

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Annual Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
June 30, 2016
With Supplemental Information Schedules**

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

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Independent Auditor's Report

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and major fund of the Tensas Parish Clerk of Court, a component unit of the Tensas Parish Police Jury, as of June 30, 2016, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Clerk'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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tensas Parish Clerk of Court'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 Tensas Parish Clerk of Court's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Independent Auditor's Report,

June 30, 2016

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and major fund of the Tensas Parish Clerk of Court as of June 30, 2016, 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 on pages 7 through 10, the budgetary comparison information on pages 33 through 34, and the schedule of the Clerks' proportionate share of the net pension liability on pages 35 through 36, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

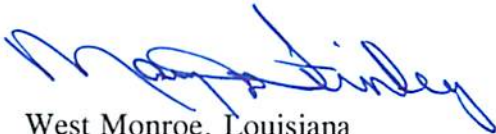
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tensas Parish Clerk of Court's office basic financial statements. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of compensation, benefits, and other payments to agency head on page 38 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
Independent Auditor's Report,
June 30, 2016

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated December 30, 2016, on my consideration of the Tensas Parish Clerk of Court's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tensas Parish Clerk of Court's internal control over financial reporting and compliance.



West Monroe, Louisiana
December 30, 2016

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Management's Discussion and Analysis
June 30, 2016

As management of the Tensas Parish Clerk of Court, I offer readers of the Tensas Parish Clerk of Court's financial statements this narrative overview and analysis of the financial activities of the Tensas Parish Clerk of Court for the fiscal year ended June 30, 2016. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the clerk's basic financial statements. The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-wide Financial Statements) provide information about the financial activities as a whole and illustrate a longer-term view of the Clerk of Court's finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund (Fund Financial 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 Financial Statements by providing information about the most significant funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

Our auditor has provided assurance in her independent auditor's report that the Basic Financial Statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Supplemental Information 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 Financial Section.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Tensas Parish Clerk of Court's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Tensas Parish Clerk of Court's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Tensas Parish Clerk of Court is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, earned, but unused, sick leave).

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Tensas Parish Clerk of Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Tensas Parish Clerk of Court can be divided into two categories: governmental funds and fiduciary (agency) funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Tensas Parish Clerk of Court adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the major fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary (agency) funds are used to account for resources held for the benefit of parties outside the government. Since these resources are not available to support the Tensas Parish Clerk of Court's programs, Fiduciary (agency) funds are not reflected in the government-wide financial statement.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Tensas Parish Clerk of Court's performance.

The combining schedules for nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, liabilities of the Tensas Parish Clerk of Court exceeded assets by \$225,466. The largest portion of the Tensas Parish Clerk of Court's net position reflects its investment in capital assets (e.g., equipment). These assets are not available for future spending.

The balance in unrestricted net position is affected by two factors: 1) resources expended, over time, by the Tensas Parish Clerk of Court to acquire capital assets from sources other than internally generated funds (i.e., debt), and 2) required depreciation on assets.

STATEMENT OF NET POSITION

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and cash equivalents	\$4,626	\$1,649
Receivables	6,868	3,224
Due from other funds	62	
Capital assets (net of accumulated depreciation)	<u>NONE</u>	<u>NONE</u>
TOTAL ASSETS	<u>11,556</u>	<u>4,873</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>34,430</u>	<u>51,113</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$45,986</u>	<u>\$55,986</u>
LIABILITIES		
Accounts payable	\$4,105	\$8,109
Salaries payable	188	
Payroll deducts payable	6,507	10,694
Net Pension liability	<u>158,352</u>	<u>233,302</u>
TOTAL LIABILITIES	<u>169,152</u>	<u>252,105</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Related	102,300	68,426
NET POSITION		
Invested in capital assets, net of related debt	NONE	NONE
Unrestricted	<u>(225,466)</u>	<u>(265,545)</u>
TOTAL NET POSITION	<u>(225,466)</u>	<u>(265,545)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$45,986</u>	<u>\$54,986</u>

STATEMENT OF ACTIVITIES

	<u>2016</u>	<u>2015</u>
Judicial:		
Personal services	\$175,175	\$225,246
Operating services	23,940	19,269
Materials and supplies	3,966	14,643
Travel	<u>5,156</u>	<u>2,488</u>
Total Program Expenses	<u>208,237</u>	<u>261,646</u>
Program revenues:		
License and permits - marriage	270	705
Clerk's supplemental compensation	22,250	21,550
Court cost, fees, and charges	185,636	145,134
Fee for recording legal documents	24,805	66,379
Fees for certified copies of documents	<u>5,158</u>	<u>4,407</u>
Total program revenues	<u>238,119</u>	<u>238,175</u>
Net Program Expenses	<u>29,882</u>	<u>(23,471)</u>
General revenues:		
Interest earned	66	19
Other revenues	<u>19,725</u>	<u>19,387</u>

Change in Net Position	\$49,673	(\$4,065)
Net Position - Beginning of year - as restated	<u>(275,139)</u>	<u>(260,480)</u>
Net Position - End of year	<u><u>(\$225,466)</u></u>	<u><u>(\$264,545)</u></u>

Financial Analysis of the Government's Funds

As noted earlier, the Tensas Parish Clerk of Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2016, the General Fund unreserved, undesignated fund balance of \$756 showed an increase of \$14,815 over June 30, 2015.

General Fund Budgetary Highlights

The primary difference between revenues of the original budget and the final budget was an increase in court costs, fees, and charges and decreases in anticipated fees for recording and other revenues. The differences between expenditures of the original budget and the final budget were primarily due to increases in personal services, operating services and travel and other charges and a decrease in capital outlay.

Capital assets. The Tensas Parish Clerk of Court's investment in capital assets for its governmental activities as of June 30, 2016, amounts to \$0 (net of accumulated depreciation). This investment includes furniture and equipment. There were no increases or decreases for the year.

Long-term debt. At the end of the fiscal year, Tensas Parish Clerk of Court had \$158,352 debt outstanding of net pension obligation associated with the Pension Plan at June 30, 2016.

Requests for Information

This financial report is designed to provide a general overview of the Tensas Parish Clerk of Court's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Tensas Parish Clerk of Court, P.O. Drawer 78, St. Joseph, LA 71366.

December 30, 2016

BASIC FINANCIAL STATEMENTS

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

STATEMENT OF NET POSITION
June 30, 2016

ASSETS	
Cash and cash equivalents	\$4,626
Receivables	6,868
Due from other funds	62
Capital assets (net of accumulated depreciation)	<u>NONE</u>
TOTAL ASSETS	<u>11,556</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	<u>34,430</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$45,986</u></u>
LIABILITIES	
Accounts payable	\$4,105
Salaries payable	188
Payroll deducts payable	6,507
Net pension liability	<u>158,352</u>
TOTAL LIABILITIES	<u>169,152</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	<u>102,300</u>
NET POSITION	
Invested in capital assets, net of related debt	NONE
Unrestricted	<u>(225,466)</u>
TOTAL NET POSITION	<u>(225,466)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$45,986</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

STATEMENT OF ACTIVITIES
June 30, 2016

Judicial:	
Personal services	\$175,175
Operating services	23,940
Materials and supplies	3,966
Travel	5,156
Total Program Expenses	<u>208,237</u>
Program revenues:	
License and permits - marriage	270
Clerk's supplemental compensation	22,250
Court cost, fees, and charges	185,636
Fees for recording legal documents	24,805
Fees for certified copies of documents	5,158
Total program revenues	<u>238,119</u>
Net Program Expenses	<u>29,882</u>
General revenues:	
Interest earned	66
Other revenues	19,725
Change in Net Position	49,673
Net Position - Beginning of year - as restated	<u>(275,139)</u>
Net Position - End of year	<u><u>(\$225,466)</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
GOVERNMENTAL FUNDS

Balance Sheet, June 30, 2016

ASSETS

Cash and cash equivalents	\$4,626
Receivables	6,868
Due from other funds	<u>62</u>
TOTAL ASSETS	<u><u>\$11,556</u></u>

LIABILITIES AND FUND EQUITY

Liabilities:

Accounts payable	\$4,105
Payroll payable	188
Payroll deducts payable	6,507
Fund Equity - fund balances - unassigned	<u>756</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$11,556</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position

For the Year Ended June 30, 2016

Total Fund Balances - Governmental Funds (Statement C)		\$756
Deferred outflows of resources		(50,250)
Cost of capital assets	\$66,049	
Less: Accumulated depreciation	<u>(66,049)</u>	NONE
Long term liabilities -		
Net pension liability	<u>(158,352)</u>	(158,352)
Deferred inflows of resources		<u>(17,620)</u>
Net Position (Statement A)		<u><u>(\$225,466)</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures,
and Changes in Fund Balances

For the Year Ended June 30, 2016

REVENUES

Licenses and permits - marriage	\$270
Intergovernmental:	
Clerk's supplemental compensation	22,250
Fees, charges, and commissions for services:	
Court costs, fees, and charges	185,636
Fees for recording legal documents	24,805
Fees for certified copies of documents	5,158
Use of money and property - interest earnings	66
Other revenues	8,895
Total revenues	<u>247,080</u>

EXPENDITURES

Current:	
General government - judicial:	
Personal services	199,203
Operating services	23,940
Materials and supplies	3,966
Travel and other charges	5,156
Total expenditures	<u>232,265</u>

**EXCESS OF REVENUES
OVER EXPENDITURES**

14,815

FUND BALANCES AT BEGINNING OF YEAR

(14,059)

FUND BALANCES AT END OF YEAR

\$756

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Reconciliation of Governmental Funds
Statement of Revenue, Expenditures, and Changes
in Fund Balances to the Statement of Activities

For the Year Ended June 30, 2016

Total net change in fund balances - governmental funds (Statement D)	\$14,815
Amounts reported for governmental activities in the Statement of Activities are different because:	
Non-employer contributions to cost-sharing pension plan	10,830
Pension expense associated with cost-sharing pension plan	<u>24,028</u>
Change in net position of governmental activities (Statement B)	<u><u>\$49,673</u></u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
Statement of Fiduciary Net Assets - Agency Funds

June 30, 2016

	<u>ADVANCE DEPOSIT</u>	<u>REGISTRY OF COURT</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$50,409	\$14,672	\$65,081
LIABILITIES	<u>\$50,409</u>	<u>\$14,672</u>	<u>\$65,081</u>
Due to:			
General Fund	\$62		\$62
Others	50,347	\$14,672	65,019
TOTAL LIABILITIES	<u>\$50,409</u>	<u>\$14,672</u>	<u>\$65,081</u>

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

The accompanying financial statements of the Tensas Parish Clerk of Court have been prepared in conformity with U.S. 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. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments*, issued in June 1999.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Tensas Parish Police Jury is the financial reporting entity for Tensas Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Tensas Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provides partial funding for equipment, furniture and supplies of the clerk of court's office, the clerk of court was determined to be a component unit of the Tensas Parish Police Jury, the financial reporting entity. The accompanying financial statements 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 the Tensas Parish financial reporting entity.

B. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS

The clerk of court's basic financial statements include both government-wide (reporting the clerk of 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 Position (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 for 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 Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net position is reported in three parts; invested in capital assets, net of any related debt; restricted net position; and unrestricted net position. The clerk first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial 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. Depreciation on buildings is assigned to the "general administration" function due to the fact that buildings serve multiple purposes. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

C. 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 require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

Governmental Fund Type

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

Fiduciary Fund Type - Agency 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.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or 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.

1. 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.

2. 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 a 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, except for interest and principal payments on general long-term debt which

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenue, recordings, 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.

Based on the above criteria, intergovernmental revenue, recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

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

E. CASH AND CASH EQUIVALENTS

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 and national banks having principal offices in Louisiana. At June 30, 2016, the clerk of court has cash and cash equivalents (book balances) totaling \$69,707.

Demand deposits	\$69,467
Petty cash	240
Total	<u>\$69,707</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

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. Cash and cash equivalents (bank balances) at June 30, 2016 total \$89,355 and are fully secured by FDIC insurance.

F. 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 \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the clerk, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Furniture and fixtures	5 - 10 years
Vehicles	5 - 15 years
Equipment	5 - 20 years

G. ANNUAL AND SICK LEAVE

Employees of the clerk of court's office earn two weeks of non-cumulative annual leave each year, depending on length of service. Sick leave is granted on a case by case basis, at the discretion of the Clerk. Since no leave time is time is cumulative, the Clerk does not have any liability for compensated absences.

H. RISK MANAGEMENT

The clerk is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the clerk maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. In addition to the above policies, the clerk also maintains an errors and omissions claims paid policy with the Louisiana Clerks of Court Risk Management Agency. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended June 30, 2016.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

I. PENSION PLANS

The Tensas Parish Clerk's Office is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

J. CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARDS AND RESTATEMENT OF NET POSITION

The Tensas Parish Clerk of Courts' Office adopted Government Accounting Standards Board (GASB) Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and Statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The net effect to the Government-Wide Statement of Net Position is as follows:

Total Net Position, June 30, 2015,	(260,480)
Net Pension Liability at June 30, 2015	35,014
Total Net Position, June 30, 2015, Restated	<u><u>(\$225,466)</u></u>

2. RECEIVABLES

The receivables of \$6,868 at June 30, 2016, are as follows:

<u>Class of receivables:</u>	<u>General Fund</u>
Fees, charges, and commissions for services:	
Non support fees	\$1,584
Computer receivables	5,284
Total	<u><u>\$6,868</u></u>

3. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

TENSAS PARISH CLERK OF COURT
 St. Joseph, Louisiana
 Notes to the Financial Statements (Continued)

Balance, June 30, 2015	\$66,049
Additions	NONE
Deletions	NONE
Balance, June 30, 2016	<u>66,049</u>
Less accumulated depreciation	<u>(66,049)</u>
Net Capital Assets	<u>NONE</u>

4. NOTE DISCLOSURES AND REQUIRED SUPPLEMENTARY INFORMATION FOR A COST-SHARING EMPLOYER

The Louisiana Clerks’ of Court Retirement Fund (Fund) is a cost-sharing multiple-employer defined benefit pension plan established in accordance with the provisions of Louisiana Revised Statute 11:1501 to provide retirement, disability and survivor benefits to clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees.

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

Summary of Significant Accounting Policies.

The Louisiana Clerks’ of Court Retirement and Relief Fund prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer’s proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The Louisiana Clerks’ of Court Retirement and Relief Fund employer schedules were prepared using the accrual basis of accounting. Members’ earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member’s earnable compensation is attributed to the employer for which the member is employed as of June 30, 2015.

Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the Fund’s collective net pension liability. The Fund’s plan fiduciary net position was determined using the accrual basis of accounting. The Fund’s

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the Fund's investments. Accordingly, actual results may differ from estimated amounts.

Plan Description.

The Louisiana Clerks' of Court Retirement and Relief Fund was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1501 for eligible employees of the clerk of the supreme court, each of the district courts, each of the courts of appeal, each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of entrance into the Fund, the Louisiana Clerks' of Court Association, The Louisiana Clerks of Court Insurance Fund, and the employees of the Fund. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the Fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. Access to the report can be found on the Louisiana Legislative Auditor's website, www.la.gov.

Plan Benefits

A member or former member shall be eligible for regular retirement benefits upon attaining twelve or more years of credited service, attaining the age of fifty-five years or more and terminating employment. Regular retirement benefits, payable monthly for life, equal 3 1/3 percent of the members average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. Monthly average final compensation is based on the highest compensated thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For those members hired on or after July 1, 2006, compensation is based on the highest compensated sixty consecutive months with a limit of 10% increase in each of the last six years of measurement. Act 273 of the 2010 regular session applied the sixty consecutive months to all members. This Act has a transition period for those members who retire on or after January 1, 2011 and before December 31, 2012. Additionally, Act 273 of the 2010 regular session increased a member's retirement age to 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

A member leaving covered employment before attaining early retirement age but after completing twelve years' credited service becomes eligible for a deferred allowance provided the member lives to the minimum service retirement age and does not withdraw his or her accumulated contributions.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

According to the state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 20, 2015, the actual employer contribution rate was 19.0%, actuarially determined as an amount that, when combined with employee contributions, is expected to finance any unfunded accrued liability. In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Clerk reported a liability of \$158,352 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerks' proportion of the net pension liability was based on a projection of the Clerks' long-term share of contributions to the pension plan relative to the projected contributions of all participating clerks' actuarially determined. At June 30, 2015, the Clerks' proportion was .1056 percent, which was an increase of .0674 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the Clerk recognized pension expense of (\$24,028) at June 30, 2015, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance	\$18,138	\$68,425
Change in system deferred outflows and inflows of resources	(3,610)	(44,975)
Changes in proportionate share		82,336
Differences between Clerk of Court contributions and proportionate share of contributions		(3,486)
Clerk of Court contributions subsequent to the measurement date	19,902	
Total	\$34,430	\$102,300

\$19,902 reported as deferred outflows of resources related to pensions resulting from the Clerks' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Year ended June 30:	
2016	(\$24,223)
2017	(24,223)
2018	(24,223)
2019	(16,029)
Total	(88,698)

Actuarial assumptions. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2015
Actuarial cost Method	Entry Age Normal Method
Actuarial Assumptions:	
Investment Rate of Return	7.00%, net of investment expense
Projected salary increases	5.0%
Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) RP-2000 Healthy Annuitant Table for healthy annuitants (set forward 1 year for males) RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)
Expected remaining service lives	2014 - 5 years, 2015 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2015 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study performed over the period July 1, 2009 through June 30, 2014 unless otherwise specified.

The discounted rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

Fund’s actuary. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method.

Sensitivity of the Clerks’ proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2015.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Clerks’ proportionate share of the net pension liability	\$238,562	\$158,352	\$90,280

5. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances deposits due others follows:

	Advance Deposit Fund	Registry of Court Fund	Total
Balance, June 30, 2015	\$53,597	\$28,970	\$82,567
Additions	89,249	36	89,285
Deletions	(92,499)	(14,334)	(106,833)
Balance June 30, 2016	<u>\$50,347</u>	<u>\$14,672</u>	<u>\$65,019</u>

6. LITIGATION AND CLAIMS

The Tensas Parish Clerk of Court is not involved in any litigation at June 30, 2016, nor is she aware of any unasserted claims.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Notes to the Financial Statements (Continued)

**7. EXPENDITURES OF THE CLERK OF COURT
PAID BY THE POLICE JURY**

The Tensas Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Tensas Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
License and permits-marriage	\$2,000	\$2,000	\$270	(\$1,730)
Clerk's supplemental compensation	20,000	20,000	22,250	2,250
Fees, charges, and commissions for services:				
Court costs, fees, and charges	150,500	158,300	185,636	27,336
Fees for recording legal documents	75,000	71,500	24,805	(46,695)
Fees for certified copies of documents	2,000	1,900	5,158	3,258
Use of money and property - interest earnings	30	30	66	36
Other revenues	4,000	3,500	8,895	5,395
Total revenues	<u>253,530</u>	<u>257,230</u>	<u>247,080</u>	<u>(10,150)</u>
EXPENDITURES				
Current:				
General government - judicial				
Personal services and related benefits	220,000	223,005	199,203	23,802
Operating services	19,000	22,375	23,940	(1,565)
Materials and supplies	7,000	7,350	3,966	3,384
Travel and other charges	5,500	4,500	5,156	(656)
Total expenditures	<u>251,500</u>	<u>257,230</u>	<u>232,265</u>	<u>24,965</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,030	NONE	14,815	14,815
FUND BALANCE AT BEGINNING OF YEAR	<u>380</u>	<u>4,808</u>	<u>(14,059)</u>	<u>18,867</u>
FUND BALANCE AT END OF YEAR	<u>\$2,410</u>	<u>\$4,808</u>	<u>\$756</u>	<u>\$33,682</u>

See accompanying note to budgetary comparison schedule.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2016

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 Tensas Parish Clerk'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 reappropriated for the following year to be expended.

Formal budgetary integration is 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.

Schedule 2

**Tensas Parish Clerk of Court
Schedule of Employer's Share of Net Pension Liability
June 30, 2016**

Actuarial Valuation Date	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	0.172962%	\$233,302	\$118,470	196.93%	79.37%
June 30, 2015	0.105566%	\$158,352	\$104,746	151.18%	78.13%

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

**Tensas Parish Clerk of Court
Schedule of Employer Contributions
June 30, 2016**

Actuarial Valuation Date	Contractually Required Contribution	Contributions in Relations to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2014	\$22,509	\$22,509	\$0	\$118,470	19.00%
June 30, 2015	\$19,902	\$19,902	\$0	\$104,746	19.00%

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

OTHER SUPPLEMENTARY INFORMATION

PART III

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended June 30, 2016

ERNEST SIKES, CLERK OF COURT (JULY 1, 2015 THRU JANUARY 31, 2016)

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$39,564
Expense Allowance	917
Supplemental Compensation	9,000
Election expense	150
Benefits-retirement	10,672
Membership dues-Clerk's Association	2,518
Total	<u>\$62,821</u>

CECIL EVANS, CLERK OF COURT (FEBRUARY 1, 2016 THRU JUNE 30, 2016)

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	\$35,000
Expense Allowance	1,179
Supplemental Compensation	9,150
Election expense	450
Benefits-retirement	8,698
Total	<u>\$54,477</u>

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2016

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 judgement has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2016

	ADVANCE DEPOSIT FUND	REGISTRY OF COURT FUND	TOTAL
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	<u>\$53,597</u>	<u>\$28,970</u>	<u>\$82,567</u>
ADDITIONS			
Suits and successions	89,249		89,249
Interest earned on investments		36	36
Total additions	<u>89,249</u>	<u>36</u>	<u>89,285</u>
Total	<u>142,846</u>	<u>29,006</u>	<u>171,852</u>
REDUCTIONS			
Clerk's costs to General Fund	77,598		77,598
Deposits settled to:			
Litigants	4,528	14,334	18,862
Appraisers, curators, and keepers	216		216
Sheriff's fees	4,477		4,477
Judicial Expense Fund	2,497		2,497
Other reductions	3,183		3,183
Total reductions	<u>92,499</u>	<u>14,334</u>	<u>106,833</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u><u>\$50,347</u></u>	<u><u>\$14,672</u></u>	<u><u>\$65,019</u></u>

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART IV**

**Independent Auditor's Report Required
by *Government Auditing Standards***

The following independent auditor's report on compliance and internal control over financial reporting is presented in compliance with the requirements of *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance *Government Auditing Standards***

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tensas Parish Clerk of Court, a component unit of the Tensas Parish Police Jury as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the Tensas Parish Clerk of Court's basic financial statements, and have issued my report thereon dated December 30, 2016.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Tensas Parish Clerk of Court's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tensas Parish Clerk of Court's internal control. Accordingly, I do not express an opinion on the effectiveness of the Tensas Parish Clerk of Court's internal control.

A deficiency in internal control exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

TENSAS PARISH CLERK OF COURT

St. Joseph, Louisiana

Independent Auditor's Report on Compliance

And Internal Control Over Financial Reporting, etc.

June 30, 2016

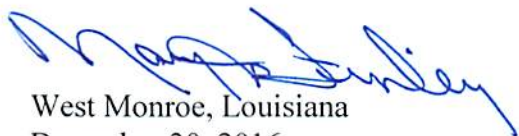
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tensas Parish Clerk of Court's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tensas Parish Clerk of Court'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 Tensas Parish Clerk of Court's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



West Monroe, Louisiana

December 30, 2016

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Schedule of Audit Findings
For the Year Ended June 30, 2016

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Tensas Parish Clerk of Court.
2. No instances of noncompliance material to the financial statements of the Tensas Parish Clerk of Court was disclosed during the audit.
3. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2016

15-01 Preparation of Annual Financial Statements

Finding: The Clerk's personnel do not have the capability to prepare annual financial statements, including footnote disclosures, in accordance with generally accepted accounting principles and do not have the skills and competencies necessary to prevent, detect, and correct a material misstatement.

Recommendation: An adequately designed system of internal control over financial reporting includes controls over preparation of the annual financial statements, including footnote disclosures. Such internal controls should require that the annual financial statements be prepared by personnel capable of preparing the financial statements in accordance with generally accepted accounting principles. In additions, such personnel should have the skills and competencies to prevent, detect, and correct a material misstatement in the financial statements. The Clerk's personnel with direct responsibility over financial reporting should receive training in the preparing of financial statements, including note disclosures. The training should be sufficient to provide such personnel with the skills and competencies necessary to prevent, detect, and correct a material misstatement. Alternatively, the Clerk could hire a qualified CPA to prepare their financial statements for them.

Conclusion: This finding has been resolved.

15-02 Segregation of Duties

Finding: During our audit we noted that the size of the Clerk and the limited number of employees does not permit an adequate segregation of employee duties for effective internal control. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Recommendation: To the extent that it is practical to do so, management should segregate employee duties and perform supervisory review.

Conclusion: This finding has been resolved.