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**LAFAYETTE PARISH CLERK OF COURT**

**Financial Report**

**Year Ended June 30, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/20/10

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# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*

Tynes E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scroggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr. CPA  
Wanda F. Arcament, CPA, CVA  
Kristin B. Dauzat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## OFFICES

183 South Beadle Rd. 450 East Main Street  
Lafayette, LA 70508 New Iberia, LA 70560  
Phone (337) 232-4141 Phone (337) 367-9204  
Fax (337) 232-8660 Fax (337) 367-9208

113 East Bridge St. 200 South Main Street  
Breaux Bridge, LA 70517 Abbeville, LA 70510  
Phone (337) 332-4020 Phone (337) 893-7944  
Fax (337) 332-2867 Fax (337) 893-7946

1234 David Dr. Ste 203 1013 Main Street  
Morgan City, LA 70380 Franklin, LA 70538  
Phone (985) 384-2020 Phone (337) 828-0272  
Fax (985) 384-3020 Fax (337) 828-0290

408 West Cotton Street 133 East Waddil St.  
Ville Platte, LA 70586 Marksville, LA 71351  
Phone (337) 363-2792 Phone (318) 253-9252  
Fax (337) 363-3049 Fax (318) 253-8681

332 West Sixth Avenue 621 Main Street  
Oberlin, LA 70655 Pineville, LA 71360  
Phone (337) 639-4737 Phone (318) 442-4421  
Fax (337) 639-4568 Fax (318) 442-9833

WEB SITE  
[WWW.KCSRCPAS.COM](http://WWW.KCSRCPAS.COM)

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court (Clerk of Court), a component unit of the Lafayette City-Parish Consolidated Government, as of and for the year ended June 30, 2010, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clerk of Court. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 1, 2010, on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 and should be considered in conjunction with this report in considering the results of our audit.

The required supplementary information on pages 32 and 33 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Lafayette Parish Clerk of Court has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of Court's basic financial statements. The accompanying financial information listed as "Other Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the Lafayette Parish Clerk of Court's 2009 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

Lafayette, Louisiana  
September 1, 2010

**BASIC FINANCIAL STATEMENTS**

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Statement of Net Assets  
June 30, 2010

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$8,611,849
Accounts receivable	256,651
Insurance stop loss receivable	86,421
Due from other governmental units	35,063
Accrued interest	6,707
Prepaid expenditures	31,630
Inventory	<u>7,225</u>
Total current assets	9,035,546
Noncurrent assets:	
Capital assets, net	<u>936,449</u>
Total assets	<u>9,971,995</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts and other payables	180,846
Due to other governmental agencies	4,221
Compensated absences	<u>303,564</u>
Total current liabilities	<u>488,631</u>
Long-term liabilities:	
Compensated absences	451,732
Net OPEB obligation	<u>1,695,619</u>
Total long-term liabilities	<u>2,147,351</u>
Total liabilities	<u>2,635,982</u>
<b>NET ASSETS</b>	
Invested in capital assets	936,449
Unrestricted	<u>6,399,564</u>
Total net assets	<u>\$7,336,013</u>

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



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Statement of Activities  
For the Year Ended June 30, 2010

Activities	Program Revenues		Net (Expense) Revenues and Changes in Net Assets
Governmental activities:	Charges for Services	Operating Grants and Contributions	Governmental Activities
General government	<u>\$8,492,068</u>	<u>\$6,964,802</u>	<u>\$ (1,358,703)</u>
		<u>\$168,563</u>	
General revenues:			
Interest and investment earnings			86,124
Miscellaneous			160,438
Charges reimbursable by primary government			<u>221,106</u>
Total general revenues and transfers			<u>467,668</u>
Change in net assets			(891,035)
Net assets - July 1, 2009			<u>8,227,048</u>
Net assets - June 30, 2010			<u>\$ 7,336,013</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Balance Sheet - Governmental Fund  
June 30, 2010

	<u>General Fund</u>
<b>ASSETS</b>	
Cash	\$ 108,806
Interest-bearing deposits	8,503,043
Receivables:	
Accounts receivable	256,651
Insurance stop loss receivable	86,421
Due from other governmental agencies	35,063
Accrued interest	6,707
Prepaid expenditures	31,630
Inventory	<u>7,225</u>
 Total assets	 <u>\$ 9,035,546</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable	\$ 26,076
Claims payable	37,423
Payroll liabilities payable	21,342
Due to other governmental agencies	4,221
Compensated absences	<u>303,564</u>
Total liabilities	<u>392,626</u>
 Fund balance:	
Reserved for prepaid expenditures and inventory	38,855
Unreserved, undesignated	<u>8,604,065</u>
Total fund balance	<u>8,642,920</u>
 Total liabilities and fund balance	 <u>\$ 9,035,546</u>

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

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
June 30, 2010**

<b>Total fund balance for the governmental fund at June 30, 2010</b>		<b>\$ 8,642,920</b>
<b>Cost of capital assets at June 30, 2010</b>	<b>\$3,122,780</b>	
Less: Accumulated depreciation	<u>(2,186,331)</u>	936,449
<b>Long-term liabilities at June 30, 2010:</b>		
Compensated absences payable	(451,732)	
Net OPEB obligation payable	<u>(1,695,619)</u>	(2,147,351)
<b>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</b>		
Insurance claims payable		<u>(96,005)</u>
<b>Total net assets of governmental activities at June 30, 2010</b>		<b><u>\$ 7,336,013</u></b>

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

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

**Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Governmental Fund  
For the Year Ended June 30, 2010**

	<u>General Fund</u>
<b>Revenues:</b>	
Licenses and permits	\$ 97,574
Fees, charges and commissions -	
Court costs, fees and charges	260,228
Fees for recording legal documents	6,053,469
Fees for certified copies	544,844
Intergovernmental	389,669
Miscellaneous	<u>255,249</u>
Total revenues	<u>7,601,033</u>
<b>Expenditures:</b>	
Current -	
General government:	
Personnel services and related benefits	5,906,202
Operating services	534,571
Material and supplies	649,255
Appropriations to Lafayette Parish Government	247,566
Capital outlay	<u>26,432</u>
Total expenditures	<u>7,364,026</u>
Excess of revenues over expenditures	237,007
Fund balance, beginning of year	<u>8,405,913</u>
Fund balance, end of year	<u>\$ 8,642,920</u>

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

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended June 30, 2010**

Total net change in fund balance for the year ended June 30, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 237,007
Add: Capital outlay costs which are considered as expenditures on Statement	\$ 26,432
Less: Depreciation expense for year ended June 30, 2010	<u>(342,244)</u> (315,812)
Less: Net change in compensated absences payable	9,313
Less: Net change in OPEB obligation	(827,058)
Less: Net change in estimated group health insurance claims, which were incurred through June 30, 2010, but not reported in the funds because they were not due and payable with current economic resources were accrued and recorded as an expense in the statement of activities	<u>5,515</u>
Total change in net assets for the year ended June 30, 2010 per Statement of Activities	<u>\$ (891,035)</u>

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Statement of Fiduciary Assets and Liabilities  
June 30, 2010

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 5,036
Interest-bearing deposits	<u>10,028,882</u>
Total assets	<u>\$10,033,918</u>
<b>LIABILITIES</b>	
Due to litigants and others	<u>\$10,033,918</u>

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Lafayette Parish Clerk of Court (Clerk of Court) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

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

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

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

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official. The Clerk of Court is a component unit of the Lafayette City-Parish Consolidated Government. The Clerk of Court is fiscally dependent on the Lafayette City-Parish Consolidated Government since the Clerk of Court's offices are located in the Parish Court House. The upkeep and maintenance of the courthouse is paid by the Parish Government and certain operating expenditures of the Clerk of Court's office are paid by the Parish Government.

As an independently elected official, the Clerk of Court is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds.



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

**B. Basis of Presentation**

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

**Government-Wide Financial Statements (GWFS)**

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements (FFS)**

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

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

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The major fund of the Clerk of Court is described below:

Governmental Fund -

General Fund

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

Additionally, the Clerk of Court reports the following fund type:

Fiduciary Funds -

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

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

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

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

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

**D. Assets, Liabilities and Equity**

**Cash and interest-bearing deposits**

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

**Inventory**

Inventory in the Clerk of Court's General Fund consists of copies of historical books produced and published by the Clerk of Court for sale to the general public. The books are recorded at cost, which is lower than market at June 30, 2010.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. Useful lives for furniture, fixtures, and equipment range from five to ten years.

**Compensated Absences**

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

**Equity Classifications**

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

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

- b. Restricted net assets – Consists of net assets 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 assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund 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. Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund’s fund balance that exceeds one-half of the revenues of the clerk’s last year of his term of office. This payment is limited to no more than that which was received by the clerk in accordance with R.S. 13:784(A) during said term of office. At June 30, 2010, there was no amount due to the parish treasurer even though the General Fund’s fund balance at June 30, 2010 exceeded one-half of the revenues of the General Fund for the last year of the clerk’s four-year term of office because the Lafayette Parish Clerk of Court did not receive any funds from the parish treasurer in accordance with R.S. 13:784(A) during the current term of office.

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

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

Governmental Funds – By Character and Function

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

F. Budgetary and Budgetary Accounting

The Clerk of Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court. Such amendments, except for capital outlay, were not material in relation to the original appropriations.

G. Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at June 30, 2010.

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk of Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2010, the Clerk of Court has cash and interest-bearing deposits (book balances) totaling \$18,645,767 as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash	\$ 108,806	\$ 5,036	\$ 113,842
Time and money market deposits	8,503,043	10,028,882	18,531,925
Total	\$ 8,611,849	\$10,033,918	\$18,645,767

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at June 30, 2010, and the related federal insurance and pledged securities:

Bank balances	\$19,344,341
Federal insurance	\$16,201,058
Pledged securities	3,143,283
Total federal insurance and pledged securities	\$19,344,341

Pledged securities in the amount of \$3,143,283 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the Clerk of Court's name. Even though the pledged securities are considered uncollateralized (Category 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. The Clerk of Court does not have a formal written policy for custodial credit risk.

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) Due from Other Governmental Units

Amount due from other governmental units at June 30, 2010 consisted of the following:

General Fund:

Amount due from the State of Louisiana - Non-support program	<u>\$ 35,063</u>
--	------------------

(4) Capital Assets

Capital asset balances and activity for the year ended June 30, 2010 is as follows:

	Balance 07/01/09	Additions	Deletions	Balance 06/30/10
Furniture, fixtures and equipment	\$3,145,202	\$ 26,432	\$ 48,854	\$3,122,780
Less: Accumulated depreciation	<u>1,892,941</u>	<u>342,244</u>	<u>48,854</u>	<u>2,186,331</u>
Net capital assets	<u>\$1,252,261</u>	<u>\$(315,812)</u>	<u>\$ -</u>	<u>\$ 936,449</u>

Depreciation expense of \$342,244 was charged to the general government function.

(5) Accounts and Other Payables

The accounts and other payables consisted of the following at June 30, 2010:

	General Fund
Accounts	\$ 26,076
Payroll liabilities	21,342
Claims payable	<u>133,428</u>
Totals	<u>\$180,846</u>

(6) Pension Plan

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



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3.33% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. 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 (225) 293-1162.

Funding Policy. – Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Lafayette Parish Clerk of Court is required to contribute at an actuarially determined rate. The rate as of June 30, 2010 was 14.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Lafayette Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Lafayette Parish Clerk of Court's contributions to the System for the years ended June 30, 2010, 2009, and 2008 were \$584,095, \$476,654, and \$444,892 respectively, equal to the required contributions for each year.

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

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

**Funding Policy:** The monthly premiums of these benefits for retirees and similar benefits for active employees are paid jointly by the employee (approximately 34 percent) and the Clerk of Court (approximately 66 percent). Until 2008, the Clerk of Court recognized the cost of providing these benefits (the Clerk of Court's portion of premiums) as an expenditure when the monthly premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2008, the Clerk of Court implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

In the fiscal year ending June 30, 2010, the Clerk of Court's portion of health care funding cost for retired employees totaled \$137,398. These amounts were applied toward the Net OPEB Benefit Obligation as shown below.

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Annual Required Contribution: the Clerk of Court's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, closed amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year ending June 30, 2010 is \$977,463 for post-employment benefits, as set forth below:

Normal Cost	\$ 463,685
30-year UAL amortization amount	<u>513,778</u>
Annual required contribution	<u>\$ 977,463</u>

Net Post-employment Benefit Obligation (Asset): The table below shows the Clerk of Court's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2010:

Annual required contribution	\$ 977,463
Interest on OPEB obligation	33,338
Adjustment to annual required contribution	<u>(46,345)</u>
Annual OPEB cost	964,456
Contributions made	<u>(137,398)</u>
Change in Net OPEB Obligation	827,058
Net OPEB obligation - beginning of year	<u>868,561</u>
Net OPEB obligation - end of year	<u>\$ 1,695,619</u>

The Clerk of Court's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset) for 2009 and 2010 follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2010	\$ 964,456	14.2%	\$ 1,695,619
6/30/2009	931,118	6.7%	868,561

Fiscal year 2009 was the year of implementation of GASB Statement No. 45 and the Clerk of Court elected to implement prospectively; therefore, prior year comparative data is only available for 2010. In future years, three-year trend information will be presented.

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

**Funded Status and Funding Progress:** In the fiscal year ending June 30, 2010, the Clerk of Court made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2009, the Actuarial Accrued Liability (AAL) was \$8,884,257, which is defined as that portion, as determined by a particular actuarial cost method (Clerk of Court uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. Since the plan was not funded in fiscal year 2010, the entire actuarial accrued liability of \$8,884,257 was unfunded.

Actuarial accrued liability (AAL)	\$ 8,884,257
Actuarial valuation of plan assets	<u>                  -</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 8,884,257</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll	\$ 4,081,622
UAAL as a percentage of covered payroll	218%

The schedule of funding progress included in required supplementary information following the notes to the financial statements presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because GASB Statement No. 45 allows biannual valuations, there was no actuarial valuation performed since July 1, 2008. Therefore, only two years are presented in the schedule at this time.

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

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

In the July 1, 2008 actuarial valuation the projected unit credit actuarial cost method was used. The significant actuarial assumptions used in the valuation of the plan are as follows:

1. Investment return of 4.0% per annum, compounded annually.

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

2. Retirement Rates

Age	Rate
55	25%
56-59	5%
60-73	75%
74	100%

3. Withdrawal Rates

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

4. Disability Rates

Age	Rate	Age	Rate
28-33	0.01%	47-48	0.33%
34	0.02%	49	0.50%
35	0.03%	50-52	0.37%
36	0.04%	53	0.55%
37	0.05%	54	0.50%
38	0.08%	55	0.44%
39-42	0.15%	56	0.30%
43	0.17%	57	0.24%
44	0.26%	58	0.21%
45	0.27%	59	0.08%
46	0.30%	60+	0.00%

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

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

**LAFAYETTE PARISH CLERK OF COURT**  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

7. Female spouses are assumed to be three years younger than male spouses, on average.
8. Per Capita Health Costs (Monthly)

Age	Retiree		Spouse	
	Male	Female	Male	Female
45	589	722	401	501
50	745	822	528	587
55	872	899	707	706
60	1,059	1,032	931	850
64	1,308	1,223	1,157	1,010
65	311	329	311	329
70	354	358	354	358
75	390	383	390	383
80	406	396	406	396
85	401	386	401	386

9. Medical Inflation

Year	Medical, Dental and Vision	
	Without Medicare	With Medicare
2009-2010	7.90%	6.60%
2010-2011	7.10%	6.20%
2011-2012	6.20%	5.80%
2012-2013	5.70%	5.60%
2013-2014	5.70%	5.60%
2014-2015	5.60%	5.60%
2015-2016	5.60%	5.50%
2016-2017	5.60%	5.50%
2017-2018	5.60%	5.50%
2018-2019	5.50%	5.50%
2019 and after	5.50%-4.00%	5.5%-4.00%

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(8) Risk Management

A. Commercial Insurance Coverage

The Clerk of Court is exposed to risks of loss in the areas of auto liability, professional liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

B. Group Self-Insurance

The Clerk of Court also established a limited risk management program for group hospitalization insurance. The Clerk of Court has contracted Benesys, Inc. to act as the third party administrator for the program. An excess of coverage insurance policy covers individual claims in excess of \$30,000 per year and \$1,000,000 per lifetime.

The General Fund participates in the program. The claims liability of \$37,423 reported in the General Fund at June 30, 2010, is based on the loss that is probable to have been at the date of the financial statements and the amount of the loss that can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The Clerk of Court currently does not discount its claims liabilities. Changes in the claims liability, including claims that have been incurred but not reported are as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Balance at Fiscal Year End</u>
2008-2009	\$227,327	\$522,696	\$601,656	\$148,367
2009-2010	148,367	755,604	770,543	133,428

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(9) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Year Ended June 30, 2010			Unsettled Deposits at End of Year
	Unsettled Deposits at Beginning of Year	Additions	Reductions	
Agency funds:				
Advance Deposit	\$ 4,974,711	\$ 6,378,727	\$ 6,059,544	\$ 5,293,894
Registry of Court	4,724,903	1,298,998	1,284,442	4,739,459
Election Qualifying	562	3	-	565
Totals	<u>\$ 9,700,176</u>	<u>\$ 7,677,728</u>	<u>\$ 7,343,986</u>	<u>\$ 10,033,918</u>

(10) Operating Leases

The Clerk of Court is contracted under two lease agreements. The vehicle lease is \$789 monthly and expires on March 13, 2012. The property lease is \$1,700 monthly and expires on June 30, 2012 with the option to renew for another four years.

In addition, the Clerk of Court leases eleven copiers under operating leases ranging from 24 to 48 months and expiring at various dates from September, 2009 through June, 2012.

Future minimum lease payments are as follows:

2011	\$ 48,168
2012	<u>32,761</u>
Total	<u>\$ 80,929</u>

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(11) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the Clerk of Court for the year ended June 30, 2010:

	<u>Balance</u> <u>7/1/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2010</u>	<u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 747,298	\$ 193,029	\$(185,031)	\$ 755,296	\$ 303,564
Net OPEB Obligation	868,561	964,456	(137,398)	1,695,619	-
	<u>\$1,615,859</u>	<u>\$1,157,485</u>	<u>\$(322,429)</u>	<u>\$2,450,915</u>	<u>\$ 303,564</u>

(12) Deferred Compensation Plan

The Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan (the Plan) adopted under the provisions of the Internal Revenue Code Section 457. The plan, available to all Clerk of Court's employees, permits the employees to defer a portion of their salary until future years. The Clerk of Court matches 50% of employee contributions. The Clerk of Court's contribution to the plan amounted to \$117,174 for the year ended June 30, 2010.

Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

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

The Clerk of Court's office is located in the Lafayette Parish Courthouse. The Lafayette City-Parish Consolidated Government pays the upkeep and maintenance of the courthouse. These expenditures are not reflected in the accompanying financial statements.

Income relating to court reporting attendance, maintenance agreements and capital outlay required to be paid by the Lafayette City-Parish Consolidated Government are reported as revenues. During the year ended June 30, 2010, the required payments by the Lafayette City-Parish Consolidated Government were not received by the Clerk of Court but are reflected as appropriation expenditures.



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(14) Litigation

There is no litigation pending against the Clerk of Court at June 30, 2010.

(15) Subsequent Event Review

The Clerk of Court has evaluated subsequent events through September 1, 2010, the date which the financial statements were available to be issued.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Budgetary Comparison Schedule  
General Fund  
For the Year Ended June 30, 2010

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Licenses and permits	\$ 115,000	\$ 100,700	\$ 97,574	\$ (3,126)
Fees, charges and commissions -				
Court costs, fees and charges	264,450	266,825	260,228	(6,597)
Fees for recording legal documents	5,992,000	6,090,200	6,053,469	(36,731)
Fees for certified copies	550,000	540,000	544,844	4,844
Intergovernmental	335,000	395,000	389,669	(5,331)
Miscellaneous	333,000	231,101	255,249	24,148
Total revenues	<u>7,589,450</u>	<u>7,623,826</u>	<u>7,601,033</u>	<u>(22,793)</u>
<b>Expenditures:</b>				
Current -				
General government:				
Personnel services and related benefits	6,345,131	6,191,798	5,906,202	285,596
Operating services	701,901	574,687	534,571	40,116
Material and supplies	667,000	650,750	649,255	1,495
Appropriations to Lafayette Parish				
Government	220,400	233,050	247,566	(14,516)
Capital outlay	212,500	30,000	26,432	3,568
Total expenditures	<u>8,146,932</u>	<u>7,680,285</u>	<u>7,364,026</u>	<u>316,259</u>
Excess (deficiency) of revenues over expenditures	(557,482)	(56,459)	237,007	293,466
Fund balance, beginning of year	<u>8,405,913</u>	<u>8,405,913</u>	<u>8,405,913</u>	<u>-</u>
Fund balance, end of year	<u>\$7,848,431</u>	<u>\$8,349,454</u>	<u>\$ 8,642,920</u>	<u>\$ 293,466</u>

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Schedule of Funding Progress - Other Post Employment Benefits  
For the Year Ended June 30, 2010

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
06/30/08	N/A	N/A	N/A	N/A	N/A	N/A	N/A
06/30/09	July 1, 2008	\$ -	8,884,257	8,884,257	0.0%	4,175,173	213%
06/30/10	July 1, 2008	\$ -	8,884,257	8,884,257	0.0%	4,081,622	218%

**OTHER SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Comparative Statement of Net Assets  
June 20, 2010 and 2009

	Governmental Activities	
	2010	2009
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 8,611,849	\$ 8,395,966
Accounts receivable	256,651	229,267
Insurance stop loss receivable	86,421	120,433
Due from other governmental units	35,063	48,477
Accrued interest	6,707	7,607
Prepaid expenditures	31,630	22,385
Inventory	7,225	7,327
Total current assets	9,035,546	8,831,462
Noncurrent assets:		
Capital assets, net	936,449	1,252,261
Total assets	9,971,995	10,083,723
<b>LIABILITIES</b>		
Current liabilities:		
Accounts and other payables	180,846	225,714
Due to other governmental units	4,221	15,102
Compensated absences	303,564	286,253
Current portion of net OPEB obligation	138,000	63,000
Total current liabilities	626,631	590,069
Long-term liabilities:		
Compensated absences	451,732	461,045
Net OPEB obligation	1,557,619	805,561
Total long-term liabilities	2,009,351	1,266,606
Total liabilities	2,635,982	1,856,675
<b>NET ASSETS</b>		
Invested in capital assets	936,449	1,252,261
Unrestricted	6,399,564	6,974,787
Total net assets	\$ 7,336,013	\$ 8,227,048

## **GENERAL FUND**

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
General Fund

Comparative Balance Sheet  
June 30, 2010 and 2009

	2010	2009
<b>ASSETS</b>		
Cash	\$ 108,806	\$ 104,037
Interest-bearing deposits	8,503,043	8,291,929
Receivables:		
Accounts receivable	256,651	229,267
Insurance stop loss receivable	86,421	120,433
Due from other governmental agencies	35,063	48,477
Accrued interest	6,707	7,607
Prepaid expenditures	31,630	22,385
Inventory	7,225	7,327
Total assets	\$9,035,546	\$8,831,462
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 26,076	\$ 54,485
Claims payable	37,423	46,847
Payroll liabilities payable	21,342	22,862
Due to other governmental agencies	4,221	15,102
Compensated absences	303,564	286,253
Total liabilities	392,626	425,549
Fund balance:		
Reserved for prepaid expenditures and inventory	38,855	29,712
Unreserved, undesignated	8,604,065	8,376,201
Total fund balance	8,642,920	8,405,913
Total liabilities and fund balance	\$9,035,546	\$8,831,462



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
General Fund

Budgetary Comparison Schedule -  
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2010  
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			Variance with Final Budget Positive (Negative)	2009 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Licenses and permits	\$ 115,000	\$ 100,700	\$ 97,574	\$ (3,126)	\$ 102,672
Fees, charges and commissions -					
Court costs, fees and charges	264,450	266,825	260,228	(6,597)	246,248
Fees for recording legal documents	5,992,000	6,090,200	6,053,469	(36,731)	5,822,004
Fees for certified copies	550,000	540,000	544,844	4,844	542,605
Intergovernmental	335,000	395,000	389,669	(5,331)	414,498
Miscellaneous	333,000	231,101	255,249	24,148	317,846
Total revenues	<u>7,589,450</u>	<u>7,623,826</u>	<u>7,601,033</u>	<u>(22,793)</u>	<u>7,445,873</u>
<b>Expenditures:</b>					
<b>Current -</b>					
<b>General government:</b>					
Personnel services and related benefits	6,345,131	6,191,798	5,906,202	285,596	5,592,069
Operating services	701,901	574,687	534,571	40,116	740,068
Material and supplies	667,000	650,750	649,255	1,495	685,573
<b>Appropriations to Lafayette Parish Government</b>					
Capital outlay	220,400	233,050	247,566	(14,516)	288,153
Capital outlay	212,500	30,000	26,432	3,568	575,763
Total expenditures	<u>8,146,932</u>	<u>7,680,285</u>	<u>7,364,026</u>	<u>316,259</u>	<u>7,881,626</u>
Excess (deficiency) of revenues over expenditures	(557,482)	(56,459)	237,007	293,466	(435,753)
Fund balance, beginning of year	<u>8,405,913</u>	<u>8,405,913</u>	<u>8,405,913</u>	-	<u>8,841,666</u>
Fund balance, end of year	<u>\$7,848,431</u>	<u>\$8,349,454</u>	<u>\$8,642,920</u>	<u>\$293,466</u>	<u>\$8,405,913</u>

**LAFAYETTE PARISH CLERK OF COURT**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended June 30, 2010**  
**With Comparative Actual Amounts for the Year Ended June 30, 2009**

	2010			Variance - Positive (Negative)	2009 Actual
	Budget		Actual		
	Original	Final			
<b>Licenses and permits:</b>					
Marriage licenses	\$ 47,000	\$ 42,700	\$ 42,763	\$ 63	\$ 45,265
Passports	50,000	43,000	40,575	(2,425)	42,125
Birth/death certificates	<u>18,000</u>	<u>15,000</u>	<u>14,236</u>	<u>(764)</u>	<u>15,282</u>
Total licenses and permits	<u>115,000</u>	<u>100,700</u>	<u>97,574</u>	<u>(3,126)</u>	<u>102,672</u>
<b>Fees, charges and commissions:</b>					
Court costs, fees and charges -					
Criminal costs	125,000	125,000	119,687	(5,313)	116,983
Court attendance reporting	28,000	28,000	26,460	(1,540)	24,960
Other	<u>111,450</u>	<u>113,825</u>	<u>114,081</u>	<u>256</u>	<u>104,305</u>
Total court costs, fees and charges	<u>264,450</u>	<u>266,825</u>	<u>260,228</u>	<u>(6,597)</u>	<u>246,248</u>
<b>Fees for recording legal documents:</b>					
Recordings	2,000,000	1,875,000	1,957,137	82,137	2,004,973
Index search	15,000	15,200	14,811	(389)	14,475
Cancellations	215,000	230,000	232,171	2,171	208,528
Mortgage certificates	115,000	117,500	118,321	821	117,394
Suits and successions	3,600,000	3,800,000	3,676,629	(123,371)	3,426,685
UCC filing	<u>47,000</u>	<u>52,500</u>	<u>54,400</u>	<u>1,900</u>	<u>49,949</u>
Total fees for recording - legal documents	<u>5,992,000</u>	<u>6,090,200</u>	<u>6,053,469</u>	<u>(36,731)</u>	<u>5,822,004</u>
Certified copies	<u>550,000</u>	<u>540,000</u>	<u>544,844</u>	<u>4,844</u>	<u>542,605</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
General Fund

Budgetary Comparison Schedule - Revenues (Continued)  
For the Year Ended June 30, 2010  
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			Variance - Positive (Negative)	2009 Actual
	Budget		Actual		
	Original	Final			
<b>Intergovernmental:</b>					
Charges reimbursable by parish government	175,000	200,000	221,106	21,106	263,193
Federal grant - non-support	160,000	195,000	168,563	(26,437)	151,305
<b>Total intergovernmental</b>	<u>335,000</u>	<u>395,000</u>	<u>389,669</u>	<u>(5,331)</u>	<u>414,498</u>
<b>Miscellaneous:</b>					
Interest earned	158,000	70,925	86,124	15,199	82,409
Elections	40,000	11,050	11,050	-	63,452
Judicial commitments	-	-	-	-	-
Change of venue	-	-	8,687	8,687	36,578
Sales of books	-	126	126	-	105
Other	135,000	149,000	149,262	262	135,302
<b>Total miscellaneous</b>	<u>333,000</u>	<u>231,101</u>	<u>255,249</u>	<u>24,148</u>	<u>317,846</u>
<b>Total revenues</b>	<u>\$7,589,450</u>	<u>\$7,623,826</u>	<u>\$7,601,033</u>	<u>\$ (22,793)</u>	<u>\$7,445,873</u>

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
General Fund

Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2010  
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010			Variance - Positive (Negative)	2009 Actual
	Budget		Actual		
	Original	Final			
<b>Expenditures:</b>					
<b>Current -</b>					
<b>Personnel services and related benefits -</b>					
<b>Salaries:</b>					
Clerk	\$ 137,760	\$ 137,760	\$ 137,760	\$ -	\$ 137,760
Deputy clerks	4,245,800	4,073,500	3,943,862	129,638	4,037,413
Clerk's expense allowance	13,536	13,536	13,536	-	13,536
Clerk's supplemental fund	41,400	41,250	41,400	(150)	39,600
Unemployment	-	7,000	5,092	1,908	
Hospitalization claims, net	911,500	1,016,760	988,019	28,741	775,300
Payroll taxes, retirement and compensated absences	<u>995,135</u>	<u>901,992</u>	<u>776,533</u>	<u>125,459</u>	<u>588,460</u>
Total personnel services and related benefits	<u>6,345,131</u>	<u>6,191,798</u>	<u>5,906,202</u>	<u>285,596</u>	<u>5,592,069</u>
<b>Operating services -</b>					
Insurance	46,000	49,000	48,605	395	45,054
Professional fees	63,250	69,222	45,469	23,753	101,027
UCC filing	46,000	49,850	45,557	4,293	45,993
Book costs	-	150	102	48	221
Telephone	29,000	29,000	26,143	2,857	28,561
Travel and conventions	15,000	5,450	5,180	270	12,709
Election expense allowance	22,900	2,200	2,199	1	15,589
Copier expense	60,000	64,000	61,623	2,377	62,200
Computer operations	300,000	230,000	227,189	2,811	301,622
Parking fees	29,751	28,050	28,038	12	29,751
Reader/printer	5,500	-	-	-	5,286
Training	7,500	7,500	7,549	(49)	9,620
Center for family violence contribution	31,000	28,500	26,397	2,103	29,522
Workers' compensation	26,000	10,704	7,710	2,994	25,606
Miscellaneous	<u>20,000</u>	<u>1,061</u>	<u>2,810</u>	<u>(1,749)</u>	<u>27,307</u>
Total operating services	<u>701,901</u>	<u>574,687</u>	<u>534,571</u>	<u>40,116</u>	<u>740,068</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2010  
With Comparative Actual Amounts for the Year Ended June 30, 2009

	2010		Actual	Variance - Positive (Negative)	2009 Actual
	Budget				
	Original	Final			
Materials and supplies -					
Office supplies and operations	612,100	599,600	598,372	1,228	587,302
Automobile and maintenance	3,332	4,532	4,344	188	3,202
Dues and subscription	5,700	4,250	4,238	12	5,609
Leases and rentals	29,868	29,868	29,868	-	29,868
Uniforms	16,000	12,500	12,433	67	59,592
Total materials and supplies	<u>667,000</u>	<u>650,750</u>	<u>649,255</u>	<u>1,495</u>	<u>685,573</u>
Appropriations to Lafayette City-Parish Consolidated Government - Operating revenues and expenditures unreimbursed	<u>220,400</u>	<u>233,050</u>	<u>247,566</u>	<u>(14,516)</u>	<u>288,153</u>
Capital outlay -					
Office equipment	12,500	-	-	-	12,443
Computer equipment	150,000	20,000	16,432	3,568	351,852
Computer software	50,000	10,000	10,000	-	211,468
Total capital outlay	<u>212,500</u>	<u>30,000</u>	<u>26,432</u>	<u>3,568</u>	<u>575,763</u>
Total expenditures	<u>\$8,146,932</u>	<u>\$7,680,285</u>	<u>\$7,364,026</u>	<u>\$316,259</u>	<u>\$7,881,626</u>

## **FIDUCIARY FUNDS**

### **Advance Deposit Fund -**

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

### **Registry of Court Fund -**

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

### **Election Qualifying Fund -**

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

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
Fiduciary Funds

Combining Statement of Fiduciary Assets and Liabilities  
June 30, 2010  
With Comparative Totals for June 30, 2009

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Totals</u>	
				<u>2010</u>	<u>2009</u>
<b>ASSETS</b>					
Cash	\$ -	\$ 5,036	\$ -	\$ 5,036	\$ 5,036
Interest-bearing deposits	<u>5,293,894</u>	<u>4,734,423</u>	<u>565</u>	<u>10,028,882</u>	<u>9,695,140</u>
Total assets	<u>\$5,293,894</u>	<u>\$4,739,459</u>	<u>\$ 565</u>	<u>\$10,033,918</u>	<u>\$ 9,700,176</u>
<b>LIABILITIES</b>					
Due to litigants and others	<u>\$5,293,894</u>	<u>\$4,739,459</u>	<u>\$ 565</u>	<u>\$10,033,918</u>	<u>\$ 9,700,176</u>

LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana  
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2010  
With Comparative Totals For the Year Ended June 30, 2009

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Totals</u>	
				<u>2010</u>	<u>2009</u>
<b>ASSETS</b>					
Balances, beginning of year	<u>\$4,974,711</u>	<u>\$ 4,724,903</u>	<u>\$ 562</u>	<u>\$ 9,700,176</u>	<u>\$8,526,300</u>
Additions:					
Suits and successions	6,377,249	-	-	6,377,249	5,768,177
Deposits per court order	-	1,204,967	-	1,204,967	2,203,334
Qualifying fees	-	-	-	-	11,590
Interest earned	<u>1,478</u>	<u>94,031</u>	<u>3</u>	<u>95,512</u>	<u>95,557</u>
Total additions	<u>6,378,727</u>	<u>1,298,998</u>	<u>3</u>	<u>7,677,728</u>	<u>8,078,658</u>
 Total	<u>11,353,438</u>	<u>6,023,901</u>	<u>565</u>	<u>17,377,904</u>	<u>16,604,958</u>
Reductions:					
Clerk's costs (transferred to General Fund)	3,677,010	-	-	3,677,010	3,437,776
Refunds to litigants	1,101,482	-	-	1,101,482	965,721
Other	629,463	-	-	629,463	534,282
Interest earned (transferred to General Fund)	1,478	42,700	-	44,178	31,716
Lafayette Parish Sheriff fees	476,645	-	-	476,645	451,383
Other Sheriff fees	173,466	-	-	173,466	174,763
Disbursements by court order	-	<u>1,241,742</u>	-	<u>1,241,742</u>	<u>1,309,141</u>
Total reductions	<u>6,059,544</u>	<u>1,284,442</u>	<u>-</u>	<u>7,343,986</u>	<u>6,904,782</u>
 Balances, end of year	<u>\$5,293,894</u>	<u>\$ 4,739,459</u>	<u>\$ 565</u>	<u>\$10,033,918</u>	<u>\$9,700,176</u>
<b>LIABILITIES</b>					
Due to litigants and others, beginning of year	<u>\$4,974,711</u>	<u>\$ 4,724,903</u>	<u>\$ 562</u>	<u>\$ 9,700,176</u>	<u>\$8,526,300</u>
Additions	6,378,727	1,298,998	3	7,677,728	8,078,658
Reductions	<u>6,059,544</u>	<u>1,284,442</u>	<u>-</u>	<u>7,343,986</u>	<u>6,904,782</u>
 Due to litigants and others, end of year	<u>\$5,293,894</u>	<u>\$ 4,739,459</u>	<u>\$ 565</u>	<u>\$10,033,918</u>	<u>\$9,700,176</u>



LAFAYETTE PARISH CLERK OF COURT  
Lafayette, Louisiana

Combined Schedule of Interest-Bearing Deposits - All Funds  
June 30, 2010

	<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Amount</u>
<b>General Fund -</b>					
Certificate of deposit	I	1.50%	1 year	04/04/11	\$ 100,000
Certificate of deposit	I	1.50%	1 year	04/21/11	100,000
Certificate of deposit	R	1.50%	1 year	11/06/10	100,000
Certificate of deposit	I	1.50%	1 year	04/05/11	1,361,010
Interest-bearing deposits	I	variable	N/A	N/A	2,309
Interest-bearing deposits	I	variable	N/A	N/A	6,672,610
Interest-bearing deposits	I	variable	N/A	N/A	<u>167,114</u>
Total General Fund					<u>8,503,043</u>
<b>Advance Deposit Fund -</b>					
Certificate of deposit	R	1.50%	1 year	10/24/10	500,000
Certificate of deposit	M	0.90%	1 year	10/02/10	500,000
Certificate of deposit	C	1.75%	1 year	04/28/10	500,000
Certificate of deposit	Ch	0.10%	1 year	07/23/10	500,000
Interest-bearing deposits	Ch	variable	N/A	N/A	<u>3,293,894</u>
Total Advance Deposit Fund					<u>5,293,894</u>
<b>Registry of the Court Fund -</b>					
Interest-bearing deposits	I	variable	N/A	N/A	4,732,687
Interest-bearing deposits	Ch	variable	N/A	N/A	<u>1,736</u>
Total Registry of the Court Fund					<u>4,734,423</u>
<b>Election Qualifying Fund -</b>					
Interest-bearing deposits	I	variable	N/A	N/A	<u>565</u>
Total - all funds					<u>\$ 18,531,925</u>

**Financial Institution:**

- (M) Mid-South Bank
- (I) Iberia Bank
- (R) Rayne State Bank
- (Ch) Chase Bank
- (C) Community First Bank

**INTERNAL CONTROL  
AND  
COMPLIANCE**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*

Tynes E. Mixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Marshall W. Guidry, CPA  
Alan M. Taylor, CPA  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr. CPA  
Wanda F. Arcement, CPA, CVA  
Kristin B. Dautat, CPA  
Richard R. Anderson Sr., CPA  
Carolyn C. Anderson, CPA

Retired:  
Conrad O. Chapman, CPA\* 2006  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

## OFFICES

183 South Beadle Rd.  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

450 East Main Street  
New Iberia, LA 70560  
Phone (337) 367-9204  
Fax (337) 367-9208

113 East Bridge St.  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

1234 David Dr. Ste 203  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

1013 Main Street  
Franklin, LA 70538  
Phone (337) 828-0272  
Fax (337) 828-0290

408 West Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

133 East Waddil St.  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8661

332 West Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

621 Main Street  
Pineville, LA 71360  
Phone (318) 442-4421  
Fax (318) 442-9833

WEB SITE  
[WWW.KCSRCPAS.COM](http://WWW.KCSRCPAS.COM)

## 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 Louis J. Perret  
Lafayette Parish Clerk of Court  
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court, a component unit of the Lafayette City-Parish Consolidated Government, as of and for the year ended June 30, 2010, which collectively comprise the Lafayette Parish Clerk of Court's basic financial statements and have issued our report thereon dated September 1, 2010. 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.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk of Court's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the Clerk of Court's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action plan, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 10-1(IC) to be a material weakness.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

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

Lafayette, Louisiana  
September 1, 2010

LAFAYETTE PARISH CLERK OF COURT

Summary Schedule of Current and Prior Year Audit Findings  
and Corrective Action Plan  
Year Ended June 30, 2010

Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Completion Date
<u>CURRENT YEAR (6/30/10) --</u>					
<u>Internal Control:</u>					
10-1(IC) 06/30/07	The Clerk of Court does not have a staff person who has the training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Clerk of Court has evaluated the cost vs. the benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Louis J. Perret, Clerk of Court	N/A
<u>PRIOR YEAR (6/30/09) --</u>					
<u>Internal Control:</u>					
09-1(IC) 06/30/07	The Clerk of Court does not have a staff person who has the training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The Clerk of Court has evaluated the cost vs. the benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Louis J. Perret, Clerk of Court	N/A