

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA**

**BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

JUNE 30, 2023

**EAST FELICIANA PARISH CLERK OF COURT
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WITH SUPPLEMENTAL INFORMATION SCHEDULES
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CLINTON, LOUISIANA
BASIC FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION SCHEDULES
JUNE 30, 2023**

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INDEPENDENT AUDITORS' REPORT

The Honorable David Dart
East Feliciana Parish Clerk of Court
P. O. Box 599
Clinton, Louisiana 70722

Report on the Audit of the Financial Statements

Opinions

I have audited the financial statements of the governmental-type activities, the major fund, and the aggregate remaining fund information of the East Feliciana Clerk of Court, a component unit of East Feliciana Parish Police Jury, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the East Feliciana Clerk of Court's basic financial statements as listed in the table of contents.

In my opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental-type activities, the major fund, and the aggregate remaining fund information of the East Feliciana Clerk of Court, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of East Feliciana Clerk of Court, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the East Feliciana Clerk of Court's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 East Feliciana Clerk of Court's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the East Feliciana Clerk of Court's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, the schedule of change in OPEB liability and related ratios, employer's share of net pension liability, and employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 we 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 us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. My opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Feliciana Clerk of Court's basic financial statements. The other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of schedule of compensation, benefits, and other payments to the agency head and the justice system funding schedule-collecting disbursing entity are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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, based on my audit, the procedures performed as described above, the schedule of schedule of compensation, benefits, and other payments to the agency head and the justice system funding schedule-collecting disbursing entity are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 27, 2023 on my consideration of East Feliciana 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 solely 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 the effectiveness of East Feliciana Clerk of Court's 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 East Feliciana Clerk of Court's internal control over financial reporting and compliance.

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

Minda B. Raybourn CPA
Franklinton, LA
December 27, 2023

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023**

ASSETS

Cash and cash equivalents	\$	1,235,038
Receivables		1,690
Capital assets, net		<u>22,583</u>
Total Assets		<u>1,259,311</u>

DEFERRED OUTFLOWS OF RESOURCES

Related to pensions		476,641
Related to other post-employment retirement benefits		<u>74,905</u>
Total Deferred Outflows of Resources		<u>551,546</u>

LIABILITIES

Accounts payable		2,942
Payroll taxes payable		5,700
Accrued benefits payable		20,957
Other post-employment benefits payable		368,307
Net pension liability		<u>1,143,990</u>
Total Liabilities		<u>1,541,896</u>

DEFERRED INFLOWS OF RESOURCES

Related to pensions		10,399
Related to other post employment benefit amounts		<u>358,295</u>
Total Deferred Inflows of Resources		<u>368,694</u>

NET POSITION

Net investment in capital assets		22,583
Unrestricted		<u>(122,316)</u>
Total Net Position	\$	<u>(99,733)</u>

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

<u>Functional/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenues (Expenses)</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities					
General government	\$ 1,086,896	\$ 833,158	\$ 43,745	\$ -	\$ (209,993)
Intergovernmental	25,700	27,680	-	-	1,980
Total Governmental Activities	1,112,596	860,838	43,745	-	(208,013)
General Revenues					
					43,658
					8,289
					57,135
					109,082
					(98,931)
					(802)
					\$ (99,733)

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

FUND FINANCIAL STATEMENTS

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

ASSETS

Cash and cash equivalents	\$	1,235,038
Receivables:		
Accounts, net		1,690
Total Assets		1,236,728

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable		2,942
Payroll taxes payable		5,700
Accrued benefits payable		20,957
Total Liabilities		29,599

Fund Balances:

Unassigned		1,207,129
Total Liabilities and Fund Balances		\$ 1,236,728

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances - Total Governmental Funds	\$ 1,207,129
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheets. These are the capital assets, net of accumulated depreciation, reported on the Statements of Net Position.</p>	22,583
<p>Long-term liabilities of governmental activities do not require the use of current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. These are the long-term liabilities of the Clerk's governmental activities:</p>	
Other post-employment benefits	(368,307)
Net pension liability	(1,143,990)
<p>Deferred outflows and inflows of resources related to pensions and other post retirement employee benefits are applicable to future periods, and therefore, are not reported in the governmental funds.</p>	
Deferred outflows of resources related to pensions	476,641
Deferred outflows of resources related to other post retirement benefits	74,905
Deferred inflows of resources related to pensions	(10,399)
Deferred inflows of resources related to other post retirement benefits	<u>(358,295)</u>
Total Net Position - Governmental Activities	<u>\$ (99,733)</u>

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

REVENUES

Intergovernmental revenues	\$	27,680
Charges for services:		
Court costs and fees		442,791
Certified copies and data processing		95,095
Licenses		860
Recording fees		294,412
Grants		43,745
Interest earned		43,658
Other revenues		8,289
		956,530
Total Revenues		956,530

EXPENDITURES

General government		987,981
		987,981
Change in Fund Balances		(31,451)
Fund Balances, beginning		1,238,580
		1,238,580
Fund Balances, ending	\$	1,207,129

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
RECONCILIATION OF THE STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$	(31,451)
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Capital outlay which is considered expenditures on statement of revenues, expenditures, and changes in fund balance.

Depreciation Expense	-	(9,957)
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	<u>(9,957)</u>	(9,957)
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Non employer's contributions to the clerk of court pension plan.		57,135
--	--	--------

Other post-retirement benefits are reported in the Statement of Activities but they are not reported as expenditures in the governmental funds.		9,590
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Pension expense not requiring the use of current economic resources and therefore, not reported as a fund expenditure.		(124,248)
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Change in Net Position - Governmental Activities	\$	<u>(98,931)</u>
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The accompanying notes are an integral part of the basic financial statements.

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023**

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 446,692	\$ 433,253	\$ 879,945
Total Assets	446,692	433,253	879,945
<u>NET POSITION</u>			
Held in trust for others	446,692	433,253	879,945
Total Net Position	\$ 446,692	\$ 433,253	\$ 879,945

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
YEAR ENDED JUNE 30, 2023**

	Advance Deposit <u>Fund</u>	Registry of Court <u>Fund</u>	<u>Total</u>
Additions			
Interest earned	\$ 1,511	\$ 16,381	\$ 17,892
Suits and successions	535,793	20,125	555,918
	<hr/>		
Total Additions	537,304	36,506	573,810
Deductions			
Clerk of Court's costs	352,902	-	352,902
Settlement to litigants	97,822	74,355	172,177
Attorney, curator and notary fees	11,582	-	11,582
Sheriff's fees	42,013	-	42,013
Judges Parish	19,856	-	19,856
Other reductions	11,497	-	11,497
	<hr/>		
Total Deductions	535,672	74,355	610,027
Change in Net Position	1,632	(37,849)	(36,217)
Net Position, beginning of year	445,060	471,102	916,162
	<hr/>		
Net Position, end of year	\$ 446,692	\$ 433,253	\$ 879,945
	<hr/>		

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

NOTES TO FINANCIAL STATEMENTS

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

INTRODUCTION

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The following is a summary of certain significant accounting policies:

Financial Reporting Entity: Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The financial reporting entity as defined in GASB Statement No. 14, consists of (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) 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. For financial reporting purposes, the East Feliciana Parish Police Jury is considered the financial reporting entity for East Feliciana Parish. The Clerk, therefore, is considered a component unit of the East Feliciana Parish Police Jury. The accompanying financial statements, however, present only the transactions of the East Feliciana Parish Clerk of Court.

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

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

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

Eliminating Internal Activity

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

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the statement of net position.

Program Revenues

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

Indirect Expenses

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

Operating Revenues

Proprietary funds separately report operating and non-operating revenues.

Restricted Net Position

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

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

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

Governmental Funds: Governmental funds account for all or most of the Clerk's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

funds of the Clerk include:

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

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

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

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

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

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

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

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

Budgets and Budgetary Accounting: The Clerk adopts an annual budget for its general fund, prepared in accordance with the basis of accounting utilized by that fund. Appropriations lapse at year-end. There was one amendment made to the budget during the fiscal year ended June 30, 2018.

Cash and Cash Equivalents: Cash includes amounts in demand and interest bearing demand deposits. Cash equivalents include amounts in investments with original maturities of 90 days or less. Under state law, the Clerk may deposit funds in demand deposits, interest-bearing demand deposits, money market

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments: Investments are limited by Louisiana Revised Statute 33.2955. If the original maturities of investments exceed 90 days, they are classified as investments. Otherwise, the investments are classified as cash and cash equivalents. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported in investment earnings.

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

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

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

Capital Assets: The Clerk's assets are recorded at historical cost. The threshold for capitalization is \$5,000. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows: equipment and furniture – 5-7 years.

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

Vacation leave – Employees receive ten (10) days' vacations leave each year on the anniversary of their employment. If an employee terminates at the end of the year, the employee will be paid for unused vacation leave earned.

Sick leave – Employees receive ten (10) days sick leave each year. Sick leave is non-cumulative, but employees are paid for unused sick leave at the end of the year at their regular salary rate. Sick leave is not paid upon termination.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditures in the General Fund when leave is actually earned.

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

Deferred Outflows/Inflows of Resources: In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances deferred outflows of resources and deferred inflows of resources result from the delayed

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

recognition of expenditures or revenues, respectively. At June 30, 2023, the Clerk of Court's deferred outflows and inflows of resources are attributable to its pension plan and postemployment benefit obligation.

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

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

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

Non-spendable

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

Restricted

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

Committed

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

Assigned

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

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Unassigned

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

New Accounting Pronouncement: As of June 30, 2021, the Clerk implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This statement changes the definition of fiduciary activities, providing more refined guidance on how to determine if an activity is fiduciary in nature and therefore should be reported as such. This statement defines types of fiduciary activities, eliminating agency fund and replacing them with custodial funds. Under this guidance, all fiduciary funds will not report a net position and statement of changes in net position.

For 2023, the Clerk implemented GASB Statement No 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government’s leasing activities. It establishes requirement’s for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset.

NOTE 2 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents (book balances) on hand are as follows:

	Governmental Activities	Fiduciary Activities
Petty Cash	\$ 213	\$ -
Interest Bearing	-	-
Demand Deposits	100,049	96,518
LAMP, Inc.	1,134,776	783,427
Total	\$ 1,235,038	\$ 879,945

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

All deposits of the Clerk are covered by insurance (FDIC) or collateralized with securities that are held by and in the entity’s name or registered in the entity’s name. Even though the pledged securities are considered uncollateralized under the provision of GASB Statement 3, La R.S. 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.

At June 30, 2023, the bank balances are \$260,206. Of these bank balances, \$750,000 are covered by FDIC insurance (for general fund and two custodial funds).

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment

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interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools.

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk. LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk. Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 56 days as of June 30, 2023.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at 800-249-5267.

NOTE 3 – RECEIVABLES

The net receivables of the general fund, with the exception of inter-fund transactions, are as follows:

Accounts	\$1,690
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NOTE 4 – CAPITAL ASSETS

Capital asset activity of governmental activities for the year ended June 30, 2023, was as follows:

	Beginning		Ending	
	Balance	Additions	Retirements	Balance
Capital Assets, being depreciated				
Equipment	\$ 118,333	\$ -	\$ -	\$ 118,333
Less: accumulated depreciation	90,956	8,517	-	99,473
Equipment, net	27,377	(8,517)	-	18,860
Furniture	97,144	-		97,144
Less: accumulated depreciation	91,981	1,440		93,421
Furniture, net	5,163	(1,440)	-	3,723
Net Capital Assets	\$ 32,540	\$ (9,957)	\$ -	\$ 22,583

Depreciation expense was recorded for \$11,031.

NOTE 5 – ACCOUNTS AND OTHER PAYABLES

The payables of the general fund are as follows:

Class of Payable	General Fund	Fiduciary fund:
Trade payables	\$ 2,942	\$ -
Payroll liabilities	5,700	-
Accrued benefits	20,957	-
Funds held in trust	-	879,945
Total	\$ 29,599	\$ 879,945

NOTE 6 – INTER-GOVERNMENTAL TRANSACTIONS

Inter-governmental revenues of the general fund are as follows:

State supplement	\$ 25,700
La. Dept. of Elections	<u>1,980</u>
Total	<u>\$27,680</u>

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NOTE 7 – ON-BEHALF PAYMENTS

Certain operating expenditures of the Clerk are paid by the East Feliciana Parish Jury and are not included in the accompanying financial statements.

NOTE 8 – LEASES

Operating Leases. The Clerk has made an accounting policy election not to recognize right-to-use assets and lease liabilities that arise from short-term leases for any class of underlying asset. The Clerk has considered all relevant factors and determined that it is not reasonably certain to exercise any options to extend. Because at lease commencement the Clerk is not reasonably certain to extend an option, the lease term is for 12 months. The Clerk has a 12-month lease of mailing equipment. The amount paid for equipment rentals during the current year was \$6,083.

NOTE 9 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description. The Clerk’s defined benefit postemployment health care plan provides OPEB to eligible retired employees and their beneficiaries. The plan provides OPEB for permanent full-time employees of the Clerk. The Clerk’s OPEB plan is a single employer defined benefit OPEB plan administered by the Clerk. Benefits are provided through the Louisiana Clerks of Court Insurance Trust (“LCCIT”), a multiple-employer healthcare plan administered by the Louisiana Clerks of Court Association. Louisiana Revised Statute §13:783 grants the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The premium rates are established and may be amended by the LCCIT board of trustees, with the Clerk determining the contribution requirements of the retirees.

Benefits provided. The Clerk provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 50% of retiree and 0% of dependent pre-Medicare health, Medicare Advantage, vision, and dental insurance premiums. The plan also provides for payment of 50% of retiree life insurance premiums.

Employees covered by benefit terms. On January 1, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits payments	3
Inactive employees entitled to but not yet receiving benefit payments	0
Active Employees	<u>11</u>
Total	<u>14</u>

Total OPEB Liability

The Clerk’s total OPEB liability of \$368,307 was measured as of June 30, 2023 and was determined by an actuarial valuation as of January 1, 2022.

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Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.40%
Salary Increases, including inflation:	3.25%
Discount Rate:	3.86%
Health Care Cost Trend Rates	
Medical:	-0.03% for 2022, 6.25% for 2023, decreasing 0.25% per year to an ultimate rate of 5.0% for 2028 and later years.
Medicare Advantage:	-11.63% for 2022, 4.25% for 2023, decreasing 0.25% per year to an ultimate rate of 3.0% for 2028 and later years. Includes 2% per year for aging.
Dental:	0.0% for 2022, 3.0% per year thereafter
Vision:	-5.46% for 2022, 2.5% per year thereafter
Retirees' Share of Benefit- Related Costs:	
Medical:	50% for retirees and 100% for dependents.
Medicare Advantage:	50% for retirees and 100% for dependents.
Dental:	50% for retirees and 100% for dependents.
Vision:	50% for retirees and 100% for dependents.
Basic Life Insurance:	50%

The discount rate was based on the 6/30/2023 Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the PubG.H-2010 Employee mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retired employees were based on the PubG.H-2010 Healthy Retiree mortality table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

The actuarial assumptions used in the valuation were based on the those used in the Louisiana Clerks of Court Retirement and Relief Fund valuation and actuarial experience.

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Changes in Total OPEB Liability

	Total OPEB Liability
Balance at 6/30/2022	\$377,743
Changes for the year:	
Service Cost	15,666
Interest	14,396
Differences between expected and actual experience	624
Changes in Assumptions/Inputs	(33,549)
Change in Benefit Terms	0
Benefit payments	(6,573)
Administrative Expense	0
Net Changes	(\$9,436)
Balance at 6/30/2023	\$368,307

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage-point higher (4.86 percent) than the current discount rate:

	1% Decrease (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB Liability	\$425,457	\$368,307	\$309,487

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability	\$343,348	\$368,307	\$399,568

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the Clerk recognized an OPEB expense of (\$9,436). On June 30, 2023, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$34,874	\$208,112
Changes of assumptions or other inputs	\$40,031	\$155,182
Total	\$74,905	\$358,295

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2024	(\$33,080)
2025	(\$33,080)
2026	(\$44,531)
2027	(\$44,531)
2028	(\$44,531)
Thereafter	(\$83,637)

NOTE 10 – PENSION PLAN

Plan Description. Substantially all employees of the East Feliciana Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund, a cost-sharing, multiple-employer defined benefit pension plan, which was established in accordance with La. Revised Statute 11.1501 to provide regular, disability and survivor benefits for clerks of court, their deputies and other employees, and their beneficiaries.

Retirement Benefits. A member or former member shall be eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 years (age 60 if hired on or after January 1, 2011), and terminating employment. Regular retirement benefits, payable monthly for life, is equal to 3% percent of the member's monthly average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average final compensation. The retirement benefit accrual rate is increased to 3½% for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For members hired before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest 36 consecutive months, with a limit increase of 10% in each of the last three years of measurement. For members hired after July 1, 2006, monthly average final compensation is based on the highest compensated 60 consecutive months, or successive joined months if service was interrupted, with a limit increase of 10% in each of the last five years of measurement. For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is 36 months plus the number of whole months elapsed since January 1, 2011, not to exceed 60 months.

Disability Benefits Disability benefits are awarded to active members who are totally and permanently disabled as a result of injuries sustained in the line of duty or to active members with 10 or more years of credible service who are totally disabled due to any cause. A member who is officially certified as totally or permanently disabled by the State Medical Disability Board will be paid monthly disability retirement benefits equal to the greater of forty percent of their monthly average final compensation or 75% of their monthly regular retirement benefit computed as per R.S. 11:1521 (C).

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Survivor Benefits. Upon the death of any active contributing member with less than five years of credited service, his/her accumulated contributions are paid to his/her designated beneficiary. Upon the death of any active contributing member with five or more years of credited service, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced $\frac{1}{4}$ of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children shall be paid $\frac{1}{2}$ of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than 12 years of service, the designated beneficiary may receive his/her accumulated contributions. Upon the death of any former member with 12 or more years of service, automatic option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan (DROP). In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to 36 months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the Fund terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the DROP account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the DROP account equal to the payments to the account or a true annuity based upon his account (subject to approval by the Board of Trustees). In addition, the member receives the monthly benefits that were paid into the DROP fund during his period of participation.

If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the Fund. Interest is paid on DROP account balances for members who complete their DROP participation but do not terminate employment. The interest earnings are based on the actual rate of return on funds in such accounts. These interest accruals cease upon termination of employment.

Upon termination, the member receives a lump-sum payments from the DROP fund equal to the payments made to that fund on his behalf or a true annuity based in his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. Prior to January 1, 2011, the average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least 36 months. Effective January 1, 2011, the average compensation for members whose additional service is less than 36 months is equal to the lesser amount used to calculate his original benefit or the compensation earned in the period of additional service divided by the number of months of additional service. For former DROP participants who retire after December 30, 2010, the period used to determine final average compensation for post-DROP service is 36 months plus the number of whole months elapsed from January 1, 2011 to the date of DROP entry. In no event can the entire monthly benefit

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amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Cost of Living Adjustments. The Board of Trustees is authorized to grant retired members and widows of members who have been retired for at least one full calendar year an annual cost of 2.5% of their benefit (not to exceed \$40 per month), and all retired members and widows who are 65 years of age or older a 2% increase in their original benefit (or their benefit as of October 1, 1977, if they retired prior to that time). In order to grant the 2.5% COLA, the increase in the consumer price index must have exceeded 3% since the last COLA granted. In order for the Board to grant either of these increases, the Fund must meet certain other criteria as detailed in the Louisiana statute relating to funding status. In lieu of granting the above cost of living increases, Louisiana statutes allow the Board to grant a cost of living increase where the benefits shall be calculated using the number of years of service at retirement or at death plus the number of years since retirement or death multiplied by the cost of living amount which cannot exceed \$1.

Contributions: Contribution requirements are actuarially determined each year. For the year ending June 30, 2023, the Clerk's rate was 22.25% of annual covered payroll while the employees contributed 8.25%. In addition, the Louisiana Legislature passed R.S. 11:1562(C) which allows the Clerk of Court pay the Clerk's operating funds all or any portion of the employee required contributions which would otherwise be deducted from the employee's salary. The Clerk elected to pay 100% of all retirement system contributions to the Louisiana Clerk of Court Retirement and Relief Fund. The Clerk of Clerk's contributions to the system for the years ending June 30, 2023 \$147,192 (normal employer's portion of \$109,036 and employee portion paid by the Clerk of \$38,156).

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Contributions from non-employer contributing entities were \$57,135.

Pension Liabilities, Pension Expense, Deferred Outflows and Inflows of Resources Related to Pensions. At June 30, 2023, the Clerk reported a liability of \$1,143,990 for its proportionate share of the Fund's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the net pension liability was based on a projection of the Clerk's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Clerk's proportion at that date was 0.4719891%, which is an increase of 0.0037647% from the prior year.

Pension expense of \$271,440 was recognized for the year ended June 30, 2023. Deferred outflows and inflows of resources related to pensions were reported from the following sources:

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	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	10,847	(10,399)
Changes of assumptions	83,950	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	(10,099)	-
Net differences between projected and actual earnings on plan investments	244,751	-
Employer contributions subsequent to measurement date	147,192	-
Total	476,641	(10,399)

Deferred outflows of resources of \$147,192 related to pensions resulting from the Clerk's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2024	10,550
2025	4,938
2026	6,456
2027	13,453
Total	35,396

Actuarial Methods and Assumptions

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

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2022 is as follows.

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Valuation Date	6/30/2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment rate of return	6.55%, net of investment expense
Projected salary increases	1-5 years of service 6.2% 5 years or more 5%
Inflation Rate	2.40%
Mortality rates	Pub-2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale.
Expected Remaining Service Lives	2021-5 years 2020-5 years 2019-5 years 2018-5 years 2017-5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2022 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 - June 30, 2019, unless otherwise specified.

The mortality rate assumption used was verified by combining data from this plan with three other statewide plans which have similar workforce composition in order to produce a credible experience. The aggregated data was collected over the period July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the Fund's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that these tables would produce liability values approximating the appropriate generational mortality tables used.

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return was 6.02% for the year ended June 30, 2022.

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The best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2022 is summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed Income		
Domestic bonds	25.00%	2.50%
International bonds		3.50%
Domestic Equity	38.00%	7.50%
International Equity	22.00%	8.50%
Real Estate	15.00%	4.50%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.55%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 6.75%, 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 (5.55%) or one percentage point higher (7.55%) than the current rate.

1% decrease	5.55%	1,632,890
Current discount rate	6.55%	1,143,990
1% increase	7.55%	732,086

Payables to the Pension Plan

The Clerk of Court's payable to the LACRF at June 30, 2023 was \$12,029 as the required contribution owed for the month of June 2023.

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Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LACRF 2019 annual financial report at www.laclerksofcourt.org

NOTE 11 – DEFERRED COMPENSATION PLAN

All of the employees of the Clerk are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 100% of their compensation or \$20,500, whichever is, less to the plan on a pre-tax basis. The contributions are withheld from the employee's paycheck and the Clerk matches up to \$300 per month for each employee. The contributions are fully vested immediately and are remitted to a third-party administrator each payday where they are deposited to an account in the employee's name. The Clerk of Court does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2023, the Clerk's matching funds totaled \$23,736.

NOTE 12-PRIOR PERIOD ADJUSTMENT

Governmental net assets and the fund balance of the general fund were adjusted due to the following:

Governmental net assets, beginning of period	\$ (5,381)
Adjustment due to change in cash	801
Governmental net assets, restated	<u>\$ (4,580)</u>

	<u>General Fund</u>
Fund Balance, beginning of period	\$ 1,234,001
Adjustment due to change in cash	4,579
Fund Balance, restated	<u>\$ 1,238,580</u>

NOTE 13 – EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires that every four years (at the expiration of the term of office), the Clerk must pay the parish treasurer any balance in the Clerk's salary fund which exceeds one-half of the revenues of the last year of the term, which shall be limited to not 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, 2023, there was no amount due to the parish.

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NOTE 14- RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure.

NOTE 15 - LITIGATION

There is currently no pending or existing litigation on behalf of or against the Clerk.

NOTE 16 - SUBSEQUENT EVENTS

There were no events between the close of the year through December 27, 2023, the date on which the statements were available to be issued, that would materially impact these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental revenues	\$ 24,500	\$ 24,500	27,680	\$ 3,180
Charges for services:				
Court costs and fees	346,101	346,101	442,791	96,690
Certified copies and data processing	79,500	79,500	95,095	15,595
Licenses	1,200	1,200	860	(340)
Recording fees	277,899	277,899	294,412	16,513
Grants	-	-	43,745	43,745
Interest earned	1,700	1,700	43,658	41,958
Other revenues	3,000	3,000	8,289	5,289
Total Revenues	733,900	733,900	956,530	222,630
<u>EXPENDITURES</u>				
General government	1,031,409	1,031,409	987,981	43,428
Capital Outlay	-	-	-	-
Total Expenditures	1,031,409	1,031,409	987,981	43,428
Change in Fund Balances	(297,509)	(297,509)	(31,451)	179,202
Fund Balances, beginning	1,197,693	1,197,693	1,238,580	40,887
Fund Balances, ending	\$ 900,184	\$ 900,184	\$ 1,207,129	\$ 220,089

See Independent Auditor's Report

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2023**

NOTE 1-BUDGETARY BASIS OF ACCOUNTING

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

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA**
Schedule of Changes in Net OPEB Liability and Related Ratios for the
For the Year Ended June 30, 2023

	2018	2019	2020	2021	2022	2023
Total OPEB Liability						
Service cost	\$ 4,139	\$ 4,634	\$ 16,042	\$ 20,730	\$ 16,083	\$ 15,665
Interest	22,450	23,018	24,202	15,979	13,768	14,396
Changes of benefit terms		-	-	-	-	-
Differences between expected and actual experience	(14,061)	40,969	36,506	3,498	(261,145)	624
Changes of assumptions	(27,877)	39,193	(100,760)	43,249	(89,206)	(33,549)
Benefit payments	(15,243)	-16,081	(17,703)	(22,273)	(5,530)	(6,572)
Net change in total OPEB liability	<u>(30,592)</u>	<u>91,933</u>	<u>(41,713)</u>	<u>61,183</u>	<u>(326,030)</u>	<u>(9,436)</u>
Total OPEB liability - beginning	<u>622,962</u>	<u>592,370</u>	<u>684,303</u>	<u>642,590</u>	<u>703,773</u>	<u>377,743</u>
Total OPEB liability - ending (a)	<u>\$ 592,370</u>	<u>\$ 684,303</u>	<u>\$ 642,590</u>	<u>\$ 703,773</u>	<u>\$ 377,743</u>	<u>\$ 368,307</u>
Covered-employee payroll	\$ 372,516	\$ 383,303	\$ 406,028	\$ 412,574	\$ 436,886	\$ 435,626
Net OPEB liability as a percentage of covered-employee payroll	159.02%	178.53%	157.52%	170.58%	86.46%	86.46%
Notes to Schedule:						
<i>Benefit Changes</i>	None	None	None	None	None	None
<i>Changes of Assumptions:</i>						
<i>Discount Rates</i>	3.87%	3.50%	2.45%	1.92%	3.69%	3.86%
<i>Mortality Rates:</i>	2018-2019	RP-2000 Table without projection with 50% 50% unisex blend				
	2020	Pub G. H-2010 Employee and Healthy Retiree Generational with MP-2019				
	2021	Pub G. H-2010 Employee and Healthy Retiree Generational with MP-2020				
	2022-2023	Pub G. H-2010 Employee and Healthy Retiree Generational with MP-2021				

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

See Independent Auditor's Report

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2023**

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liab (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liab (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liab (Asset) as a %age of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Pension as a %age of the Total Pension Liability</u>
2023	0.4719891%	\$ 1,143,990	\$ 482,273	237.21%	74.09%
2022	0.4682243%	\$ 622,850	\$ 472,740	131.75%	85.40%
2021	0.4675931%	\$ 1,124,975	\$ 463,162	242.89%	72.09%
2020	0.4586408%	\$ 832,888	\$ 435,215	191.37%	77.93%
2019	0.4327565%	\$ 719,404	\$ 400,643	179.56%	79.07%
2018	0.4438409%	\$ 671,502	\$ 406,808	165.07%	79.69%
2017	0.4445300%	\$ 822,369	\$ 401,958	202.15%	74.17%
2016	0.4364900%	\$ 654,744	\$ 397,470	164.73%	78.13%
2015	0.4375100%	\$ 641,125	\$ 396,470	161.71%	79.37%

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

See Independent Auditor's Report

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
YEAR ENDED JUNE 30, 2023**

<u>Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2023	\$147,192	\$147,192	\$0	\$490,052	30.04%
2022	\$107,578	\$107,578	\$0	\$482,273	22.31%
2021	\$98,860	\$98,860	\$0	\$472,740	20.91%
2020	\$88,498	\$88,498	\$0	\$463,162	19.11%
2019	\$86,413	\$86,413	\$0	\$435,215	19.86%
2018	\$75,856	\$75,856	\$0	\$400,643	18.93%
2017	\$76,359	\$76,359	\$0	\$406,808	18.77%
2016	\$89,905	\$76,754	\$13,151	\$401,958	19.10%
2015	\$68,597	\$75,011	(\$6,414)	\$397,470	18.87%

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

See Independent Auditor's Report

SUPPLEMENTAL INFORMATION

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
YEAR ENDED JUNE 30, 2023**

Agency Head
David Dart
Clerk of Court

Purpose	Amount
Salary	\$ 111,953
Supplemental pay	25,700
Expense allowance	13,585
Benefits - retirement	45,243
Benefits - deferred compensation	10,730
Benefits - group insurance	15,904
Travel:	
Auto allowance	21,838
Meals	
Per Diem	500
Lodging	892
Membership dues	2,583
Reimbursements for office expenses	<u>2,319</u>
Total Compensation, Benefits and Other Payments	<u>\$ 251,247</u>

See Independent Auditor's Report

EAST FELICIANA CLERK OF COURT
Justice System Funding Schedule - Collecting/Disbursing Entity
As of and for the Year Ended June 30, 2023

Cash Basis Presentation	First Six Month Period Ended 12/31/22	Second Six Month Period Ended 06/30/23
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 445,065	\$ 452,303
Add: Collections		
Civil Fees	266,467	269,356
Interest	756	756
Subtotal Collections	<u>267,223</u>	<u>270,112</u>
Less: Disbursements To Governments & Nonprofits:		
20th JDC Expense Fund	3,390	3,650
Acadia Parish Sheriff	61	-
Ascension Parish Sheriff	56	453
Assumption Parish Sheriff	-	53
Avoyelles Parish Sheriff	20	-
Bossier Parish Sheriff	65	-
Caddo Parish Sheriff	35	44
Caldwell Parish Sheriff	40	108
Collection Section, State of LA	-	248
Commissioner of Insurance	10	5
Dept of Justice Corrections Secuon State of LA	18	51
Division of Administration Office of General Counsel State of LA	60	15
East Baton Rouge Parish Sheriff	3,578	3,740
East Feliciana Parish Sheriff	9,782	19,383
First Circuit Court of Appeal	-	327
Jefferson Parish Sheriff	150	90
Lafayette Parish Sheriff	70	68
Livingston Parish Sheriff	462	222
Louisiana Department of the Treasury	3,915	6,660
Louisiana State Treasurer, Louisiana Supreme Court	6,264	6,573
Louisiana Supreme court Judicial College Fund	99	101
Orleans Parish Civil Sheriff	180	240
Ouachita Parish Sheriff	56	-
Plaquemines Parish Sheriff	-	60
Ponte Coupee Parish Sheriff	7	89
Rapides Parish Sheriff	20	-
Richland Parish Sheriff	53	-
Secretary of State	50	450
St John the Baptist Parish Sheriff	35	-
St. Benard Parish Sheriff	-	96
St. Charles Parish Sheriff	35	-
St. Helena Parish Sheriff	57	(8)
St. Landry Parish Sheriff	-	7
St. Tammany Parish Sheriff	20	92
St. Mary Parish Sheriff	91	-
State of La. Division of Administration	-	15
Supreme court of LA	90	140
Tangipahoa Parish Sheriff	172	138
Terrebone Parish Sheriff	-	132
Webster Parish Sheriff	65	-
West Baton Rouge Sheriff	16	205
West Feliciana Parish Sheriff	641	722
Winn Parish Sheriff	34	1
Less: Amounts Retained by Collecting Agency		
Amounts Self-Disbursed to Collecting Agency-Civil Fees	174,542	178,361
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	55,746	53,212
Subtotal Disbursements/Retainage	<u>259,985</u>	<u>275,723</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 452,303</u>	<u>\$ 446,692</u>

See Independent Auditor's Report

Minda B. Raybourn

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

David Dart, Clerk of Court
East Feliciana Parish
P. O. Box 599
Clinton, Louisiana 70722

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental-type activities, the major fund, and the aggregate remaining fund information of the East Feliciana Parish Clerk of Court, a component unit of the East Feliciana Parish Police Jury, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the East Feliciana Parish Clerk of Court's basic financial statements, and have issued my report thereon dated December 27, 2023.

Internal Control over Financial Reporting

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

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

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

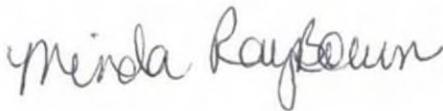
Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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



Minda B. Raybourn CPA
Franklinton, La
December 27, 2023

**EAST FELICIANA PARISH CLERK OF COURT
CLINTON, LOUISIANA
SCHEUDLE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2023**

I have audited the financial statements of the East Feliciana Parish Clerk of Court as of and for the year ended June 30, 2023, and have issued my report thereon dated December 27, 2023. 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. My audit of the financial statements as of June 30, 2023, resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

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

Internal Control	Significant Deficiencies	<input type="checkbox"/> No
	Material weaknesses	<input type="checkbox"/> No
Compliance	Material to Financial Statements	<input type="checkbox"/> No

B. Federal Awards

N/A

Section II Financial Statement Findings

None

Section III Federal Award Findings and Questioned Costs

None

Section IV Management Letter

None

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable David Dart
East Feliciana Parish Clerk of Court
P. O. Box 599
Clinton, Louisiana 70722

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The East Feliciana Clerk of Court's (the "Clerk of Court") management is responsible for those C/C areas identified in the SAUPs.

The Clerk of Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows.

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

b) *No exceptions to this procedure.*

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

No exceptions to this procedure.

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

No exceptions to this procedure.

d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exceptions to this procedure.

e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

No exceptions to this procedure.

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

The Clerk has procedures it follows but are not in writing.

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

No exceptions to this procedure.

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

No exceptions to this procedure.

i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained

to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exceptions to this procedure.

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

No exceptions to this procedure.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exceptions to this procedure

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Item 3 is not addressed in the Clerk of Court's sexual harassment policy.

Management's Response: We will implement the policies and procedures noted above before the end of the current fiscal year.

Board or Finance Committee-This is not applicable to the Clerk of Court.

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

The listing of bank accounts and management's representation were obtained.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exception to this procedure.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

The external account prepares the bank reconciliations. The reconciliations were signed by the external accountant

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

The salary fund has 3 checks totaling \$119.83 that are 12 months and older

Management Response: We will review the outstanding checks and research accordingly.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites and management's representation was obtained

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

The cash drawer is shared.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

The person responsible for collecting cash is not responsible for preparing/making deposits. A different person is responsible for reconciling collection documentation to the deposit.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The person responsible for collecting cash is not responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

The person responsible for reconciling cash collections to the general ledger by revenue and agency fund additions are not responsible for collecting cash.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exception to this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and.

- a) Observe that receipts are sequentially pre-numbered.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

- e) Trace the actual deposit per the bank statement to the general ledger.

There were no exceptions to procedures a through e.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Management's representation was obtained. The entity has one location that processes payments.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions to this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions to this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

No exceptions to this procedure.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions to this procedure.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

No exceptions to this procedure.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
No exceptions to this procedure.

- 11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

No exceptions to this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards The Clerk of Court does not use cards so the procedures are not applicable.

- 12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
- 14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating

control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

The listing of travel expenses and management’s representation were obtained.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Reimbursement rate was under the rates established by the state and US GSA.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions to this procedure.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions to this procedure.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions to this procedure.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:

Management’s listing and management’s representations were obtained.

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions to this procedure.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

No exceptions to this procedure.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

This was not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

There were no exceptions to this procedure.

Payroll and Personnel

17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

A listing and management's representation were obtained.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

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

No exceptions to this procedure.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions to this procedure.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions to this procedure.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions to this procedure.

19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

No exceptions to this procedure.

20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions to this procedure.

Ethics

21. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

No exceptions to this procedure.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No changes were made to the entity's ethics policy during the fiscal period.

Debt Service The Clerk of Court does not have debt so this is not applicable.

22. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

23. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

24. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management asserted there were no misappropriations. Management's representations were obtained.

25. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exception to this procedure.

Information Technology Disaster Recovery/Business Continuity

26. Perform the following procedures. **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

I performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

I performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers

have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

I performed the procedure and discussed the results with management

27. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

I performed the procedure and discussed the results with management.

Sexual Harassment

Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No exception to this procedure.

28. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exception to this procedure.

29. Obtain the entity's annual sexual harassment report for the current fiscal period. observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

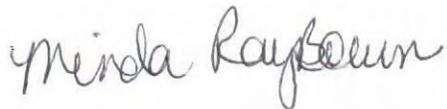
- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action, and
- e) Amount of time it took to resolve each complaint.

No exception to this procedure

We were engaged by the Clerk of Court to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Clerk of Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

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

Minda B. Raybourn CPA
Franklinton, LA
December 21, 2023