cash does not appear to be bonded.

Management's response: The Louisiana Revised Statutes do not require Clerk of Court employees to be bonded. Due to the size of the office, it is not cost effective to have more than one cash drawer.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

There is a formal process to reconcile cash collections to the general ledger by revenue source, by a person who is not responsible for cash collections.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

The highest (dollar) week of cash collections for the one collection location was obtained along with collection documentation, deposit slips, and bank statements. The location had one deposit within four days of collection, one within three days, and one within two days. These were deposits to the salary account.

Management response: The policies will be reviewed for the timeliness of all deposits.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

All collections were completely supported by documentation for the location tested.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

In all locations, there is a process defined to determine the completeness of all collections by a person who is not responsible for collections.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

A listing of disbursements and management's representation that the listing is complete were obtained.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

The Clerk's disbursement policy does not require the use of a requisition/purchase order or equivalent electronic system.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

The Clerk's disbursement policy does not require the use of a requisition/purchase order or equivalent electronic system.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

The Clerk's disbursement policy does not require the use of a requisition/purchase order or equivalent electronic system.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

The Clerk does not have written documentation that prohibits the person responsible for processing payments from adding vendors to the Clerk's purchasing/disbursement system.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

The Clerk does not have written documentation that prohibits the person with signatory authority or the person that makes the final authorization for disbursements from initiating or recording purchases.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Inquiry and observations of management indicated that unused check stock is maintained in a locked location.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer.

Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

The Clerk does not use signature stamps or a signature machine.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of active credit cards, bank debit cards, fuel cards and the name of the person who maintains possession of the cards and management's representation that the listing is complete were obtained.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

The clerk has only one credit card.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Monthly statements were obtained noting there the Clerk reviews, approves, and attaches supporting documentation to the statement.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

There were no finance charges and/or late fees assessed on any of the card selected.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
- An original itemized receipt (i.e., identifies precisely what was purchased)

For each of the transactions tested, all transactions did have the original receipt or invoice attached.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

There were no exceptions noted as a result of applying this procedure.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

The written policies did not require any other documentation.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

There were no exceptions noted as a result of the testing of transaction details to the Clerk's written purchasing/department policies. There were no transactions noted that would have been subject to Louisiana Public Bid Law.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

There were no exceptions noted as a result of applying this procedure.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

A listing of travel and expense reimbursements by person and management's representation that the listing is complete were obtained.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

The Clerk's written policies relating to travel and expense reimbursements was obtained.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the

largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

There were no exceptions noted as a result of applying this procedure.

- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

There were no exceptions noted as a result of applying this procedure.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

There were no exceptions noted as a result of applying this procedure.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

There were no exceptions noted as a result of applying this procedure.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

There were no exceptions noted as a result of applying this procedure.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

There were no exceptions noted as a result of applying this procedure.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

A listing of all contracts in effect during the fiscal period and management's representation that the listing is complete were obtained.

21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

There were no exceptions noted as a result of applying this procedure.

- b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

There were no exceptions noted as a result of applying this procedure.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

There were no exceptions noted as a result of applying this procedure.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

The contract was amended once. The scope was for one additional software license and one computer product for hosted application use. The monthly is for \$135. There were no exceptions noted as a result of applying this procedure. The original contract contemplated changes.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

There were no exceptions noted as a result of applying this procedure.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

The Clerk does not have a board.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management’s representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

A listing of employees with their related salaries and management's representation that the listing is complete were obtained. Five employees were randomly selected and their personnel files were obtained.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

There were no exceptions noted as a result of applying this procedure.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

There were no exceptions noted as a result of applying this procedure.

- 23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

All selected employees did have daily attendance documented. There is no formal documentation for leave. If an employee wants to take leave, it is verbally discussed with the clerk and will be documented on a calendar.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

The selected employees did not have written documentation that the supervisor approved attendance and leave.

Management's response: The Clerk will review and establish the use of leave documentation or leave slips.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

The selected employees did maintain complete written documentation of leave records. Hours earned and balance available are calculated and noted at the end of the monthly payroll processing.

- 24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

There were no employees terminated.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

There were no exceptions noted as a result of applying this procedure.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

There were no exceptions noted as a result of applying this procedure.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

Management asserted that they have received no allegations during the fiscal period.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

No debt was issued during the fiscal period.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

The Clerk does not have any outstanding debt.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

The Clerk has no tax millages relating to debt service.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

The Clerk does have the required notices posted on its premises and website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

No exceptions were noted as a result of applying this procedure.

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Minda Rayburn

Franklinton, LA
December 27, 2017