AVOYELLES PARISH CLERK OF COURT

FINANCIAL STATEMENTS

JUNE 30, 2013

DUCOTE & COMPANY
Certified Public Accountants
219 North Main Street
P. O. Box 309
Marksville, LA 71351

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2013
With Supplemental Information Schedules

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AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Annual Financial Statements
As of and for the Year Ended June 30, 2013
With Supplemental Information Schedules

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Ducote & Company
Certified Public Accountants

Aloysia C. Ducote, CPA, PC
Joan S. Ducote, CPA, PC
Hope J. Gagnard, CPA, PC

INDEPENDENT AUDITORS' REPORT

The Honorable Connie C. Couvillon
Avoyelles Parish Clerk of Court
Marksville, Louisiana

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Avoyelles 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 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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.

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

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Opinions

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

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 4 through 6 and 30 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 the 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 inquires 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013, on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Avoyelles Parish Clerk of Court's internal control over financial reporting.

DUCOTE & COMPANY
Marksville, Louisiana
December 18, 2013

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REQUIRED SUPPLEMENTARY INFORMATION
PART I

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

Our discussion and analysis of the Avoyelles 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.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provides 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 10. For governmental activities, theses statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditors have provided assurance in their independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information Schedules is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the Avoyelles Parish Clerk of Court as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets 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.

These two statements report the net assets and changes in them. You can think of net assets – the difference between assets and liabilities – as one way to measure the financial health, or financial position. Over time, increases or decreases in net assets are 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 Avoyelles 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 Assets 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 a result of this year's operations, assets exceeded liabilities by $788,954 (net assets) for the fiscal year reported.
- Total net position is comprised of the following:
  (1) Invested in capital assets of $190,095, including cost of office equipment, furniture and fixtures, and automobiles, net of accumulated depreciation.
  (2) Unrestricted net positions of $598,859 representing the portion available to maintain the continuing obligation to citizens and creditors.
- The governmental funds reported total ending fund balance of $598,859, which was classified as unassigned. This compares to the prior year ending fund balance of $552,368 showing an increase of $46,490.
- Total spending for all judicial activities was $1,525,622, which was $133,132 less than program revenues for these activities of $1,646,598.

The Statement of Net Position and the Statement of Activities reports 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 activities.

FINANCIAL ANALYSIS OF THE AVOYELLES PARISH CLERK OF COURT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. Approximately 24% of the Avoyelles Parish Clerk of Court's net assets reflect its investment in capital assets (e.g. equipment). These assets are not available for future spending. The balance in unrestricted net assets is affected by required depreciation on assets being included in the statement of net assets for the first time.

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. Looking at funds 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 the overall financial health.

As the Clerk of Court completed the year, its governmental fund reported a fund balance of $598,859. This reflects an increase of $46,490 from last year. The increase is primarily the result of an overall increase in revenues and a decrease in expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was amended for numerous reasons. Revenues increased as a result of an increase in recording fees due to significant oil and gas lease activity in the Parish. This fiscal year personal services and related benefits were increased by $10,000 due to increases in salaries and related employee benefits. Operating services and supplies was increased by $55,000 due to increased costs from the influx of recording activity. Capital expenditures were also increased to cover the costs of various capital outlay projects that took place throughout the fiscal year including software upgrades, installation of a new heating and cooling system and the purchase of additional shelving.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2013 was $190,095.

This year there were $111,566 of additions and there were $52,494 of deletions. More detailed information about the capital assets is presented in Note 5 to the financial statements.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Avoyelles 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 financial information, contact Connie Couvillon, Avoyelles Parish Clerk of Court, P.O. Box 219, Marksville, LA 71351 at phone number 318-253-7523.

Connie B. Couvillon

December 18, 2013

BASIC FINANCIAL STATEMENTS

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE , LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2013

ASSETS	
Cash and cash equivalents	$272,379
Investments	320,000
Receivables - fees, charges, and commissions	31,162
Accrued interest receivable	2,126
Capital assets (net of accumulated depreciation)	190,095
TOTAL ASSETS	$815,762
LIABILITIES	
Accounts payable	$6,603
Payroll deductions payable	20,206
TOTAL LIABILITIES	26,809
NET POSITION	
Investment in capital assets	190,095
Unrestricted	598,859
TOTAL NET POSITION	$788,954

The accompanying notes are an integral part of this financial statement.

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

General government	
Personal service and related benefit	$870,542
Operating services	514,153
Materials and supplies	93,601
Travel and other charges	22,402
Depreciation expense	24,925
Total Program expenses	1,525,622
Program Revenues	
Licenses and permits	6,985
Fees, charges, and commissions for services:	
Court costs, fees, and charges	764,279
Fees for recording legal documents	596,758
Fees for certified copies of documents	216,327
Subscribed services	53,911
Miscellaneous	8,339
Total program revenues	1,646,598
Net program expenses	120,976
General revenues:	
Interest earnings	12,156
Changes in net position	133,132
Net position - beginning of year	655,823
Net position - end of year	$788,954

The accompanying notes are an integral part of this financial statement.

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE , LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013

	General Fund
ASSETS	
Cash and cash equivalents	$272,379
Investments	320,000
Receivables - fees, charges, and commissions	31,162
Accrued interest receivable	2,126
TOTAL ASSETS	$625,667
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$6,603
Payroll deductions payable	20,206
TOTAL LIABILITIES	26,809
FUND BALANCE	
Fund Balance	
Unassigned	598,859
TOTAL FUND BALANCE	598,859
TOTAL LIABILITIES AND FUND BALANCE	$625,667

The accompanying notes are an integral part of this financial statement.

Statement D

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

Total fund balances at June 30, 2013 - governmental funds (Statement C)		$598,859
Cost of capital assets at June 30, 2013	858,878	
Less: accumulated depreciation as of June 30, 2013	668,783	190,095
Long term liabilities at June 30, 2013		0
Net position at June 30, 2013 (Statement A)		$788,954

The accompanying notes are an integral part of this financial statement.

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund
REVENUES	
Licenses and permits	$6,985
Fees, charges, and commissions for services:	
Court costs, fees, and charges	764,279
Fees for recording legal documents	596,758
Fees for certified copies of documents	216,327
Subscribed services	53,911
Miscellaneous	8,339
Use of money and property:	
Interest earnings	12,156
Total revenues	1,658,754
EXPENDITURES	
General government	
Personal service and related benefit	870,542
Operating Services	514,153
Materials and supplies	93,601
Travel and other charges	22,402
Capital outlay	111,566
Total Expenditures	1,612,264
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	46,490
FUND BALANCES AT BEGINNING OF YEAR	552,368
FUND BALANCES AT END OF YEAR	$598,859

The accompanying notes are an integral part of this financial statement.

Statement F

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
RECONCILIATION OF GOVERNMENTAL FUNDS
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Total net change in fund balances - governmental funds (Statement E)	$46,490
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation for the period.	86,641
Changes in net position of governmental activities (Statement B)	$ 133,132

The accompanying notes are an integral part of this financial statement.

Statement G

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
STATMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
JUNE 30, 2013

	Advance Deposit Fund	Registry of Court Fund	Total
ASSETS			
Cash and cash equivalents	$8,551,292	$1,734,740	$10,286,031
Investments	1,095,000	0	1,095,000
NSF Receivable	2,536	0	2,536
TOTAL ASSETS	$9,648,828	$1,734,740	$11,383,567
LIABILITIES			
Unclaimed property	$8,485	$0	$8,485
Unsettled deposits	9,640,342	1,734,740	11,375,082
TOTAL LIABILITIES	$9,648,828	$1,734,740	$11,383,567

The accompanying notes are an integral part of this financial statement.

NOTES TO FINANCIAL STATEMENTS

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements
As of and for the Year Ended June 30, 2013

INTRODUCTION

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and 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 accompanying financial statements of the Avoyelles Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In June of 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Clerk's overall financial position and results of operations.

Financial statements prepared using the full accrual accounting for all of the Clerk's activities.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements).

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Avoyelles Parish Police Jury is the financial reporting entity for Avoyelles Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Avoyelles Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. REPORTING ENTITY, (Continued)

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

   a. The ability of the police jury to impose its will on that organization and/or

   b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Avoyelles Parish Police Jury, the financial reporting entity, has determined that the Avoyelles Parish Clerk of Court is not a component unit of the Avoyelles Parish Police Jury. The accompanying financial statements, therefore, present information only on the funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise that financial reporting entity.

C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

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

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

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognized all long-term assets and receivable as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gain, 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, gain, 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.*

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS (Continued)

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

Allocation of Indirect Expenses – The clerk reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

D. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

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

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

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

Fiduciary funds are used to account for assets held for others. The clerk of court's current operations requires the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

Governmental Funds

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

D. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS (Continued)

General Fund – the primary operating fund of the clerk and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to clerk policy.

Fiduciary Funds

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

E. BASIS OF ACCOUNTING

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

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

Modified Accrual
The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

E. BASIS OF ACCOUNTING (Continued)

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

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources
In some instances, the Governmental Accounting Standards Board required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increase in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from delayed recognition of expenditures or revenues, respectively.

F. 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 12 days prior to the public hearing. The budget hearing was held at the clerk's office on June 19, 2012. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year-end.

Formal budget integration (within the accounting records) is not employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the clerk's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days are less, they are classified as cash equivalents. All investments are held in certificates of deposits and are stated at cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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 clerk maintains a threshold level of $250 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets 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:

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

I. COMPENSATED ABSENCES

The clerk of court has the following policy relating to vacation and sick leave: Employees of the clerk's office earn two weeks of vacation leave each year. Vacation leave must be used in the year earned. Employees are allowed seven days of sick leave each year. Sick leave is noncumulative.

There are no accumulated or vested vacation and sick leave benefits which require accrual to conform with generally accepted accounting principles.

J. EQUITY CLASSIFICATIONS

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

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Unrestricted net positions – All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt." In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

Fund balances are classified as follows in the governmental fund financial statements. Proprietary fund equity is classified the same as in the government-wide financial statements.

Non-spendable – Fund balance that is not in spendable form or is legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories or prepaid items.

Restricted - Fund balance that can be spent only for the specific purposes stipulated by eternal resource providers, or through enabling legislation.

Committed – Fund balance that can only be used for specific purposes determined by the Clerk. Committed amounts cannot be sued for any other purpose unless the Clerk removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of a policy of the Clerk.

Assigned – Fund balance that is constrained by the Clerk's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Clerk.

Unassigned – Fund balance that is the residual classification for general fund.

K. USE OF ESTIMATES

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

L. RECENTLY ISSUED ACCOUNTING PRINCIPLES

In June 2011, the GASB issue Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Clerk adopted GASB 63 on July 1, 2012.

2. CASH AND CASH EQUIVALENTS

At June 30, 2013, the clerk of court has cash and cash equivalents (book balances) totaling $10,558,410 as follows:

Petty cash	$ 50
Cash on hand	80,021
Demand deposits	8,743,600
Interest bearing demand deposits	1,734,740
Total	$ 10,558,410

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 pledge 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 has $12,198,739 in deposits (collected bank balances including cash and investments). These deposits are secured from risk by $890,000. Of the remaining balance of $10,990,415 was covered by the pledging of securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). Of the remaining balance of the $12,198,739, $318,324 was unsecured.

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk of court that the fiscal agent has failed to pay deposited funds upon demand.

3. INVESTMENTS

At June 30, 2013, the clerk of court holds investments totaling $1,415,000 as follows:

	Carrying Amount	Market Value
Certificates of Deposits	$1,415,000	$1,415,000
Total	$1,415,000	$1,415,000

These investments are stated on the balance sheet at cost. The investments are in the name of the clerk and are held at the clerk's office. Because the certificates are in the name of the clerk and are held by the clerk or the clerk's agent, the certificates are considered insured and registered, Category 3, in applying the credit risk of GASB Codification Section 150.164.

4. RECEIVABLES

Receivables in the general fund totaled $30,927 at June 30, 2013 detailed as follows:

Accounts Receivable	
Current	$ 25,836
Over 30 days	2,789
Over 60 days	99
Other	2,438
Total Receivables	$ 31,162

5. CAPITAL ASSETS

Capital assets and depreciation activity for the year ended June 30, 2013 is as follows:

Governmental Activities

Balance June 30, 2012	$ 799,806
Fiscal Year 2012-13:	
Additions	111,566
Deletions	(52,494)
Balance June 30, 2013	858,878
Less accumulated depreciation	668,783
Net Capital Assets	$ 190,095

6. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Agency funds:				
Advance Deposit	$ 1,332,273	$ 9,614,671	$ 1,306,601	$ 9,640,342
Registry of Court	1,802,200	104,082	171,542	$ 1,734,740
Total	$ 3,134,473	$ 9,718,753	$ 1,478,143	$ 11,375,082

7. PENSION PLAN

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

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their Final-average salary is the employee's average salary not to exceed 100 percent of their final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Avoyelles Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 10 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 Avoyelles 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 Avoyelles Parish Clerk of Court's contributions to the System for the years ending June 30, 2013, 2012, and 2011 were $164,798, $147,625, and $135,882, respectively, equal to the required contributions for each year.

8. DEFERRED COMPENSATION PLAN

Beginning in July 2000 the Clerk elected to participate in the Louisiana Public Employees Deferred Compensation Plan State of Louisiana, a component unit of the State of Louisiana. The plan offers its participants (eligible public employees) a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan 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. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

8. DEFERRED COMPENSATION PLAN (continued)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributed to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. Participant's rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the State's legal counsel that the State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The State believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

10. OTHER POSTEMPLOYMENT BENEFITS

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

Plan Description. The Clerk'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 Clerk of Court Insurance Trust ("LCCIT), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerk of Court Association.

Funding Policy. The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT board of trustees. The Clerk pays for the entire premium charged by the LLCA for retirees. Retirees are required to pay 50% of the premium for their dependents. Vision is voluntary and paid 100% by the retiree. For fiscal year 2013, the Clerk contributed $124,985 to the plan and the retirees contributed $19,580.

Annual OPEB Cost and Net OPEB Obligation. For 2013, the Clerk'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 the 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 (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Clerk's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

10. OTHER POSTEMPLOYMENT BENEFITS (continued)

Annual Required Contribution	$207,562
Interest on Net OPEB Obligation	6,564
Adjustments to Annual Required Contribution	(9,852)
Annual OPEB Cost (Expense)	204,274
Contributions Made	(124,985)
Increase in Net OPEB Obligation	79,289
Net OPEB Obligation - beginning of year	187,537
Net OPEB Obligation - end of year	$266,826

The Clerk's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contriubed	Net OPEB Obligation
6/30/2010	$ 114,968	43.4%	$ 65,021
6/30/2011	$ 115,247	44.2%	$ 129,273
6/30/2012	$ 115,522	61.5%	$ 187,537
6/30/2013	$ 204,274	61.2%	$ 266,826

Funded Status and Funding Process. As of June 30, 2009, the actuarial accrued liability for benefits was $2,612,970 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $747,439, and the ratio of the unfunded actuarial liability to the covered payroll was 350.5%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events in 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 annual required contributions 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 as required supplementary information following the notes to the financial statements, presents multiyear 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 (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

10. OTHER POSTEMPLOYMENT BENEFITS (continued)

In the June 30, 2012 actuarial valuation (the most recent actuarial valuation available), the unit credit cost method was used. Based on the Clerk's short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5.5% after 15 years. The Clerk's unfunded actuarial liability is being amortized on a level dollar open basis over 30 years.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
6/30/2009	$0	$1,769,236	$1,769,236	0.0%	$579,132	305.5%
6/30/2012	$0	$2,612,970	$2,612,970	0.0%	$745,475	350.5%

11. LITIGATION

At June 30, 2013, the Avoyelles Parish Clerk of Court was not involved in any litigation and legal counsel is not aware of any unasserted claims.

12. SUBSEQUENT EVENTS

Subsequent events were evaluated through December 18, 2013, which is the date the financial statements were available to be issued. No material subsequent events have occurred since June 30, 2013, that required recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

Schedule 1

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance-favorable (unfavorable)
REVENUES				
Licenses and permits	$7,500	$7,500	$6,985	$(515)
Fees, charges, and commissions for services:				
Court costs, fees, and charges	700,000	750,000	764,279	14,279
Fees for recording legal documents	500,000	560,000	596,758	36,758
Fees for certified copies of documents	175,000	225,000	216,327	(8,673)
Subscribed Services	35,000	55,000	53,911	(1,089)
Miscellaneous	1,000	15,000	8,339	(6,661)
Use of money and property:				
Interest earnings	17,500	12,500	12,156	(344)
Total revenues	1,436,000	1,625,000	1,658,754	33,754
EXPENDITURES				
General government				
Personal service and related benefit	850,000	860,000	870,542	(10,542)
Operating Services	400,000	425,000	514,153	(89,153)
Materials and supplies	125,000	140,000	93,601	46,399
Travel and other charges	15,000	35,000	22,402	12,598
Capital outlay	0	130,000	111,566	18,434
Total Expenditures	1,390,000	1,590,000	1,612,264	(22,264)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	46,000	35,000	46,490	11,490
OTHER FINANCING SOURCES (USES)				
Appropriations to other governmental units	(6,000)	(4,200)	0	4,200
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	40,000	30,800	46,490	15,690
FUND BALANCES AT BEGINNING OF YEAR	552,368	552,368	552,368	0
FUND BALANCES AT END OF YEAR	$592,368	$583,168	$598,859	$15,690

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 2013

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

Formal budgetary integration within the accounting records is not employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

OTHER SUPPLEMENTARY INFORMATION

PART III

FIDUCIARY FUND TYPE - AGENCY FUNDS

ADVANCE DEPOSIT FUND

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

REGISTRY OF COURT FUND

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

Schedule 2

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUND
COMBINING SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS
FOR THE YEAR ENDED JUNE 30, 2013

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	$1,332,273	$1,802,200	$3,134,473
Additions			
Deposits			
Suits and Successions	9,615,149	0	9,615,149
Judgements	0	101,354	101,354
Interest earnings on investments	(478)	2,683	2,205
Miscellaneous	0	45	45
Total Additions	9,614,671	104,082	9,718,752
Reductions			
Clerk's costs (transferred to General Fun	700,378	0	700,378
Settlements to litigants	368,002	168,733	536,735
Attorney, curator, and notary	10,808	0	10,808
Judge's fees	38,144	0	38,144
Sheriff's fees	161,055	0	161,055
Other reductions	28,214	2,809	31,023
Total Reductions	1,306,601	171,542	1,478,143
UNSETTLED DEPOSITS AT END OF YEAR	$9,640,342	$1,734,740	$11,375,082

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS PART IV

Ducote & Company
Certified Public Accountants

Aloysia C. Ducote, CPA, PC
Joan S. Ducote, CPA, PC
Hope J. Gagnard, CPA, PC

INDEPENDENT AUDITORS' 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 Connie C. Couvillion
Avoyelles Parish Clerk of Court
Marksville, 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 of the United States, the financial statements of the governmental activities and the aggregate remaining fund information of the Avoyelles 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 Avoyelles Parish Clerk of Court's basic financial statements, and have issued our report thereon dated November 21, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Avoyelles 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Avoyelles Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Avoyelles 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 charges with governance.

Our 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 our audit we did not identify any deficiencies in internal control that we 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 Avoyelles 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

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such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit results, findings and questioned costs as item 13-01.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on 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.

Ducote & Company

DUCOTE & COMPANY
Marksville, Louisiana
December 18, 2013

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AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Schedule of Audit Results, Findings, and Questioned Costs
For the Year Ended June 30, 2013

Section I – Summary of Auditors' Results

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	_____yes	__x__no
Reportable condition(s) identified not Considered to be material weakness(es)	_____yes	__x__no
Noncompliance material to financial statements noted?	___x__yes	_____no

Section II – Summary of Current Year Audit Findings

13-01 Insufficient Deposit Collateral

Criteria – Louisiana revised statutes require that all deposits in excess of federal deposit insurance be collateralized by the pledge of securities owned by the financial institution.

Condition - At June 30, 2013, securities pledged by Simmesport State Bank were insufficient to adequately collateralize the Clerk's deposits.

Context - Cash deposits must be properly collateralized to safeguard the cash of the Clerk of Court.

Cause – At the end of each month, the bank compares the amount of deposits on hand with the amount of pledged securities and increases or decreases pledged securities as required. However, it has been discovered that a certificate of deposit held in the name of the Advance Deposit Fund, was not designated as a public funds account and therefore was excluded from the pledged collateral report.

Effect – Cash deposits held by Simmesport State Bank were insufficiently collateralized by $318,324.

Recommendation - Request the financial institution to pledge additional securities to cover the uncollateralized certificate of deposit.

Views of Responsible Official and Planned Corrective Action – Management has notified the bank of this deficiency and the bank has taken the following steps to correct the problem:

- Corrected the designation of the certificate of deposit as a public funds account and be included in the report used to monitor deposit collateral.
- Monitor the Clerk's deposits on a daily basis.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2013

Finding Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Planned Corrective Action / Partial Action Taken

Section I-Internal Control and Compliance Material to the Financial Statements

None reported in prior year.

Section II-Management Letter

None reported in prior year.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Corrective Action Plan for Current Year Audit Findings
For the Year Ended June 30, 2013

Section I – Internal Control and Compliance Material to the Financial Statements

Ref No.	13-01
Description of Finding	Insufficient Deposit Collateral
Corrective Action Planned	Request the financial institution to pledge additional securities to cover the uncollateralized certificate of deposit.
Name of Contact Person	Connie Couvillon
Anticipated Completion Date	Immediately

Section II – Management Letter Comments

None