

JEFFERSON PARISH CLERK OF COURT

Gretna, Louisiana

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2013

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana
Annual Financial Report
For the Year Ended June 30, 2013

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JEFFERSON PARISH CLERK OF COURT
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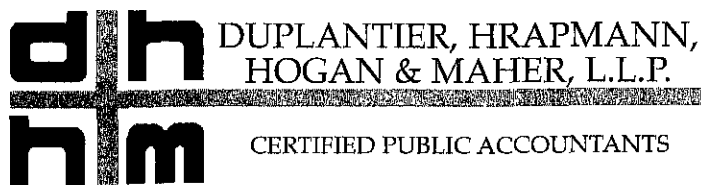
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WILLIAM G. STAMM, C.P.A.
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GUY L. DUPLANTIER, C.P.A.
MICHELLE H. CUNNINGHAM, C.P.A.
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INDEPENDENT AUDITOR'S REPORT

December 20, 2013

Honorable Jon A. Gegenheimer
Jefferson Parish Clerk of Court
Gretna, Louisiana

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

1615 Poydras St., Suite 2100 • New Orleans, LA 70112 • (504) 586-8866 • FAX (504) 525-5888
1670 Old Spanish Trail • Slidell, LA 70458 • (985) 649-9996 • Fax (985) 649-9940
247 Corporate Drive • Houma, LA 70360 • (985) 868-2630 • Fax (985) 872-3833
5047 Highway 1, P.O. Box 830 • Napoleonville, LA 70390 • (985) 369-6003 • Fax (985) 369-9941
www.dhhmcpa.com

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

Basis for Qualified Opinion on the Fiduciary Funds

The Jefferson Parish Clerk of Court has not reconciled the individual deposit balances in the advance deposit agency funds with their cash balances at June 30, 2013. Therefore, we were unable to verify the unsettled deposit balances due to others at June 30, 2013 in the advance deposit agency funds totaling \$43,047,780. The effects on the financial statements of not reconciling the individual deposit balances cannot be reasonably determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on the Fiduciary Funds” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the fiduciary funds of the Jefferson Parish Clerk of Court as of June 30, 2013 and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities major fund of the Clerk as of June 30, 2013, and the respective changes in financial position thereof 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 and budgetary comparison information on pages 6 through 11 and 39 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Jefferson Parish Clerk of Court’s basic financial statements. The required supplementary information on page 40 is presented for additional analysis as required by the Governmental Accounting Standard Board (GASB) and is not a required part of the basic financial statements. The required supplementary information is the responsibility of management and was

derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013 on our consideration of the Clerk's internal control over financial reporting and on our 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 our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

New Orleans, Louisiana

Duplantier, Hapmann, Hogan & McInnis LLP

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013

Our discussion and analysis of the Jefferson Parish Clerk of Court's financial performance provides an overview of the financial activities as of and for the fiscal year ended June 30, 2013. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the activities as a whole and present a longer-term view of the Clerk of Court's finances. Fund financial statements start on page 15. For governmental activities, these statements show how these services were financed in short term as well as what remains for future spending. Fund financial statements also report the operation in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated except for the effects of such adjustments, if any, as might have been determined to be necessary had we reconciled the individual deposit balances in the advance deposit agency funds. The auditor is providing a lesser degree of assurance on the Required Supplementary Information. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the Jefferson Parish Clerk of Court as a whole better off or worse as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information on the Clerk of Court as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

These two statements report the net position and changes in it. Net position—the difference between assets and liabilities—is one way to measure the financial health or financial position of an entity. Over time, increases or decreases in net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the Jefferson Parish Clerk of Court.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the Clerk of Court as a whole. Some funds are required to be established by State laws.

The Clerk of Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk of Court's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations immediately following the fund financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As of June 30, 2013, assets exceeded liabilities by \$8,604,872.17 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 - (1) Invested in capital assets of \$814,623.09 including the cost of office equipment, furniture and fixtures, and automobiles, net of accumulated depreciation.

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

FINANCIAL HIGHLIGHTS - continued

- (2) Unrestricted net position of \$7,790,249.08 representing the portion available to maintain the continuing obligations to citizens and creditors.
- The governmental funds reported total ending fund balance of \$8,776,256.71, of which \$8,758,701.44 was classified as unassigned and \$17,555.27 was classified as nonspendable.
 - Total expenditures/expenses for all judicial activities was \$16,216,254.63 for the year, which was \$1,410,386.20 more than the program revenues for these activities - \$14,805,868.43.

The Statement of Net Position and the Statement of Activities report only one type of activity - governmental activities. All of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these services.

FINANCIAL ANALYSIS OF THE JEFFERSON PARISH CLERK OF COURT AS A WHOLE.

The Clerk of Court's net position decreased by \$828,610.77 as a result of this year's operations. The overall financial position decreased during the fiscal year ended June 30, 2013. Unrestricted net position-the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements-absorbed most of the decrease this year. The balance in net position represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today, including all of our non-capital liabilities, we would have \$8,604,872.17 left.

The Clerk of Court's total revenues for the year in governmental activities were \$15,387,643.86 (\$14,805,868.43 in charges for services and \$581,775.43 in general revenues). The total cost of all judicial programs and services was \$16,216,254.63.

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

FINANCIAL ANALYSIS OF THE CLERK OF COURT'S FUNDS

As we noted earlier, the Clerk of Court uses funds to help it control and manage money for particular purposes. Fund Analysis helps you consider whether the Clerk of Court is being accountable for the resources provided to it, but may also give you more insight into its overall financial health.

As the Clerk of Court completed the year, its governmental fund reported a fund balance of \$8,776,256.71. This reflects a decrease of \$788,103.06 from last year. This decrease is primarily the result of the events and programs described within the analysis of the governmental activities.

The following is the Clerk's financial information for the current and prior years in condensed form.

JEFFERSON PARISH CLERK OF COURT
CONDENSED STATEMENT OF NET POSITION
JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Assets and deferred outflows		
Current	\$ 12,600,883.48	\$ 13,234,373.95
Capital assets, net	814,623.09	827,325.79
Deferred outflows	<u>17,555.27</u>	<u>29,499.45</u>
 Total assets and deferred outflows	 <u>13,433,061.84</u>	 <u>14,091,199.19</u>
 Liabilities and Net Position		
Current liabilities	3,842,182.04	3,699,513.63
Noncurrent liabilities	<u>986,007.63</u>	<u>958,202.62</u>
 Total liabilities	 <u>4,828,189.67</u>	 <u>4,657,716.25</u>
 Net Position		
Invested capital assets	814,623.09	827,325.79
Unrestricted	<u>7,790,249.08</u>	<u>8,606,157.15</u>
 Total net position	 <u>\$ 8,604,872.17</u>	 <u>\$ 9,433,482.94</u>

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

JEFFERSON PARISH CLERK OF COURT
CONDENSED STATEMENT OF ACTIVITIES
JUNE 30, 2013 AND 2012

	2013	2012
Total revenues	\$ 15,387,643.86	\$ 15,294,898.56
Total expenditures/expenses	16,216,254.63	16,967,166.72
Changes in net position	(828,610.77)	(1,672,268.16)
Net position, beginning of year	9,433,482.94	11,105,751.10
Net position, end of year	\$ 8,604,872.17	\$ 9,433,482.94

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund's June 30, 2013 fund balance was revised by \$760,295.41. Major budget amendments were approved as follows:

- (A) Budgeted revenues were increased by \$44,769.50 of which the largest revisions were in fees from court costs and charges which was decreased by \$114,282.04, recording of legal documents which was increased by \$390,120.60, and by fees transferred from advanced deposit which was decreased by \$308,722.03. These adjustments were required to reflect actual trends.
- (B) Budgeted expenditures decreased \$715,525.91 mainly due to decreased personal services and related benefits, and decreased materials and supplies.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2013 was \$814,623.09.

This year there were \$329,279.10 of additions to capital assets. More detailed information about the capital assets is presented in Note (4) to the financial statements.

JEFFERSON PARISH CLERK OF COURT
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

DEBT

At year-end, the Jefferson Parish Clerk of Court had \$521,109.63 of long-term compensated absences and \$464,898.00 of other post-employment benefits.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Clerk of Court considered many factors when budgeting the fiscal year rates and fees that would be charged. One of those factors is new laws and regulations.

The June 30, 2014 budget assumes there will be no significant changes in the Clerk's operations and is based on the assumption that expenditures will approximate the same level as the fiscal year ended June 30, 2013.

Salaries are budgeted as \$304,622.40 higher for fiscal year ending June 30, 2014 based on anticipated raises. The pension expense is budgeted as \$175,950.36 higher for fiscal year ending June 30, 2014 and payroll tax expense is budgeted as \$4,423.73 higher for fiscal year ending June 30, 2014. Capital expenditures are budgeted as \$204,151.84 lower for fiscal year ending June 30, 2014 and contract cost is budgeted as \$183,533.27 lower for fiscal year ending June 30, 2014.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Jefferson Parish Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives. If you have questions about this report or need additional information, contact the Honorable Jon Gegenheimer, Jefferson Parish Clerk of Court, Gretna, LA at phone number 504-364-2914.

FINANCIAL SECTION

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Statement of Net Position
June 30, 2013

ASSETS AND DEFERRED OUTFLOWS

	General Fund
Current assets:	
Cash and cash equivalents	\$ 5,930,277.05
Accounts receivable	1,917,529.02
Due from Agency Funds	<u>4,753,077.41</u>
Total current assets	<u>12,600,883.48</u>
Noncurrent assets:	
Capital assets, net	<u>814,623.09</u>
Deferred outflows:	
Prepaid insurance	<u>17,555.27</u>
Total assets and deferred outflows	<u>13,433,061.84</u>

LIABILITIES

Current liabilities:	
Accounts payable	3,028,967.74
Accrued payroll and related benefits	555,875.02
Compensated absences	<u>257,339.28</u>
Total current liabilities	<u>3,842,182.04</u>
Non-Current liabilities:	
Compensated absences	521,109.63
Other post-employment benefits	<u>464,898.00</u>
Total non-current liabilities	<u>986,007.63</u>
Total liabilities	<u>4,828,189.67</u>

NET POSITION

Invested in Capital Assets	814,623.09
Unrestricted	<u>7,790,249.08</u>
Total net position	\$ <u>8,604,872.17</u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Statement of Activities
For the Year Ended June 30, 2013

EXPENDITURES/EXPENSES

Personnel services and related benefits	\$ 13,280,194.56
Operating services	1,886,966.43
Materials and supplies	583,955.87
Travel and other charges	39,356.17
Intergovernmental	83,799.80
Depreciation	333,487.97
Loss on disposition of assets	<u>8,493.83</u>

Total expenditures/expenses 16,216,254.63

PROGRAM REVENUES

Charges for services	13,870,216.84
Licenses and permits	81,250.00
Other	<u>854,401.59</u>
Total program revenues	<u>14,805,868.43</u>

GENERAL REVENUES

Intergovernmental	124,165.85
Interest earnings	<u>457,609.58</u>
Total general revenues	<u>581,775.43</u>

NET POSITION

Change in net position	(828,610.77)
Beginning of year	<u>9,433,482.94</u>
End of year	\$ <u><u>8,604,872.17</u></u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Balance Sheet - Governmental Fund
June 30, 2013

<u>ASSETS</u>	<u>General Fund</u>
Cash and cash equivalents	\$ 5,930,277.05
Accounts receivable	1,917,529.02
Prepaid insurance	17,555.27
Due from Agency Funds	<u>4,753,077.41</u>
Total assets	\$ <u>12,618,438.75</u>
 <u>LIABILITIES AND FUND BALANCE</u>	
Accounts payable	\$ 3,028,967.74
Accrued payroll and related benefits	555,875.02
Compensated absences	<u>257,339.28</u>
Total liabilities	<u>3,842,182.04</u>
 Fund Balance:	
Nonspendable (prepaid insurance)	17,555.27
Unassigned	<u>8,758,701.44</u>
Total fund balance	\$ <u>8,776,256.71</u>
Total liabilities and fund balance	\$ <u>12,618,438.75</u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

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

Total fund balance - governmental fund
(fund financial statement) \$ 8,776,256.71

Amounts reported for *governmental activities* in the statement of net position (government-wide financial statements) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of the assets is \$4,969,441.34, and the accumulated depreciation is \$4,154,818.25. 814,623.09

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Compensated absences payable \$(521,109.63)
Other post-employment benefits (464,898.00)
(986,007.63)

Total net position of governmental activities (government-wide financial statements) \$ 8,604,872.17

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

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

REVENUES

Charges for services	\$	13,870,216.84
Licenses and permits		81,250.00
Intergovernmental		124,165.85
Interest earnings		457,609.58
Other		854,401.59
Total revenues		<u>15,387,643.86</u>

EXPENDITURES

Personnel services and related benefits		13,252,389.55
Operating services		1,886,966.43
Materials and supplies		583,955.87
Travel and other		39,356.17
Capital outlay		329,279.10
Intergovernmental		83,799.80
Total expenditures		<u>16,175,746.92</u>

Deficiency of revenues over expenditures		(788,103.06)
Fund balance - beginning of year		<u>9,564,359.77</u>
Fund balance - end of year	\$	<u>8,776,256.71</u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

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

Net change in fund balance - governmental
fund (fund financial statements) \$ (788,103.06)

Amounts reported for governmental
activities in the statement of
activities (government-wide financial
statements) are different because:

Governmental funds report capital
outlays as expenditures in the
individual fund. Governmental
activities report depreciation expense
to allocate the cost of those capital
assets over the estimated useful
lives of the asset.

Asset purchases capitalized	\$ 329,279.10	
Depreciation expense	(333,487.97)	
Disposition of assets, net	(<u>8,493.83</u>)	
		(12,702.70)

Some items reported in the statement of activities
do not require the use of current financial
resources and therefore are not reported as
expenditures in governmental funds. These
activities consist of:

Decrease in long-term compensated absences	47,940.99	
Increase in other post-employment benefits	(<u>75,746.00</u>)	
		<u>(27,805.01)</u>

Change in net position of governmental activities
(government-wide financial statements) \$ (828,610.77)

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Combining Statement of Fiduciary Net Position
June 30, 2013

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 46,658,803.11	\$32,515,637.98	\$79,174,441.09
Securities deposited with the Clerk of Court	0.00	1,154,350.88	1,154,350.88
Receivables	<u>33,645.18</u>	<u>0.00</u>	<u>33,645.18</u>
Total Assets	<u>\$ 46,692,448.29</u>	<u>\$ 33,669,988.86</u>	<u>\$80,362,437.15</u>
 <u>LIABILITIES</u>			
Due to Fee Fund Unsettled deposits	\$ 2,939,162.43	\$ 1,813,914.98	\$ 4,753,077.41
Other liabilities	<u>705,506.44</u>	<u>249,692.98</u>	<u>955,199.42</u>
Total liabilities	<u>\$ 46,692,448.29</u>	<u>\$ 33,669,988.86</u>	<u>\$80,362,437.15</u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

All Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Period Ended June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>Advance Deposit Funds</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 41,482,512.64	\$ 15,634,184.11	\$ 10,457,893.64	\$ 46,658,803.11
Investments	4,100,000.00	0.00	4,100,000.00	0.00
Receivables	31,674.83	3,051.80	1,081.45	33,645.18
Total Assets	<u>\$ 45,614,187.47</u>	<u>\$ 15,637,235.91</u>	<u>\$ 14,558,975.09</u>	<u>\$ 46,692,448.29</u>
<u>LIABILITIES</u>				
Due to Fee Fund	\$ 3,214,931.18	\$ 813,285.97	\$ 1,089,054.72	\$ 2,939,162.43
Unsettled deposits	41,802,901.72	1,244,877.70	0.00	43,047,779.42
Other liabilities	596,354.57	109,151.87	0.00	705,506.44
Total Liabilities	<u>\$ 45,614,187.47</u>	<u>\$ 2,167,315.54</u>	<u>\$ 1,089,054.72</u>	<u>\$ 46,692,448.29</u>
<u>Registry of Court Fund</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 34,049,418.46	\$ 5,638,927.79	\$ 7,172,708.27	\$ 32,515,637.98
Securities deposited with the Clerk of Court	1,154,350.88	0.00	0.00	1,154,350.88
Total Assets	<u>\$ 35,203,769.34</u>	<u>\$ 5,638,927.79</u>	<u>\$ 7,172,708.27</u>	<u>\$ 33,669,988.86</u>
<u>LIABILITIES</u>				
Due to Fee Fund	\$ 1,761,550.00	\$ 70,065.28	\$ 17,700.30	\$ 1,813,914.98
Unsettled deposits	33,243,146.65	0.00	1,636,765.75	31,606,380.90
Other liabilities	199,072.69	50,620.29	0.00	249,692.98
Total Liabilities	<u>\$ 35,203,769.34</u>	<u>\$ 120,685.57</u>	<u>\$ 1,654,466.05</u>	<u>\$ 33,669,988.86</u>
<u>Total-All Agency Funds</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 75,531,931.10	\$ 21,273,111.90	\$ 17,630,601.91	\$ 79,174,441.09
Investments	4,100,000.00	0.00	4,100,000.00	0.00
Securities deposited with the Clerk of Clerk	1,154,350.88	0.00	0.00	1,154,350.88
Receivables	31,674.83	3,051.80	1,081.45	33,645.18
Total Assets	<u>\$ 80,817,956.81</u>	<u>\$ 21,276,163.70</u>	<u>\$ 21,731,683.36</u>	<u>\$ 80,362,437.15</u>
<u>LIABILITIES</u>				
Due to Fee Fund	\$ 4,976,481.18	\$ 883,351.25	\$ 1,106,755.02	\$ 4,753,077.41
Unsettled deposits	75,046,048.37	1,244,877.70	1,636,765.75	74,654,160.32
Other liabilities	795,427.26	159,772.16	0.00	955,199.42
Total Liabilities	<u>\$ 80,817,956.81</u>	<u>\$ 2,288,001.11</u>	<u>\$ 2,743,520.77</u>	<u>\$ 80,362,437.15</u>

See accompanying notes to the financial statements.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2013

INTRODUCTION

As provided by Articles V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as ex-officio notary public, the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

The GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since the Jefferson Parish Clerk of Court (Clerk of Court) is an independently elected official, and is legally separate and fiscally independent, the Clerk of Court is a separate governmental entity. There are unrecorded financial transactions between the Jefferson Parish Council (the Council) and the Clerk of Court where the Council provides office space and utilities for the Clerk of Court.

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Imposition of will
- Fiscally dependent

The above identified transactions between the Clerk of Court and the Parish Council are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

B. Reporting Entity - continued

The other three criteria of financial accountability do not pertain to the Clerk of Court when applying them as a means of identifying potential component units of the Jefferson Parish Council.

The Clerk of Court includes all funds, account groups, and activities, et cetera, that are within the oversight responsibility of the Clerk of Court. Other local governmental units over which the Clerk of Court exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the Clerk of Court.

C. Fund Accounting

The Clerk uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Fund

Governmental funds account for all or most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court. The Clerk of Court utilizes only one Governmental Fund - The General Fund.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Fund Accounting - continued

General Fund

The General Fund (Salary Fund), as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and accounts for the operations of the Clerk's office. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Funds

Fiduciary funds reporting focuses on net position and changes in net position. The only funds accounted for in this category by the Clerk are agency funds. The agency funds account for assets held by the Clerk as an agent for litigants held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. Measurement Focus/Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in the General Fund Statements on pages 15 and 17 are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statements of revenues, expenditures, and changes in fund balance report on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the General Fund Statements on pages 15 and 17 use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Clerk considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Measurement Focus/Basis of Accounting - continued

Revenues

Fees for certified copies, recording legal documents, marriage licenses, and commissions for services are recorded in the year they are earned. Interest income on time deposits are recorded when the income is available.

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

Deferred Inflows of Resources

Deferred inflows of resources arise when the Clerk receives resources before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the Clerk has a legal claim to the resources, the liability for deferred inflows of resources is removed from the combined balance sheet and the revenue is recognized.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Clerk has only one item that qualifies for reporting in this category, which is prepaid insurance.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Measurement Focus/Basis of Accounting - continued

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities (pages 13 and 14) display information about the Jefferson Parish Clerk of Court as a whole. These statements include all the financial activities of the Jefferson Parish Clerk of Court. Information contained in these financial statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from general revenues.

RECONCILIATION

On pages 16 and 18 are the reconciliations of the items reflected in the fund financial statements to the government-wide financial statements.

E. Budget Practices

The proposed budget for the 2013 fiscal year was made available for public inspection at the Clerk's office on June 7, 2012. The proposed budget, prepared on the modified-accrual basis of accounting, was published in the official journal ten days prior to the public hearing. The budget hearing was held at the Clerk's office on June 27, 2012. The budget is legally adopted and amended, as necessary, by the Clerk.

Formal budget integration (within the accounting records) is not employed as a management control device. The adopted operating budget of expenditures operates as an appropriation and amounts are available for expenditure only to the extent included within the budget. All appropriations lapse at year end. Budget amounts included in the required supplemental information are as adopted on June 27, 2012, and as amended on May 28, 2013. Outstanding encumbrances which are not canceled are included as part of the next year's budget.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

F. Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits, interest bearing demand deposits, and cash on hand. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. If the original maturities of time deposits or investments exceed 90 days, they are classified as investments. Investments are stated at cost which approximates market. Under state law, the Clerk may deposit funds in demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Compensated Absences

Employees of the Clerk of Court's office earn vacation leave at the rate of 10 to 20 working days per year depending upon the length of service. Vacation leave must be taken in the year following the year earned and cannot be carried over to successive years. Exceptions are made to allow a carry over of vacation until September 1st with a supervisor's permission, and beyond September 1st with permission of the Clerk of Court.

In lieu of sick leave, employees of the Clerk of Court's office earn 7.00 hours per month of service as personal leave. An employee may accumulate up to thirty-six days personal leave and may carry over personal leave into succeeding service years.

The Clerk's recognition and measurement criteria for compensated absences follows: GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if *both* of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

G. Compensated Absences - continued

The entire compensated absences liability is reported on the government-wide financial statements. The current portion of the liability for compensated absences is reported in the fund financial statements. The current portion is the amount left unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. The noncurrent portion of the liability is not reported in the fund financial statements.

H. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The capitalization policy includes all items with a unit cost of \$500 or more.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Office Equipment	5-7 years
Furniture and fixtures	7-10 years
Automobiles	5 years

I. USE OF ESTIMATES

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

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

J. FUND BALANCE

In the Balance Sheet of Governmental Funds, fund balances are segregated as follows:

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

The Clerk applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The Clerk does not have a formal minimum fund balance policy.

K. NET POSITION

Net position comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

K. NET POSITION - continued

- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

L. NEW GASB STATEMENTS

During the year ending June 30, 2013, the Clerk of Court implemented the following GASB Statements:

Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.*" The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflow of resources, and net position in a statement of financial position and related disclosures.

Statement No. 65, "*Items previously reported as Assets and Liabilities.*" The statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

The effect of implementing GASB Nos. 63 and 65 on the financial statements was to classify amounts previously reported as liabilities, unearned revenues, to deferred inflows of resources and to report the excess over liabilities and deferred inflows of resources as net position.

2. SECURITIES DEPOSITED WITH CLERK OF COURT

Securities deposited with the clerk of court, stated at \$1,154,350.88, represent securities (principally stocks and bonds) which the courts have ordered to be held by the Clerk of Court until judgment has been rendered in court litigation. The carrying value of these securities is the amount assigned by the court. These securities are held in the Clerk of Court's vault and may only be released to litigants upon order of the court.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

At June 30, 2013, the Clerk of Court had cash and cash equivalents (book balances) totaling \$85,104,718.14 as follows:

Petty cash and on hand	\$	2,427.00
Demand deposits		<u>85,102,291.14</u>
 Total	 \$	 <u>85,104,718.14</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. 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. At June 30, 2013, the Clerk had \$85,244,301.98 in deposits (collected bank balances). These deposits were fully covered by federal depository insurance and pledged securities. The pledged securities are held by the custodial bank in the name of the fiscal agent bank.

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the Clerk of Court will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. As of June 30, 2013, the Clerk of Court's total bank balances were fully insured and collateralized with securities held in joint custody. The Clerk has no formal policy regarding custodial credit risk.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

4. CAPITAL ASSETS

Capital assets and depreciation activity for the year follows:

	Balance <u>June 30, 2012</u>	Additions	Deletions	Balance <u>June 30, 2013</u>
Furniture and fixtures	\$ 739,090.57	\$ 2,945.14	\$ 0.00	\$ 742,035.71
Office equipment	3,933,084.13	326,333.96	159,313.82	4,100,104.27
Automobiles	<u>127,301.36</u>	<u>0.00</u>	<u>0.00</u>	<u>127,301.36</u>
 Total	 <u>4,799,476.06</u>	 <u>329,279.10</u>	 <u>159,313.82</u>	 <u>4,969,441.34</u>
Less accumulated depreciation				<u>4,154,818.25</u>
Net capital assets				<u>\$ 814,623.09</u>

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

5. RECEIVABLES

The receivables of \$1,951,174.20 at June 30, 2013 are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Agency Funds</u>	<u>Total</u>
Customer accounts receivable	\$1,661,519.10	\$ 33,645.18	\$1,695,164.28
Criminal fees	88,589.34	0.00	88,589.34
Court attendance	40,320.00	0.00	40,320.00
Family Support fees	68,233.44	0.00	68,233.44
Others	58,867.14	0.00	58,867.14
 Total	 <u>\$1,917,529.02</u>	 <u>\$ 33,645.18</u>	 <u>\$1,951,174.20</u>

An allowance for doubtful receivables is not required because all receivables are considered collectible.

6. PENSION PLAN

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

All regular employees averaging more than 20 hours per week who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 (age 60 if hired on or after January 1, 2011) with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 to 3 1/3 percent of their final-average salary for each year of credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 60 consecutive or joined months, that produce the highest average with a limit of increase of 10% in each of the last three 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 (age 60 if hired on or after January 1, 2011) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 10202 Jefferson Highway, Building A, Baton Rouge, Louisiana 70809, or by calling (225)293-1162.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

6. PENSION PLAN - continued

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Jefferson Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 17.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Jefferson Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Jefferson Parish Clerk of Court's contribution to the System for the years ended June 30, 2013, 2012, and 2011 were \$1,621,996.39, \$1,588,534.45, and \$1,582,719.75, respectively, equal to the required contributions for each year.

7. LEASES

The Jefferson Parish Clerk of Court paid lease expense for office equipment during the year ended June 30, 2013 in the amount of \$37,304.46. The Clerk of Court does not have any noncancellable operating or capital leases as of June 30, 2013.

8. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2013.

	Balance <u>7/1/2012</u>	Net Additions (Reductions)	Balance <u>6/30/2013</u>
Compensated absences	\$ 569,050.62	\$ (47,940.99)	\$ 521,109.63
Other post-employment benefits	<u>389,152.00</u>	<u>75,746.00</u>	<u>464,898.00</u>
	<u>\$ 958,202.62</u>	<u>\$ 27,805.01</u>	<u>\$ 986,007.63</u>

The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of compensated absences as of June 30, 2013:

Compensated absences current portion	\$ 257,339.28
Compensated absences long-term portion	<u>521,109.63</u>
Total compensated absences	<u>\$ 778,448.91</u>

The additions and reductions to compensated absences during 2013 represent the net change during the year because the additions and reductions could not be readily determined.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

9. LITIGATION AND CLAIMS

The Clerk of Court is a defendant in several lawsuits claiming damages of various amounts. In the estimation of legal advisors of the Clerk of Court, the ultimate resolution of these suits would not materially affect the financial statements.

Claims and litigation costs of \$150,522.21 were incurred in the current year, which has been recorded as a current-year expenditure in the General Fund.

10. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL

A portion of the Clerk of Court's office space is located in the parish courthouse which is owned by the parish council. The parish council provided a portion of utilities and maintenance for the operation of the Clerk of Court's office. In addition to these items, the parish council paid \$340,471.34 for office supplies, equipment, and fees. These expenditures are not reflected in the accompanying financial statements.

11. OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The Jefferson Parish Clerk of Court established a Group Insurance Plan, providing for payment of a portion of health care insurance premiums and life insurance premiums for eligible retired employees. The Group Insurance Plan is a single-employer defined benefit health care plan administered by the Jefferson Parish Clerk of Court which provides medical and life insurance to eligible retirees. The Jefferson Parish Clerk of Court has the authority to establish and amend plan benefit provisions. The Jefferson Parish Clerk of Court's medical and life insurance benefits are provided to employees upon actual retirement. Retirees are eligible for these benefits if they retire from the Jefferson Parish Clerk of Court with at least 12 years of service. The Clerk pays a portion of the retirees premium for these benefits. At June 30, 2013, 99 retirees were receiving post-employment benefits.

The employer effectively pays 50% of the medical coverage until age 65 for the retiree only (not dependents). Coverage ceases at age 65. The employer also pays for life insurance coverage after retirement (see the section below for more details). Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are 55 and 12 years of service, but most employees have historically waited until 25 years of service.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

11. OTHER POST-EMPLOYMENT BENEFITS - continued

Life insurance coverage is continued in the amount of \$10,000 for retirees, with certain existing retirees having higher amounts. The employer pays for life insurance after retirement, but it is based on a blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

Contribution Rates. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. Eligible retirees can participate in the health plan until age 65 then they must drop off the employer sponsored plan. The Jefferson Parish Clerk of Court offers one health plan for both active and retired employees: Humana National POS. Retirees pay 50% of the fully insured premiums. Eligible retirees are able to continue a portion of the term life benefits to death but must pay 50% of the premium. For fiscal year 2013, the Clerk of Court paid a monthly premium of \$331.65 for each retiree's medical coverage. The monthly premium for life insurance ranged from \$6.60 to \$16.50 for each retiree.

Fund Policy. Until Fiscal Year Ended June 30, 2008, the Jefferson Parish Clerk of Court recognized the cost of providing post-employment medical and life insurance benefits (the Jefferson Parish Clerk of Court's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. For Fiscal Years Ending June 30, 2013 and 2012, the Jefferson Parish Clerk of Court's portion of health care and life insurance funding cost for retired employees totaled \$136,011 and \$166,229 respectively.

Effective July 1, 2008, the Jefferson Parish Clerk of Court implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

11. OTHER POST-EMPLOYMENT BENEFITS - continued

Annual Required Contribution. The Jefferson Parish Clerk of Court's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2013</u>	<u>2012</u>
Normal Cost	\$ <u>67,427</u>	\$ <u>66,129</u>
30-year UAL amortization amount	<u>151,269</u>	<u>158,348</u>
Annual required contribution (ARC)	<u>\$ 218,696</u>	<u>\$ 224,477</u>

Net Post-employment Benefit Obligation (Asset). The table below shows the Jefferson Parish Clerk of Court's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal years ended June 30:

	<u>2013</u>	<u>2012</u>
Annual required contribution	\$ <u>218,696</u>	\$ <u>224,477</u>
Interest on Net OPEB Obligation	15,566	13,476
ARC adjustment	<u>(22,505)</u>	<u>(19,484)</u>
OPEB cost	<u>211,757</u>	<u>218,469</u>
Contribution	-0-	-0-
Current year retiree premium	<u>(136,011)</u>	<u>(166,229)</u>
Increase in Net OPEB obligation	<u>75,746</u>	<u>52,240</u>
Beginning Net OPEB obligation	<u>389,152</u>	<u>336,912</u>
Ending Net OPEB obligation	<u>\$ 464,898</u>	<u>\$ 389,152</u>

The following table shows the Jefferson Parish Clerk of Court's annual other post employment benefits (OPEB) cost, percentage of the cost contributed, and the net unfunded other post employment benefits (OPEB) liability:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	\$211,757	64.23%	\$464,898
June 30, 2012	\$218,469	76.09%	\$389,152
June 30, 2011	\$210,852	73.00%	\$336,912

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

11. OTHER POST-EMPLOYMENT BENEFITS - continued

Funded Status and Funding Progress. During the fiscal year ended June 30, 2013 and 2012, the Jefferson Parish Clerk of Court made no contributions to its other post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the July 1, 2012 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year June 30, 2013 was \$2,615,736 which is defined as that portion, as determined by a particular actuarial cost method (the Jefferson Parish Clerk of Court uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

	<u>2013</u>	<u>2012</u>
Actuarial accrued liability (AAL)	\$ 2,615,736	\$ 2,738,564
Actuarial value of plan assets (AVP)	<u>-0-</u>	<u>-0-</u>
Unfunded Act. accrued liability (UAAL)	<u>2,615,736</u>	<u>2,738,564</u>
Funded Ratio (AVP/AAL)	0%	0%
Covered payroll (active plan members)	9,691,135	\$9,171,494
UAAL as a percentage of covered payroll	26.99%	29.86%

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for other post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Jefferson Parish Clerk of Court and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Jefferson Parish Clerk of Court and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Jefferson Parish Clerk of Court and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

11. OTHER POST-EMPLOYMENT BENEFITS - continued

Actuarial Cost Method. The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets. There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45 will be used.

Turnover Rate. An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 11%. Based on past experience, we have also assumed that 50% of retirees decline health coverage because of the amount of the retiree contribution required.

Post employment Benefit Plan Eligibility Requirements. Although employees may retire at age 55 and 12 years of service, historically they have tended to wait until later to enter the D.R.O.P. To accommodate this historical tendency, we have assumed that actual retirement (and commencement of OPEB benefits) occurs three years after D.R.O.P. entry, which is assumed to occur at 25 years of service, but not beyond age 80. Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate). GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is for a plan that is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5% for ten years out and later.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

11. OTHER POST-EMPLOYMENT BENEFITS - continued

Mortality Rate. The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits. The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The medical rates provided are "unblended" rates for retired before Medicare eligibility as required by GASB 45 for valuation purposes.

Inflation Rate. Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases. This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post Retirement Benefit Increases. The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	OPEB Costs and Contributions		
	FY 2011	FY 2012	FY 2013
OPEB Cost	\$ 210,852	\$ 218,469	\$ 211,757
Contribution	-0-	-0-	-0-
Retiree premium	<u>153,916</u>	<u>166,229</u>	<u>136,011</u>
Total contribution and premium	<u>153,916</u>	<u>166,229</u>	<u>136,011</u>
Change in net OPEB obligation	<u>\$ 56,936</u>	<u>\$ 52,240</u>	<u>\$ 75,746</u>
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	73.00%	76.09%	64.23%

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Notes to the Financial Statements - continued
As of and for the Year Ended June 30, 2013

12. EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires that every four years (at the close of the term of office) the Clerk of Court must pay the parish treasurer the portion of the General Fund balance that exceeds one-half of the revenues of the Clerk's last year of his term of office limited to capital outlay expenditures during the term. At June 30, 2013, there was \$2,102,573.11 due the parish treasurer, which is recorded as accounts payable as a current liability. For the fiscal year ended June 30, 2013, there was no additional amount due the parish treasurer as this was not the last year of the Clerk's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

13. DEFERRED COMPENSATION PLAN

The Clerk offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Clerk employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Clerk did not make any contributions to the plan during the year ended June 30, 2013.

In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. In prior years, these assets were solely the property of the Clerk and subject to claims of general creditors, and were reported in the Clerk's financial statements. During 1998, the Clerk amended its plan to comply with the requirements of the Act. Thus, the Clerk no longer has ownership of the Plan assets and they are no longer reported in the financial statements.

14. FUND BALANCE

As of June 30, 2013, the Clerk has an unassigned fund balance of \$8,758,701.44. Prepaid insurance of \$17,555.27 is considered nonspendable fund balance.

Required Supplementary Information

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Marriage licenses and permits	\$ 88,200.00	\$ 79,837.50	\$ 81,250.00	\$ 1,412.50
Charges for services:				
Court costs, fees, and charges	1,986,104.65	1,871,822.61	1,906,287.21	34,464.60
Fees for:				
Recording legal documents	4,599,739.80	4,989,860.40	5,116,627.00	126,766.60
Certified copies of documents	758,525.64	839,919.54	856,462.20	16,542.66
Fees transferred from advanced deposit funds	6,157,597.99	5,848,875.96	5,898,824.41	49,948.45
Miscellaneous	159,000.00	61,590.66	92,016.02	30,425.36
Interest	317,208.42	383,622.26	457,609.58	73,987.32
Miscellaneous	816,454.79	848,960.56	854,401.59	5,441.03
Intergovernmental	101,613.26	104,724.56	124,165.85	19,441.29
Total revenues	<u>14,984,444.55</u>	<u>15,029,214.05</u>	<u>15,387,643.86</u>	<u>358,429.81</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Personal services & related benefits	13,403,618.95	12,950,943.64	13,252,389.55	(301,445.91)
Operating services	2,063,102.06	1,970,155.68	1,886,966.43	83,189.25
Materials & supplies	576,377.29	372,807.22	583,955.87	(211,148.65)
Travel and other charges	36,629.54	38,089.26	39,356.17	(1,266.91)
Capital outlay	500,000.00	547,901.84	329,279.10	218,622.74
Intergovernmental	99,703.73	84,008.02	83,799.80	208.22
Total expenditures	<u>16,679,431.57</u>	<u>15,963,905.66</u>	<u>16,175,746.92</u>	<u>(211,841.26)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>				
	(1,694,987.02)	(934,691.61)	(788,103.06)	146,588.55
<u>FUND BALANCE AT BEGINNING OF YEAR</u>				
	<u>8,967,722.82</u>	<u>9,564,359.77</u>	<u>9,564,359.77</u>	<u>0.00</u>
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ 7,272,735.80</u>	<u>\$ 8,629,668.16</u>	<u>\$ 8,776,256.71</u>	<u>\$ 146,588.55</u>

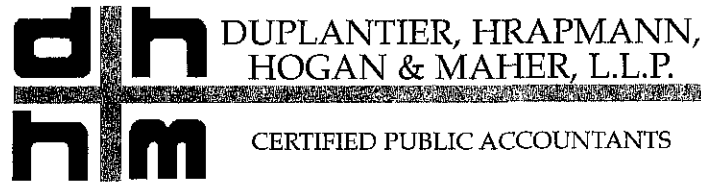
JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

Required Supplementary Information
Schedule of Funding Progress for
Jefferson Parish Clerk of Court's OPEB Plan
June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll { (b-a/c) }
July 1, 2013	-	\$ 2,615,736	\$ 2,615,736	- %	\$ 9,691,135	26.99%
July 1, 2012	-	\$ 2,738,564	\$ 2,738,564	- %	\$ 9,171,494	29.86%
July 1, 2011	-	\$ 2,633,235	\$ 2,633,235	- %	\$ 9,465,416	27.82%

WILLIAM G. STAMM, C.P.A.
LINDSAY J. CALUB, C.P.A., L.L.C.
GUY L. DUPLANTIER, C.P.A.
MICHELLE H. CUNNINGHAM, C.P.A.
DENNIS W. DILLON, C.P.A.
GRADY C. LLOYD, III, C.P.A.

HEATHER M. JOVANOVIH, C.P.A.
TERRI L. KITTO, C.P.A.



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FELIX J. HRAPMANN, JR., C.P.A. (1919-1990)
WILLIAM R. HOGAN, JR., C.P.A. (1920-1996)
JAMES MAHER, JR., C.P.A. (1921-1999)

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*

December 20, 2013

Honorable Jon A. Gegenheimer
Jefferson Parish Clerk of Court
Gretna, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities major fund and fiduciary funds of the Jefferson Parish Clerk of Court, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise of Jefferson Parish Clerk of Court's basic financial statements and have issued our report thereon dated December 20, 2013. The opinion on the fiduciary funds was qualified because the Jefferson Parish Clerk of Court has not reconciled the individual deposit balances in the advance deposit agency funds with their cash balances at June 30, 2013. Therefore, we were unable to verify the unsettled deposit balances due to others at June 30, 2013 in the advance deposit agency funds totaling \$43,047,780. The opinion on the governmental activities major fund was unmodified.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jefferson 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 Jefferson Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of Jefferson Parish Clerk of Court's internal control.

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

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. We consider the deficiency described in the accompanying schedule of findings as item 2013-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Jefferson Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2013-02.

Jefferson Parish Clerk of Court's Response to Findings

The Jefferson Parish Clerk of Court's response to the findings identified in our audit is described in the accompanying schedule of findings. Jefferson Parish Clerk of Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document

Dylander, Hopmann, Hogan | Baker LLP

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

SUMMARY SCHEDULE OF FINDINGS
For the Year Ended June 30, 2013

SUMMARY OF AUDITOR'S RESULTS:

1. A qualified opinion was issued on the Fiduciary Funds of the Jefferson Parish Clerk of Court for the year ended June 30, 2013. An unmodified opinion was issued on the governmental activities major fund of the Clerk for the year ended June 30, 2013.
2. Findings Required To Be Reported Under Generally Accepted Government Auditing Standards:
 - Material weakness: Finding 2013-01
 - Noncompliance material to financial statements: 2013-02

Internal Control:

Material Weakness:

(2013-01) The Clerk of Court has not reconciled the individual deposit balances of the advance deposit funds totaling \$43,047,780 at June 30, 2013 with their cash balances. The advance deposit funds are agency funds used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid. The funds are held in the advance deposit funds until there is some court or other action making it appropriate for the Clerk of Court to disburse the funds.

The Clerk of Court, in his agency capacity, has the responsibility to reconcile the total of those balances with the total balance of the funds. The lack of this reconciliation increases the risk that individual balances may be misstated and that the transactions that are based on the balances could be in error.

Management's Response: Corrective action has been partially taken. The task of identifying the individual deposit balances involves a tremendous amount of detailed research of individual case files, portions of which have been completed. Because of the enormity of the task, it is difficult to predict when this work will be 100% completed. A new computer system has been installed which will facilitate the record keeping and enable the required reconciliation procedures.

As of January 11, 2006, the detailed research of individual case files already in process was entered into the new computer system.

Contact person - Jon A. Gegenheimer, Clerk of Court

Anticipated Completion Date - June 30, 2014.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

SUMMARY SCHEDULE OF FINDINGS
For the Year Ended June 30, 2013

2. Findings Required To Be Reported Under Generally Accepted Government Auditing Standards - continued

Compliance with Laws and Regulations:

(2013-02) The Clerk of Court has not refunded all balances on suits which have been inactive for five or more years. Louisiana Revised Statute 13:842(B) requires the Clerk of Court to refund to litigants any balances for suits that have been inactive for five or more years. These inactive, unclaimed balances only serve to complicate the accounting and reconciliation of the advance deposit funds. The Clerk of Court should identify inactive suit balances, by years, and refund the older balances to the litigants as required by statute.

Management's Response: Corrective action has been partially taken. The task of identifying the individual deposit balances which have been inactive for five or more years involves a tremendous amount of detailed research of individual case files. Because of the enormity of the task, it is difficult to predict when this work will be 100% completed. A new computer system has been installed which will facilitate the record keeping and enable the identification of deposit balances which should be refunded.

As of January 11, 2006, the detailed research of individual case files already in process was entered into the new computer system.

Contact person - Jon A. Gegenheimer, Clerk of Court

Anticipated Completion Date - June 30, 2014

3. Status of Prior Year Comments:

(2012-01) The Clerk of Court had not reconciled the individual deposit balances of the advance deposit funds totaling \$41,802,902 at June 30, 2012 with their cash balances. The advance deposit funds are agency funds used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid. The funds are held in the advance deposit funds until there is some court or other action making it appropriate for the Clerk of Court to disburse the funds.

JEFFERSON PARISH CLERK OF COURT
Gretna, Louisiana

SUMMARY SCHEDULE OF FINDINGS
For the Year Ended June 30, 2013

3. Status of Prior Year Comments - continued

The Clerk of Court, in his agency capacity, has the responsibility to identify individual deposit balances within the advance deposit funds and to reconcile the total of those balances with the total balance of the funds. The lack of this reconciliation increases the risk that individual balances may be misstated and that the transactions that are based on the balances could be in error. This finding is repeated through current year finding 2013-01.

(2012-02) The Clerk of Court had not refunded all balances on suits which have been inactive for five or more years. Louisiana Revised Statute 13:842(B) requires the Clerk of Court to refund to litigants any balances for suits that have been inactive for five or more years. These inactive, unclaimed balances only serve to complicate the accounting and reconciliation of the advance deposit funds. The Clerk of Court should identify inactive suit balances, by years, and refund the older balances to the litigants as required by statute. This finding is repeated through current year finding 2013-02.