

**LIVINGSTON PARISH CLERK OF COURT**

**REPORT ON AUDIT OF  
FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**LIVINGSTON, LOUISIANA**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Jason B. Harris  
Livingston Parish Clerk of Court  
Livingston, Louisiana

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities, the major fund (General Fund), and the fiduciary fund of the Livingston Parish Clerk of Court “the Clerk” (a component unit of the Livingston Parish Council), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the major fund (General Fund) and the fiduciary fund of the Livingston Parish Clerk of Court as of June 30, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our 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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

The Clerk’s 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 Clerk’s ability to continue as a going concern for one year after the date that the financial statements are issued.



To the Honorable Jason B. Harris  
Livingston Parish Clerk of Court

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our 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 our opinion. 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 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, we:

- 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 the Clerk'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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period of time.

We are 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 we 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 information, schedule of proportionate share of the net pension liability, the schedule of contributions, and the schedule of changes in the Clerk's total OPEB liability and related ratios on pages 4 through 11 and 45 - 48, respectively, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic

To the Honorable Jason B. Harris  
Livingston Parish Clerk of Court

financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The Schedule of Justice System Funding – Receiving Entity (Schedule 4) and the Schedule of Justice System Funding – Collecting/Disbursing Entity (Schedule 5) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedules 4 and 5 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 our opinion, the Schedule of Justice System Funding – Receiving Entity (Schedule 4) and the Schedule of Justice System Funding – Collecting/Disbursing Entity (Schedule 5) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Livingston Parish Clerk of Court's internal control over financial reporting and compliance.

Respectfully submitted,  
*Hannis T. Bourgeois, LLP*

Denham Springs, Louisiana  
December 19, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2023

Management's Discussion and Analysis (MD&A) for the Livingston Parish Clerk of Court (the Clerk) is designed to:

- assist the reader in focusing on significant financial issues;
- provide an overview of the Livingston Parish Clerk of Court's financial activities;
- identify changes in the Livingston Parish Clerk of Court's overall financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year's operations;
- identify any significant variations from the original, amended, and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and
- identify individual fund issues or concerns.

The information contained within this MD&A should be considered only as part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and other Required Supplemental Information (RSI) that are provided in addition to this MD&A.

### **FINANCIAL HIGHLIGHTS**

- The Clerk's total fees, charges, and commissions for services revenues for the year ending June 30, 2023, were \$5,121,920 compared to \$5,977,369 in the prior year, a decrease of \$855,449 or 14.3%. The decrease was attributable to various factors, including but not limited to the decrease in recordings as a direct result of the economy.
- Total expenses for the Clerk during the year ending June 30, 2023, were \$6,840,164 compared to \$6,337,068 in the prior year, an increase of \$503,096 or 7.9%. The increase was attributable to various factors including but not limited to increases in salaries and wages, as well as increases in employee benefits - health insurance cost and retirement contributions. Also, there were increases in other post-employment benefits liability expense and net pension liability expense.

The Clerk's change in net position was a decrease of \$1,004,841, which is attributable to the above increase in expenses.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the reader to the basic financial statements contained in the annual report and provides an overview of the Livingston Parish Clerk of Court's financial activities. The Clerk of Court's basic financial statements consist of the following components:

# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

Other required supplementary information, including the required budgetary comparison schedule(s) are presented immediately before the notes to the financial statements.

### A. Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the financial operations of the Livingston Parish Clerk of Court as a whole in a format similar to private sector companies. Under this format, all governmental and business-type activities are consolidated into columns which add to a total for the governmental entity. For the Clerk of Court, only governmental activities are included in the presentation. Accordingly, there is no "totals" column in the presentation.

- a. The Statement of Net Position presents information on all of the Clerk of Court's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, increases or decreases in net position (and changes in the components of net position) may serve as a useful indicator of whether the financial position of the Clerk of Court is improving or weakening.
- b. The Statement of Activities presents information showing how the Clerk of Court's net position changed during the fiscal years presented. All changes in net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. The format for the Statement of Activities presents the expenses for each function (salaries, office expenditures, insurance, travel and auto allowances, other expenditures, intergovernmental transfers, and depreciation on capital assets) reduced by the Program Revenues (charges for services, operating grants and contributions, and capital grants and contributions) directly related to each respective function, to determine net costs of each function. The net costs of each function are normally covered by general revenues. For the Clerk of Court, the only program (function) is "Judicial." Additionally, the Clerk does not receive any operating or capital grants or contributions. All revenues are generated from fees, charges and commissions for services.



# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

### B. Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources which have been segregated for specific activities or objectives. The Livingston Parish Clerk of Court, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Clerk of Court uses two categories of funds to account for financial transactions: governmental funds, and fiduciary funds.

*Governmental funds* are used to account for most of the basic services and projects reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances available for spending at year-end. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Clerk of Court's general governmental operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk of Court's programs. The Livingston Parish Clerk of Court has only one governmental fund - the General Fund - which is used to account for the Clerk of Court's basic services.

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

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

The only type of *Fiduciary fund* maintained by the clerk is a "custodial" fund. Custodial funds are fiduciary in nature and represent assets held by the clerk as an agent for litigants pending court action. Under applicable standards of GASB 34, custodial funds are not included in the government-wide financial statements. These activities are excluded from the Clerk of Court's other financial statements because the Clerk of Court cannot use these assets to finance its operations. The Clerk of Court is responsible for ensuring that the assets reported in this fund is used for their intended purposes.

**LIVINGSTON PARISH CLERK OF COURT**

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

C. Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. When reviewing this Management’s Discussion and Analysis, the reader should refer to and review the Notes to the Financial Statements as well as the Government-Wide and Fund Financial Statements.

**Government-Wide Financial Analysis**

**Statement of Net Position**

Presented below is a condensed Statement of Net Position for the Livingston Parish Clerk of Court. The condensed format allows the reader to view the overall financial position of the Clerk of Court. Explanation of the components of this statement, and the Condensed Statement of Activities, are included immediately following the tables.

**Condensed Statement of Net Position (Deficit) - Governmental Activities**

	Governmental Activities	
	2023	2022
Cash and Other Current Assets	\$ 2,564,438	\$ 3,590,863
Restricted Assets - Advanced Cost Deposits	6,629,672	6,106,059
Capital Assets, Net	529,287	347,785
Lease Assets, Net	10,282	34,733
Total Assets	9,733,679	10,079,440
Deferred Outflows - Related to OPEB	969,396	1,023,402
Deferred Outflows - Related to Pensions	2,407,589	1,576,702
Total Deferred Outflows	3,376,985	2,600,104
Other Liabilities	317,797	330,709
Lease Liability	10,672	35,435
Total OPEB Liability	4,853,669	4,683,387
Net Pension Liability	5,446,330	3,091,159
Total Liabilities	10,628,468	8,140,690
Deferred Inflows - Related to OPEB	1,083,234	1,274,661
Deferred Inflows - Related to Pensions	154,473	1,447,377
Deferred Inflows - Advanced Cost Deposits	6,538,573	6,106,059
Total Deferred Inflows	7,776,280	8,828,097
Net Position:		
Net Investment in Capital Assets	539,569	382,518
Unrestricted (Deficit)	(5,833,653)	(4,671,761)
Total Net Position (Deficit)	\$ (5,294,084)	\$ (4,289,243)

## LIVINGSTON PARISH CLERK OF COURT

### MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

The Clerk's change in net position equaled (\$1,004,841). Assets decreased by \$345,761 while liabilities increased by \$2,487,778.

#### **Statement of Governmental Activities**

A condensed Statement of Activities for the Livingston Parish Clerk of Court is presented below. It lists the major categories of revenues and expenses for the fiscal years ended June 30, 2023 and 2022.

#### **Condensed Statement of Activities - Governmental Activities**

	Total Governmental Activities	
	2023	2022
Program Revenues:		
Fees, Charges and Commissions for Services	\$ 5,121,920	\$ 5,977,369
Intergovernmental Licenses	386,707 23,449	405,198 22,787
Total Program Revenues	5,532,076	6,405,354
General Revenues:		
Interest Income	302,893	62,014
Net Gain (Loss) on Lease Disposition	354	-
Total Revenues	5,835,323	6,467,368
Program Expenses:		
Salaries	2,824,785	2,818,661
Employee Benefits and Payroll Taxes	3,097,406	2,647,036
Office Expenditures and Insurance	646,736	600,876
Travel and Auto	-	6,292
Interest Expense	325	687
Other Expenditures	195,948	181,627
Amortization Expense	13,810	19,004
Depreciation Expense	61,154	62,885
Total Program Expenses	6,840,164	6,337,068
Change in Net Position	\$ (1,004,841)	\$ 130,300

The Condensed Statement of Activities presents revenues, expenses, and changes in net position separately for governmental activities. The condensed format allows for presentation of Program Revenues followed by a listing of General Revenues (Interest Income) to support the Livingston Parish Clerk of Court's overall governmental activities. Expenses are presented on a functional basis (Salaries, Office Expenditures and Insurance, Travel and Auto Allowances, and Other Expenditures), with depreciation on fixed assets listed separately since the assets serve essentially all functions.

# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

The Clerk's total revenues decreased approximately \$632,045. This decrease is explained by the simple realization the Clerk's office is dependent on revenue that is generated by goods and services it sells. There is very little the office can do to generate more revenue as it is bound by Louisiana State statutes that define the cost of goods and or services sold. The total cost of all programs and services increased about \$503,096. The combined effect of all activities resulted in a decrease in net position of \$1,004,841 for the year.

### **Analysis of Fund Financial Statements**

The Livingston Parish Clerk of Court maintains only one "governmental fund" - the General Fund (formerly reported as the Salary Fund). Its statements are presented as follows:

<u>Description of Financial Statement</u>	<u>Page Numbers</u>
Balance Sheet	14
Statement of Revenues, Expenditures, and Changes in Fund Balance	16

### **Governmental Funds**

Under the modified-accrual basis for Fund Financial Statements, the emphasis is on accounting for current financial resources of the Livingston Parish Clerk of Court. The analysis in this section includes a discussion of components of the Fund Financial Statements but concentrates on differences not discussed previously for the Government-Wide Financial Statements. At fiscal year-end, the General Fund reported an Unassigned Fund Balance of (\$2,324,744) a decrease of \$896,564 from 2022's balance of \$3,221,308. Total Assets of \$9,194,110 in 2023 decreased by \$502,812 from 2022's balance of \$9,696,922. Capital Assets are presented only in the Government-Wide presentation. The Fund Financial Statements only account for current financial resources; therefore, current year capital expenditures are accounted for in the current year operating statement (Statement of Revenues, Expenditures, and Changes in Fund Balance). Current liabilities included in the Fund Financial Statements consist of Accounts Payable, Accrued Salaries and Wages, Payroll Taxes and Related Employee Benefits, and Due to Primary Government.

The fund reporting format presents in the Statement of Revenues, Expenditures, and Changes in Fund Balance all revenue types followed by the expenditures of the Livingston Parish Clerk of Court, also presented on a functional basis but in more detail than the Government-Wide Financial Statements. The major revenue and expenditure sources are similar to the government-wide presentation. The differences in total expenditures are in the reporting of capital expenditures, depreciation and cash expended for insurance. As previously noted, in the Fund Financial Statements capital expenditures are reported on the operating statement (Statement of Revenues, Expenditures, and Changes in Fund Balance); whereas the Government-Wide Financial Statements report capital assets on the Statement of Net Position with depreciation expense recorded on the Statement of Activities in a manner similar to a private business enterprise.

# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

### **General Fund Budgetary Highlights**

The Clerk demonstrated legal compliance by amending its budget in accordance with provisions of the Local Government Budget Act. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized. Actual revenues were slightly higher than final budgeted revenues by an amount of about five percent; and actual expenditures were less than final budgeted expenditures by approximately three percent.

### **Capital Assets at Year-End**

	<u>Governmental Activities</u>
Beginning Balance	\$ 382,518
Plus Additions	242,656
Less Deletions	(10,641)
Less Accumulated Depreciation/ Amortization	<u>(74,964)</u>
Ending Balance	<u>\$ 539,569</u>

For governmental activities, there were major capital additions during the fiscal year. There were storage room improvements, evidence software, and office equipment and furniture.

- ❖ GASB Statement No. 34 requires adoption of a capitalization “threshold” policy. “Threshold” policy means that a policy must be adopted indicating the bottom limit at which a purchased asset must be capitalized (added to the capital asset listing) and depreciated in accordance with requirements of GASB Statement No. 34. The Livingston Parish Clerk of Court maintains a “threshold” of \$1,000 or more for capitalizing and depreciating assets. Moveable assets costing \$500 or more are “tagged” and monitored for stewardship purposes.

### **Long-Term Debt**

The debt structure is simple for the Livingston Parish Clerk of Court since Clerks of Court are not allowed to incur long-term indebtedness for bonds or notes payable. At year-end, the Livingston Parish Clerk of Court had no long-term debt outstanding.

# LIVINGSTON PARISH CLERK OF COURT

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

JUNE 30, 2023

### **Economic Factors**

The Clerk of Court is dependent upon its services for well over 90% of its revenues; however, the same duties must be performed whether revenue permits the expenses or not. It leaves the Clerk vulnerable to the economics of the parish – mainly the real estate market. Revenue increases or decreases in direct relation to this market. The Clerk continues to see benefits of revenue from legislation that increased recording fees to a per page basis. Although the Clerk's expenses increased 7.9% and the income decreased 9.8%, the Clerk remains financially sound with sufficient reserves to weather the reduced activity in the real estate market.

The three main operational divisions of the Clerk can be characterized as:

- *Notarial* - the recordation and maintenance of all land transactions, mortgages, liens, UCC's and other instruments in the public record and the issuance of marriage licenses.
- *Civil* - the processing and maintaining of civil, probate and adoption cases including the preparation of court minutes and notices.
- *Criminal* - the processing and maintaining of criminal and traffic cases including the preparation of court minutes and notices.

### **Requests for Information**

This financial report is designed to provide a general overview of the Livingston Parish Clerk of Court's finances and to demonstrate the Clerk of Court's accountability. If you have questions regarding this report or need additional information, contact Jason B. Harris, Clerk of Court, Livingston Parish Clerk of Court, First Floor Courthouse Building, P.O. Box 1150, Livingston, LA 70454; phone number (225) 686-2216.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



**LIVINGSTON PARISH CLERK OF COURT**

**STATEMENT OF NET POSITION (DEFICIT)**

AS OF JUNE 30, 2023

Governmental  
Activities

**ASSETS**

Cash and Cash Equivalents	\$ 1,456,568
Investments	1,036,054
Receivables, Net	58,820
Prepaid Insurance	12,996
Restricted Assets - Advanced Cost Deposits	
Cash and Cash Equivalents	1,597,674
Investments	5,031,998
Capital Assets:	
Capital Assets (Net of Accumulated Depreciation)	529,287
Lease Assets (Net of Accumulated Amortization)	10,282
Total Assets	<u>9,733,679</u>

**DEFERRED OUTFLOW OF RESOURCES**

Deferred Outflows - Related to Postemployment Benefits Other Than Pensions	969,396
Deferred Outflows - Related to Pensions	2,407,589
Total Deferred Outflows	<u>3,376,985</u>

**LIABILITIES**

Accounts Payable	99,900
Payroll Taxes and Related Benefits Payable	94,620
Unearned Revenue	56,026
Accrued Salary and Wages	45,131
Lease Liability Short-Term	8,483
Due to Primary Government	22,120
Long-Term Liabilities:	
Lease Liability Long-Term	2,189
Total Other Postemployment Benefit Liability	4,853,669
Net Pension Liability	5,446,330
Total Liabilities	<u>10,628,468</u>

**DEFERRED INFLOW OF RESOURCES**

Deferred Inflows - Related to Postemployment Benefits Other Than Pensions	1,083,234
Deferred Inflows - Related to Pensions	154,473
Deferred Inflows - Advanced Cost Deposits	6,538,573
Total Deferred Inflows	<u>7,776,280</u>

**NET POSITION (DEFICIT)**

Net Investment in Capital Assets	539,569
Unrestricted (Deficit)	<u>(5,833,653)</u>
Total Net Position (Deficit)	<u>\$ (5,294,084)</u>

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Governmental Activities</u>
<b><u>Governmental Activities:</u></b>	
Expenses:	
Judicial:	
Salaries and Wages	\$ 2,824,785
Employee Benefits and Payroll Taxes	3,097,406
Office Expenses	604,789
Insurance	41,947
Amortization Expense	13,810
Interest Expense	325
Other Expenses	195,948
Depreciation Expense	61,154
Total Expenses	<u>6,840,164</u>
Program Revenues:	
Fees, Charges and Commissions for Services:	
Recordings	2,237,559
Uniform Commercial Code Fees	68,693
Cancellations	216,617
Birth Certificates	22,200
Death Certificates	702
Mortgage Certificates	7,090
Court Attendance	11,660
Photocopies	550,291
Fines and Forfeitures	234,222
Suits and Successions	1,729,250
Other Fees	43,636
Intergovernmental	386,707
Licenses	23,449
Net Program Revenues (Expenses)	<u>(1,308,088)</u>
General Revenues:	
Interest Revenue	302,893
Net Gain (Loss) on Lease Disposition	354
Total General Revenues	<u>303,247</u>
Change in Net Position	(1,004,841)
<b>Net Position (Deficit) - Beginning of Year</b>	<u>(4,289,243)</u>
<b>Net Position (Deficit) - End of Year</b>	<u><u>\$ (5,294,084)</u></u>

The accompanying notes constitute an integral part of this statement.

FUND FINANCIAL STATEMENTS

**LIVINGSTON PARISH CLERK OF COURT**

**BALANCE SHEET - GOVERNMENTAL FUND**

AS OF JUNE 30, 2023

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,456,568
Investments	1,036,054
Receivables	24,065
Due from Other Funds	500
Due from Other Governments	34,255
Prepaid Expenses and Undeposited Funds	12,996
Restricted Assets - Advanced Cost Deposits	
Cash and Cash Equivalents	1,597,674
Investments	5,031,998
Total Assets	<u>\$ 9,194,110</u>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts Payable	\$ 99,900
Accrued Salary and Wages	45,131
Payroll Taxes and Related Benefits Payable	94,620
Unearned Revenue	56,026
Due to Primary Government	22,120
Total Liabilities	<u>317,797</u>
Deferred Inflows of Resources:	
Advanced Cost Deposits	6,538,573
Fund Balances:	
Nonspendable:	
Prepaid Expenses	12,996
Unassigned	2,324,744
Total Fund Balances	<u>2,337,740</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,194,110</u>

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

RECONCILIATION OF THE GOVERNMENTAL FUND  
BALANCE SHEET TO THE STATEMENT OF NET POSITION (DEFICIT)

JUNE 30, 2023

Fund Balances - Total Governmental Fund	\$ 2,337,740
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital Assets Used in Governmental Activities are not Financial Resources and are not Reported in the Governmental Funds	
Cost of Capital Assets	1,257,578
Less: Accumulated Depreciation	<u>(728,291)</u>
	529,287
Cost of Lease Assets	26,981
Less: Accumulated Amortization - Lease Assets	<u>(16,699)</u>
	10,282
Long-Term Liabilities are not Due and Payable in the Current Period and Therefore are not Reported in the Governmental Funds:	
Total Other Postemployment Benefit Liability	(4,853,669)
Net Pension Liability	(5,446,330)
Lease Liability	(10,672)
Deferred Outflows of Resources Related to Pensions are not Reported in Governmental Funds	2,407,589
Deferred Outflows of Resources Related to Other Postemployment Benefits are not Reported in Governmental Funds	969,396
Deferred Inflows of Resources Related to Other Postemployment Benefits are not Reported in Governmental Funds	(1,083,234)
Deferred Inflows of Resources Related to Pensions are not Reported in Governmental Funds	<u>(154,473)</u>
Net Position (Deficit) of Governmental Activities	<u><u>\$ (5,294,084)</u></u>

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - GOVERNMENTAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>
<b>Revenues:</b>	
Fees, Charges and Commissions for Services:	
Recordings	\$ 2,237,559
Uniform Commercial Code Fees	68,693
Cancellations	216,617
Birth Certificates	22,200
Death Certificates	702
Mortgage Certificates	7,090
Court Attendance	11,660
Photocopies and Subscriptions	550,291
Fines and Forfeitures	234,222
Suits and Successions	1,729,250
Other Fees	43,636
Intergovernmental	114,697
Licenses	23,449
Interest Revenue	302,893
Total Revenues	5,562,959
<b>Expenditures:</b>	
Judicial:	
Salaries and Wages	2,824,785
Employee Benefits and Payroll Taxes	2,561,155
Office Expenditures	604,789
Insurance	41,947
Other Expenditures	195,948
	6,228,624
Capital Outlay	242,656
Lease Payments	13,768
Interest	325
Total Expenditures	6,485,373
Excess (Deficiency) of Revenues Over Expenditures	(922,414)
<b>Fund Balance - Beginning of Year</b>	3,260,154
<b>Fund Balance - End of Year</b>	\$ 2,337,740

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

Net Change in Fund Balance - Total Governmental Fund \$ (922,414)

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 Costs of those Assets is Allocated over their Estimated  
Useful Lives as Depreciation Expense. This is the Amount by Which Depreciation  
Exceeded Capital Outlays in the Current Period:

Capital Outlay	242,656
Depreciation Expense - Capital Assets	(61,154)
Amortization Expense - Lease Assets	(13,810)
	167,692

Add: Accumulated Amortization on Lease Assets Lease Expired During the Year	16,115
Less: Cost Basis of Leases Assets Lease Expired During the Year	(26,756)

The issuance of long-term debt (e.g. bonds, leases) provides current financial  
resources to governmental funds, while the repayment of the principal of long-  
term debt consumes the current financial resources of governmental funds.  
Neither transaction, however, has any effect on net position.

Lease Principal Payments	13,768
Reduction in Lease Principal Due to Lease Expiring During the Year	10,995

Some Expenditures Reported in the Statement of Activities do not  
Require the use of Current Financial Resources and are not  
Reported as Expenses in Governmental Funds.

(Increase) Decrease in Other Postemployment Benefit Expense	(32,861)
(Increase) Decrease in Pension Expense	(503,390)

Proportionate Share of Non-employer Contributions to the Pension  
Plans do not Provide Current Financial Resources and, therefore,  
are not Reported as Revenues in the Governmental Funds

	272,010
Change in Net Position of Governmental Activities	\$ (1,004,841)

The accompanying notes constitute an integral part of this statement.



**LIVINGSTON PARISH CLERK OF COURT**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues:</b>				
Fees, Charges and Commissions for Services:				
Recordings	\$ 2,905,000	\$ 2,161,749	\$ 2,237,559	\$ 75,810
Uniform Commercial Code Fees	86,000	67,922	68,693	771
Cancellations	345,000	214,767	216,617	1,850
Birth Certificates	-	-	22,200	22,200
Death Certificates	30,000	702	702	-
Mortgage Certificates	6,600	7,090	7,090	-
Court Attendance	18,000	5,300	11,660	6,360
Photocopies and Subscriptions	595,000	544,430	550,291	5,861
Fines and Forfeitures	183,500	189,097	234,222	45,125
Suits and Successions	1,630,000	1,661,216	1,729,250	68,034
Other Fees	48,725	64,811	43,636	(21,175)
Intergovernmental	121,600	111,384	114,697	3,313
Licenses	24,000	24,251	23,449	(802)
Interest Revenue	21,700	242,846	302,893	60,047
Total Revenues	6,015,125	5,295,565	5,562,959	267,394
<b>Expenditures:</b>				
Judicial:				
Salaries and Wages	2,636,600	2,836,864	2,824,785	12,079
Employee Benefits and Payroll Taxes	1,926,904	2,469,271	2,561,155	(91,884)
Office Expenditures	530,900	493,385	604,789	(111,404)
Insurance	43,000	37,901	41,947	(4,046)
Auto/Travel	7,700	10,519	-	10,519
Other Expenditures	226,450	188,731	195,948	(7,217)
	5,371,554	6,036,671	6,228,624	(191,953)
Capital Outlay	409,500	262,369	242,656	19,713
Lease Payments	-	-	13,768	(13,768)
Interest	-	-	325	(325)
Total Expenditures	5,781,054	6,299,040	6,485,373	(186,333)
Excess (Deficiency) of Revenues Over Expenditures	234,071	(1,003,475)	(922,414)	81,061
<b>Fund Balance - Beginning of Year</b>	3,260,154	3,260,154	3,260,154	-
<b>Fund Balance - End of Year</b>	\$ 3,494,225	\$ 2,256,679	\$ 2,337,740	\$ 81,061

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

**STATEMENT OF FIDUCIARY NET POSITION -**  
**FIDUCIARY FUND**

JUNE 30, 2023

	<u>Custodial Fund Registry of Court Fund</u>
<b>ASSETS</b>	
Cash	<u>\$ 1,552,422</u>
Total Assets	<u>1,552,422</u>
<b>LIABILITIES</b>	
Due to General Fund	<u>500</u>
Total Liabilities	<u>500</u>
<b>NET POSITION</b>	
Restricted for Individuals, Organizations, and Other Governments	<u>1,551,922</u>
Total Net Position	<u><u>\$ 1,551,922</u></u>

The accompanying notes constitute an integral part of this statement.

**LIVINGSTON PARISH CLERK OF COURT**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -**  
**FIDUCIARY FUND**

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Custodial Fund</u> <u>Registry of Court Fund</u>
<b>Additions:</b>	
Judgements	<u>\$ 2,487,024</u>
Total Additions	2,487,024
<b>Deductions:</b>	
Settlements to Litigants	<u>2,470,894</u>
Total Deductions	<u>2,470,894</u>
<b>Change in Net Position</b>	<u>16,130</u>
<b>Net Position - Beginning of Year</b>	<u>1,535,792</u>
<b>Net Position - End of Year</b>	<u><u>\$ 1,551,922</u></u>

The accompanying notes constitute an integral part of this statement.

# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

### **Note 1 - Organization, Nature of Operations, and Summary of Significant Accounting Policies -**

#### **A. Organization and Nature of Operations**

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

#### **B. Reporting Entity**

The Clerk of Court is an independently elected official; however, the Clerk of Court is fiscally dependent on the Livingston Parish Council. The council maintains and operates the parish courthouse in which the Clerk of Court's office is located and provides funds for equipment and furniture for the Clerk of Court's office if requested to do so by the Clerk of Court. Because the Clerk of Court is fiscally dependent on the council, the Clerk of Court was determined to be a component unit of the Livingston Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### **C. Basis of Statement Presentation**

The accompanying component unit financial statements of the Livingston Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards. These statements established standards for external financial reporting for all state and local governmental entities. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

#### **D. Fund Accounting**

The Clerk of Court uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain governmental functions or activities. A fund is defined as a separate accounting entity with a self-balancing set of accounts. Funds of the Clerk of Court are classified into two categories: governmental fund (General Fund) and fiduciary funds (Custodial Funds).

# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

### **General Fund**

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

### **Fiduciary Funds**

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. Custodial funds are fiduciary funds that account for assets held for others in a fiduciary capacity. The Registry of Court Funds are custodial funds. Fiduciary fund reporting focuses on net position and changes in net position.

## **E. Measurement Focus/Basis of Accounting**

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

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Livingston Parish Clerk of Court.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from general revenues.

The Clerk of Court does not allocate indirect expenses.

### **Basic Financial Statements - Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of Governmental Funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

The modified accrual basis of accounting is used by Governmental Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter (generally 60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Issuance of long-term debt and acquisitions under leases and subscription-based information technology are reported as other financing sources. The Governmental Funds use the following practices in recording revenues and expenditures:

### **Revenues**

Revenues from recordings, copies, and other services are recognized when they become measurable and available as net current assets (i.e. when the service is performed). Substantially all other revenues are recorded when received.

### **Expenditures**

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

### **F. Budgetary Policy and Accounting**

The proposed budget for the 2023 fiscal year was made available for public inspection at the Clerk's office on June 14, 2022. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal prior to the public hearing. The budget hearing was held at the Clerk's office on June 14, 2022. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year-end. The final amended budget was approved June 21, 2023.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

### **G. Encumbrances**

The Clerk of Court does not use an encumbrance accounting system.

### **H. Cash and Cash Equivalents and Investments**

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

LIVINGSTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Investments for the Clerk are reported at fair value, except nonparticipating investment contracts which are reported at cost, if any.

I. Prepaid Items

Payments made to vendors for general insurance that will benefit periods beyond June 30th are recorded as prepaid expenditures. These amounts are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

J. Restricted Assets - Advanced Cost Deposits

Restricted assets advanced cost deposits represent advanced deposits on suits filed by litigants. It consists of cash and cash equivalents and investments. The Clerk of Court disburses funds on deposit as court cost are incurred and can request additional advanced deposits when initial funds are exhausted. The advance deposits are refundable after all costs have been paid if any are available.

K. Capital Assets and Depreciation

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalization purposes.

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

<u>Assets</u>	<u>Estimated Lives</u>
Office Equipment	5 Years
Furniture and Fixtures	5 to 7 Years
Automobiles	5 Years
Leasehold Improvements	30 Years

L. Compensated Absences

Employees receive 176 hours of personal time per year after one year of employment which must be used prior to the end of each calendar year. Accumulated leave is not paid to employees upon termination. Although not legally obligated to do so, the Clerk may pay the unused personal time in December depending on available funds. In accordance with GASB 16, Accounting for Compensated Absences, no liability for accrued unused employee leave is included in these financial statements.



# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

### **M. Deferred Outflows/Inflows of Resources**

The statement of financial position will often report a separate section for deferred outflows and (or) inflows of financial resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represents an acquisition of a net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

The Clerk's deferred outflows and inflows of resources on the statement of net position are related to pensions and postemployment benefits other than pensions (OPEB). See pension plan Note 7 and OPEB Note 8.

Deferred inflows of resources advanced cost deposits are related to advance deposits on suits filed by litigants. The Clerk of Court disburses funds on deposit as court cost are incurred and can request additional advanced deposits when initial funds are exhausted. The advance deposits are refundable after all costs have been paid if any are available.

### **N. Pensions**

The Clerk is a participating employer in a cost-sharing, multiple-employer defined benefit plan as described in Note 7. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **O. Other Postemployment Benefits**

The Clerk provides certain continuing health care and life insurance benefits for its retired employees. The Clerk's other postemployment benefit (OPEB) plan is a single employer defined benefit OPEB plan administered by the Clerk. See Note 8. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

### **P. Interfund Activities**

In those cases where the physical transfer of assets has not taken place as of year-end, or where repayment is expected, these amounts are accounted for through the various due to and due from accounts.

# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

### **Q. Clerk's Fees Transferred from Advance Deposits**

These fees represent revenue to the Clerk of Court earned from everyday operations such as copying and faxing for litigants and standard fees charged on suits. These fees are collected by a transfer of litigant's money deposited as advance deposits.

### **R. Net Position**

Net position represents the difference between assets plus deferred outflows of resources, less liabilities, and less deferred inflows of resources. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. At June 30, 2023, the Clerk had no outstanding debt.

### **S. Fund Equity**

In the governmental fund financial statements, fund balances are classified as follows:

**Nonspendable** - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** - Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

**Committed** - Amounts that can only be used for specific purposes determined by a formal action of the Clerk of Court. These amounts cannot be used for any other purpose unless the Clerk of Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

**Assigned** - Amounts that are designated as committed by the Clerk of Court but are not spendable until a budget ordinance is passed.

**Unassigned** - All amounts not included in other spendable classifications. The Clerk has not adopted a policy to maintain the general fund's unassigned fund balance above a certain minimum level.

The details of the fund balances are included in the Balance Sheet - Governmental Funds (page 14). As noted above, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by the Court or the Assignment has been changed by the Court. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office, limited to the amount of funding received from the parish treasurer. The amount owed to the parish treasurer under R.S. 13:785 is limited to the funds provided by the parish treasurer under provisions of R.S. 13:784 to help defray the costs of office furniture, equipment, and record books during the clerk of court's four-year term. The current Clerk's term expires on June 30, 2023. No funds are due to the parish treasurer under the provisions of R.S. 13:785 because the clerk has not received any funding from the parish treasurer to help defray costs. The Clerk was re-elected, and the new term will not expire until June 30, 2027.

**T. Use of Estimates**

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

**Note 2 - Cash and Cash Equivalents -**

At June 30, 2023, the carrying amount of the Clerk of Court's Cash and Cash Equivalents totaled \$4,606,664, and the confirmed bank balances totaled \$6,651,656. Cash and Cash Equivalents are stated at cost, which approximates market.

	Book Balance	Bank Balance
Governmental Funds:		
Cash and Cash Equivalents	\$ 1,456,568	\$ 1,463,672
Restricted Cash - Advanced Cost Deposits	1,597,674	1,651,872
Custodial Fund:		
Registry of Court Fund	1,552,422	3,536,112
	\$ 4,606,664	\$ 6,651,656

**Custodial Credit Risk - Deposits.** In the case of deposits, this is the risk that in the event of a bank failure, the Clerk's deposits may not be returned to it.

Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Even though the pledged securities may be considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

LIVINGSTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government’s deposits may not be returned. The Clerk does not have a formal policy for custodial risk. At June 30, 2023, the Clerk has \$6,651,656 in deposits (collected bank balances other than LAMP). The demand deposits are secured from risk by \$250,000 of federal deposit insurance and the remaining \$6,401,656 is secured from risk by pledged securities. The \$6,401,656 is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Note 3 - Investments -

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the town or its agent in the Clerk’s name
2. Uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the Clerk's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Clerk's name

The Clerk’s investments are carried at fair value, except nonparticipating investment contracts which are reported at cost, if any.

*Interest Rate Risk:* The Clerk does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

There were no investments held by the Clerk at June 30, 2023, other than LAMP.

At June 30, 2023, the Clerk’s investment balances were as follows:

	<u>Carry Amount</u>	<u>Fair Market Value</u>
Governmental Funds:		
Investments:		
Louisiana Asset Management Pool	\$ 1,036,054	\$ 1,036,054
Restricted Assets - Advanced Cost Deposits:		
Investments:		
Louisiana Asset Management Pool	5,031,998	5,031,998
	<u>\$ 6,068,052</u>	<u>\$ 6,068,052</u>

LAMP is administered by LAMP, Inc., a non-profit organized under the laws of the State of Louisiana. Only local government entities contracted to participate in LAMP have an investment 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 LSA-R.S. 33:2955.

LIVINGSTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

GASB Statement 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, invests in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

1. Credit risk: LAMP is rated AAAM by Standards and Poor's.
2. 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.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: LAMP is designed to be highly liquid to give 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 (from LAMP's monthly Portfolio Holding) as of June 30, 2023.
5. 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 LAMP administrative offices at 800-249-5267

**Note 4 - Receivables -**

The receivables at June 30, 2023 are as follows:

	<u>General Fund</u>
Accounts	\$ 24,065
Intergovernmental	34,255
Due from Fiduciary Funds	<u>500</u>
	<u>\$ 58,820</u>

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

**Note 5 - Capital Assets -**

A summary of changes in capital asset activity for the year ended June 30, 2023 as follows:

	Beginning Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
<u>Governmental Activities:</u>				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 116,977	\$ 211,938	\$ (328,915)	\$ -
Total Capital Assets, not being Depreciated	116,977	211,938	(328,915)	-
Capital Assets, being Depreciated:				
Building Additions	96,005	328,915	-	424,920
Vehicles	62,242	-	-	62,242
Furniture and Fixtures	53,366	-	-	53,366
Equipment	686,332	30,718	-	717,050
Total Capital Assets, being Depreciated	897,945	359,633	-	1,257,578
Less: Accumulated Depreciation for:				
Building Additions	18,130	7,910	-	26,040
Vehicles	28,043	9,470	-	37,513
Furniture and Fixtures	34,937	4,006	-	38,943
Equipment	586,027	39,768	-	625,795
Total Accumulated Depreciation	667,137	61,154	-	728,291
Total Capital Assets, being Depreciated, Net	347,785	510,417	(328,915)	529,287
Lease Assets:				
Building	26,756	-	(26,756)	-
Equipment	26,981	-	-	26,981
Total Lease Assets, being Amortized	53,737	-	(26,756)	26,981
Less: Accumulated Amortization for:				
Building	10,702	5,413	(16,115)	-
Equipment	8,302	8,397	-	16,699
Total Accumulated Amortization	19,004	13,810	(16,115)	16,699
Total Lease Assets, being Amortized, Net	34,733	(13,810)	(10,641)	10,282
Total Governmental Activities Capital Assets, Net as Reported in the Statement of Net Position	\$ 382,518	\$ 496,607	\$ (339,556)	\$ 539,569

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Depreciation expense of \$61,154 and amortization expense of \$ 13,810 was charged to the Judicial Operations function in the Statement of Activities.

**Note 6 - Changes in General Long-Term Debt -**

The following is a summary of the changes in general long-term obligations at June 30, 2023.

	Beginning Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>	Amounts Due Due Within <u>One Year</u>
<u>Governmental Activities:</u>					
Lease Liabilities	\$ 35,435	\$ -	\$ (24,763)	\$ 10,672	\$ 8,483
Total Other Postemployment Benefits Liability	4,683,387	404,296	(234,014)	4,853,669	-
Net Pension Liability	<u>3,091,159</u>	<u>2,355,171</u>	<u>-</u>	<u>5,446,330</u>	<u>-</u>
Total Governmental Activities Long-Term Obligations as Reported in the Statement of Net Position	<u>\$ 7,809,981</u>	<u>\$2,759,467</u>	<u>\$ (258,777)</u>	<u>\$10,310,671</u>	<u>\$ 8,483</u>

**Note 7 - Pension Plans -**

The Clerk follows the requirements of GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68* for its pension plan. These standards revise and establish financial reporting requirements for governments that provide their employees with pension benefits. These standards require the Clerk to record its proportionate share of each of the pension plans net pension liability and report the following disclosures:

***Plan Description:***

Substantially all employees of the Livingston Parish Clerk of Court are members of the Louisiana Clerk of Court Retirement and Relief Fund (“the Fund”), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees in accordance with Louisiana Revised Statute 11:1501 to provide regular, disability, and survivor benefits for clerks of court, their deputies and other employees, and the beneficiaries of such clerks of court, their deputies, and other employees.



## LIVINGSTON PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

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

#### ***Benefits Provided:***

##### **Retirement Benefits**

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

##### **Disability Benefits**

Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

- 1) A member who is totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to the greater of one-half of his monthly average final compensation or, at the option of the disability retiree, two and one-half percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed twenty-five dollars for each year of his credited service or two-thirds of his monthly average final compensation, whichever is less.

## LIVINGSTON PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

- 2) A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to three percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

The following is effective for any disability retiree whose application for disability retirement is approved on or after July 1, 2008. The provisions related to the calculation of benefits will apply to any disability retiree whose application for disability retirement was approved before July 1, 2008, for benefits due and payable on or after January 1, 2008.

A member is eligible to receive disability retirement benefits from the Fund if he or she is certified to be totally and permanently disabled pursuant to R.S. 11:218 and one of the following applies:

- 1) The member's disability was caused solely as a result of injuries sustained in the performance of their official duties.
- 2) The member has at least ten years of service credit.

A member who has been certified as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

- 1) Forty percent of their monthly average final compensation.
- 2) Seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(c).

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

#### **Survivor Benefits**

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has 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 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

## LIVINGSTON PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

surviving minor children under 18 or disabled children shall be paid 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**

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 thirty-six 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 Deferred Retirement Option Plan 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 Fund. 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. Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf, or a true annuity based on 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. 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 thirty-six months. In no event can the entire monthly benefit 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 provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of forty dollars per month. The Louisiana statutes allow the Board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later.

## LIVINGSTON PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

In lieu of granting a cost of living increase as described above, 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.

In order to grant any cost of living increase, the ratio of the actuarial value of assets to the pension benefit obligation must equal or exceed a statutory target ratio.

#### ***Contributions:***

According to state statute, contribution requirements for all employers are actuarially determined each year. The Clerk of Court's required contribution rate for the year ending June 30, 2023 was 22.25%. Employees were required to contribute 8.25% of their annual covered salary. In addition, the Louisiana Legislature passed R.S. 11:1562(C) which allows the Clerk of Court to pay out of the Clerk's operating funds all or any portion of the employee required contributions which would otherwise be deducted from the employee's salary. Since December 1999, the Clerk has elected to pay 100% of all retirement system contributions to the Louisiana Clerk of Court Retirement and Relief Fund. The Livingston Parish Clerk of Court's contributions to the Fund for the year ended June 30, 2023 were \$779,289 (normal employer portion \$572,405 and employee portion paid by Clerk \$206,949).

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. The amount of non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities was \$272,010 for the year ended June 30, 2023.

#### **Pension Liability, Pension Expense, and Deferred Inflows/Outflows of Resources Related to Pensions**

At June 30, 2023, the Livingston Parish Clerk of Court reported a liability of \$5,446,330 for its proportionate share of the net pension liability of the Fund. 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 plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Clerk's proportion was 2.2471% which was a decrease of .0076% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Clerk recognized pension expense of \$1,282,679.

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

At June 30, 2023, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 51,639	\$ 49,507
Changes in assumptions	399,670	-
Net difference between projected and actual earnings on pension plan investments	1,165,218	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	218,657	104,966
Employer contributions subsequent to the measurement date	572,405	-
Total	\$ 2,407,589	\$ 154,473

\$572,405 reported as deferred outflows of resources related to pensions resulting from the Court's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>		
2023	\$	574,172
2024		466,469
2025		101,452
2026		538,618
	\$	1,680,711

***Actuarial Assumptions***

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

Inflation	2.40%
Salary increases	6.20% (1-5 year of service) 5.00% (5 years or more)
Investment rate of return	6.55% (net of investment expense)

LIVINGSTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

Mortality rates were based on Pub-2010 Public Retirement Plans multiplied by 120%. Morality Table with full generational projection using the appropriate MP-2019 improvement scale.

For 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 not to be substantively automatic.

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% as of June 30, 2022. 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 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected 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>100.0%</u>	

***Discount Rate***

The discount rate used to measure the total pension liability was 6.55% which was no change from its prior measurement date of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate 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.

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

***Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Clerk’s proportionate share of the net pension liability calculated using the current discount rate, as well as what the Clerk’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate as of June 30, 2022.

	Changes in Discount Rate		
		Current	
	1% Decrease 5.55%	Discount 6.55%	1% Increase 7.55%
Net Pension Liability	\$ 7,773,900	\$ 5,446,330	\$ 3,485,334

***Pension Plan Fiduciary Net Position***

The Fund issued a stand-alone audit report on its financial statements for the year ended June 30, 2022. Access to the audit report can be found on the Fund’s website: [www.laclerksofcourt.org](http://www.laclerksofcourt.org) or on the Office of Louisiana Legislative Auditor’s official website: [www.lla.state.la.us](http://www.lla.state.la.us).

***Payable to the Pension Plan***

There is a payable of normal contributions of \$89,580 to the Plan at June 30, 2023.

**Note 8 - Other Postemployment Benefits -**

The Clerk follows the requirements of GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for its defined benefit OPEB plan. This standard revised and establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. For defined benefit OPEB plans, GASB 75 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attributes that present value to periods of employee service. This standard requires the Clerk to record its proportionate share of the defined benefit plan’s proportionate share of the total OPEB liability and report the following disclosures:

**General Information about the OPEB Plan**

***Plan Description*** - The Clerk provides certain continuing health care and life insurance benefits for its retired employees. The Clerk’s other postemployment benefit (OPEB) plan is a single employer defined benefit OPEB plan administered by the Clerk. The authority to establish and/or amend the obligation of the employer, employees, and retiree’s rests with the Clerk. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

LIVINGSTON PARISH CLERK OF COURT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

**Benefits Provided** - Medical benefits are provided through a comprehensive single employer medical plan and are made available to employees upon actual retirement whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 25 years of service; or attainment of age 60 and 12 years of service; employees hired on and after January 1, 2011 are not able to retire or enter DROP until age 60 without actuarial reduction in benefits.

Life insurance coverage is provided to retirees and 100% of the blended rate (active and retired) is paid by the employer. The amount of insurance coverage while active is continued after retirement, but insurance coverage amounts are reduced to 50% of the original amount at age 70.

**Employees Covered by Benefit Terms** - At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	29
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>52</u>
	<u>81</u>

**Total OPEB Liability**

The Clerk's total OPEB liability of \$4,853,669 was measured as of June 30, 2023 and was determined by an actuarial valuation as of that date.

**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	3.0%
Salary increases	3.0%, including inflation
Prior discount rate	3.54%
Discount rate	3.65% annually
Healthcare cost trend rates	5.5% annually until year 2032, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

Mortality rates were based on the SOA RP-2014 Combined Table.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2023.



**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

**Changes in the Total OPEB Liability**

The table below shows the Livingston Parish Clerk of Court’s Total Other Postemployment Benefit (OPEB) Obligation for fiscal years ending June 30:

Total OPEB Liability - Beginning	\$ 4,683,387
Changes for the Year:	
Service Cost	110,836
Interest	167,754
Differences between Expected and Actual	125,706
Changes of Assumptions	(71,743)
Benefit Payments and Net Transfers	(162,271)
Net Change to Total OPEB Liability	170,282
Total OPEB Liability - Ending	\$ 4,853,669

**Benefit Changes** - There were no changes of benefit terms for the year ended June 30, 2023.

**Changes of Assumptions** - The discount rate changed to 3.65% for the year ended June 30, 2023, compared to 3.54% for the year ended June 30, 2022. There were no other changes of assumptions for the year ended June 30, 2023 versus the year ended June 30, 2022.

**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 or 1-percentage-point higher than the current discount rate:

	Changes in Discount Rate		
	1% Decrease	Discount Rate	1% Increase
	2.65%	3.65%	4.65%
Total OPEB Liability	\$ 5,618,183	\$ 4,853,669	\$ 4,241,092

**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:

	Changes in Healthcare Cost Trend Rates		
	1% Decrease	Discount Rate	1% Increase
	4.5%	5.5%	6.5%
Total OPEB Liability	\$ 4,293,520	\$ 4,853,669	\$ 5,552,033

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

**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 OPEB expense of \$32,861. At June 30, 2023, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 503,145	\$ 228,891
Change in Assumptions	466,251	854,343
Total	\$ 969,396	\$ 1,083,234

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:	Outflows	Inflows
2024	\$ 179,711	\$ 263,170
2025	179,711	263,170
2026	179,711	263,170
2027	179,711	263,170
2028	179,711	14,282
Thereafter	70,841	16,272
	\$ 969,396	\$ 1,083,234

**Note 9 - Unearned Revenue -**

The Clerk of Court receives payment of e-search subscription revenues from the subscribers in advance of the service period to be provided. The Clerk recognizes e-search subscription revenue as revenue on a pro-rata basis over the period of service provided to the subscribers. At June 30, 2023, the Clerk had unearned revenues of \$56,026 which represents the fees collected in advance of the services to be provided.

**Note 10 - Compensated Absences -**

Employees are not paid for accumulated leave upon termination.

# LIVINGSTON PARISH CLERK OF COURT

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

### **Note 11 - Leases -**

The Clerk records leases in accordance with GASB statement No. 87, *Leases*. Leases greater than 12 months are recorded as a right-of-use asset and a lease liability. At June 30, 2023, the Clerk had a lease liability of \$10,672. See note 5 for a recap of the lease assets.

On October 7, 2019, the Clerk entered into a lease for a postage machine. The term of the lease is 60 months at a discount rate of 1.38% with quarterly payments due of \$2,144.

The future lease payments under lease agreements and in the aggregate are as follows:

<u>Year Ending June 30, 2022</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2024	\$ 94	\$ 8,483	\$ 8,577
2025	5	2,189	2,194
Total Minimum Lease Payments	<u>\$ 99</u>	<u>\$ 10,672</u>	<u>\$ 10,771</u>

At June 30, 2023, the Clerk had no impairment losses related to leases, and had not entered into any sublease transactions, sale-leaseback transactions, nor lease-leaseback transactions.

### **Note 12 - Litigation and Claims -**

At June 30, 2023, the Clerk of Court is involved in general lawsuits, it is the opinion of the legal advisor for the Clerk of Court that the ultimate resolution of these lawsuits will not involve any material liability to the Clerk of Court in excess of insurance coverage.

### **Note 13 - Cooperative Endeavor Agreements -**

On May 1, 2014, the Livingston Parish Clerk of Court entered into a cooperative endeavor agreement with the Livingston Parish Council and four other local governments for the purpose of providing additional funding for the construction of the Livingston Parish Courthouse. Under the terms of this agreement, the Clerk agreed to pay 33.4% of the estimated construction shortfall of \$2,200,000 on the construction of new Courthouse plus any other construction change orders, after the Livingston Parish Council's contribution of \$300,000 for the construction of an access road. The construction shortfall resulted from the difference in the sale by the Livingston Parish Council of the Revenue Bond Series 2011 for \$17,865,000 and the Courthouse estimated construction costs plus architectural design fees and other estimated costs totaling \$20,065,000.

The other four local governments in the agreement and their respective percentage contributions are the Livingston Parish Sheriff at 35.0%, the District Attorney of the Twenty-First Judicial District Court at 17.0%, and the Twenty-First Judicial District Court at 14.6%. In addition, each entity paid for its furniture and equipment that each required to begin operations in the Courthouse.

**LIVINGSTON PARISH CLERK OF COURT**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2023

On September 1, 2011, the Livingston Parish Clerk of Court entered into a cooperative endeavor agreement with the Livingston Parish Council and the Twenty-First Judicial District Court for the purpose of providing for the funding pursuant to Act No. 20 of the 2011 Regular Session of the Louisiana Legislature (the "Courthouse Financing Act"). According to the Courthouse Financing Act, the Livingston Parish Clerk of Court began collecting an additional \$20 recordation fee per document, an additional \$100 filing fee on each civil suit, and an additional \$10 charge for each additional pleading on a civil matter. These additional fees collected by the Clerk are paid into the Livingston Parish Courthouse Fund maintained by the Livingston Parish Council for the purpose of repaying the Livingston Parish Council Revenue Bond Series 2011 which were issued by the Livingston Parish Council to finance the construction of the new Livingston Parish Courthouse. The Clerk collected and transferred \$813,231 to the Livingston Parish Council of the additional filing fee and the additional pleading fee from the Advanced Deposit Fund during fiscal year ended June 30, 2023. In addition, the Clerk collected and transferred \$436,395 to the Livingston Parish Council of the \$20 additional recordation fee collected in fiscal year ended June 30, 2023 from the Clerk's General Fund with an additional \$22,120 recorded as Due to Primary Government at June 30, 2023.

**Note 14 - Schedule of Compensation, Benefits, and Other Payments to Agency Head -**

In accordance with Louisiana Revised Statute 24:513A, the following is a Schedule of Compensation and Benefits received by Jason B. Harris, Clerk of Court, who was the acting agency head for the year ended June 30, 2023:

<u>Purpose</u>	
Salary	\$ 163,351
Election Compensation	2,492
Benefits - Insurance	11,773
Benefits - Retirement	62,462
Benefits - Short Term Disability and Accident Policy	-
Car Allowance	23,953
Taxable Life Insurance	527
Registration Fees	850
Conference Travel	413

**Note 15 - Current Year Adoption of New Accounting Standards -**

The following statements of the Governmental Accounting Standards Board (GASB) are effective for the Clerk's 2023 fiscal year. The Clerk has adopted and implemented these statements in the preparation of the financial statements for the year ended June 30, 2023.

During the year, the Clerk adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SIBTAs)*. This new accounting standard had no material effect on the Clerk's financial statements.

**LIVINGSTON PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

JUNE 30, 2023

During the year, the Clerk of Court also adopted GASB Statement No. 91 *Conduit Debt Obligation*, and No. 94 *Public-Private and Public-Public Partnerships and Availability*. These new accounting standards had no material effect on the Clerk's financial statements.

**Note 16 - Subsequent Event -**

Management has evaluated subsequent events through December 19, 2023, the date which the financial statements were available to be issued.

**Note 17 - Current Accounting Pronouncements -**

The following statements of the Governmental Accounting Standards Board will be effective for years subsequent to the Clerk of Court's fiscal year 2023.

- Statement No. 100, *Compensated Absences* (2024)
- Statement No. 101, *Accounting Changes and Error Corrections – an amendment of GASB No.62* (2024)

The Clerk of Court is currently evaluating the effects that these statements will have in its financial statements for the years ended June 30, 2024 and later.

REQUIRED SUPPLEMENTARY INFORMATION

## LIVINGSTON PARISH CLERK OF COURT

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

FOR THE YEAR ENDED JUNE 30, 2023\*

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
<b>Louisiana Clerks' of Court Retirement and Relief Fund:</b>					
2015	2.16573%	\$ 2,921,264	\$ 1,955,235	149.41%	79.37%
2016	2.09347%	3,140,271	1,893,963	165.80%	78.13%
2017	2.05950%	3,810,021	1,879,795	202.68%	74.17%
2018	2.10940%	3,191,373	1,904,573	167.56%	79.69%
2019	2.04860%	3,407,729	1,902,066	179.16%	79.07%
2020	2.03078%	3,687,875	1,974,321	186.79%	77.93%
2021	2.21970%	5,340,288	2,200,942	242.64%	72.09%
2022	2.32377%	3,091,159	2,345,545	131.79%	85.40%
2023	2.24706%	5,446,330	2,303,955	236.39%	74.09%

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

\*The amounts presented were determined as of the previous fiscal year end.

See independent auditor's report.

## LIVINGSTON PARISH CLERK OF COURT

SCHEDULE OF CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2023

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
<b>Louisiana Clerks' of Court Retirement and Relief Fund:</b>					
2015	\$ 359,855	\$ 359,855	\$ -	\$ 1,893,963	19.00%
2016	357,161	357,161	-	1,879,795	19.00%
2017	361,869	361,869	-	1,904,573	19.00%
2018	361,566	361,566	-	1,902,979	19.00%
2019	375,120	375,120	-	1,974,321	19.00%
2020	418,179	418,179	-	2,200,942	19.00%
2021	492,430	492,430	-	2,345,445	21.00%
2022	512,631	512,631	-	2,303,955	22.25%
2023	572,405	572,405	-	2,572,609	22.25%

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

See independent auditor's report.



**LIVINGSTON PARISH CLERK OF COURT**  
**SCHEDULE OF CHANGES IN THE CLERK'S**  
**TOTAL OPEB LIABILITY AND RELATED RATIOS**

FOR THE YEAR ENDED JUNE 30, 2023

<b>Total OPEB Liability</b>	2018	2019	2020	2021	2022	2023
Service Cost	\$ 117,898	\$ 121,435	\$ 131,179	\$ 183,757	\$ 189,270	\$ 110,836
Interest	145,263	145,838	155,931	126,289	131,847	167,754
Differences Between Expected and Actual Experience	(41,848)	172,039	299,663	176,754	(301,488)	125,706
Changes in Assumptions or Other Inp Benefit Payments	-	-	785,874	47,448	(1,191,836)	(71,743)
	(147,699)	(155,822)	(139,693)	(147,377)	(153,811)	(162,271)
Net Change in Total OPEB Liability	73,614	283,490	1,232,954	386,871	(1,326,018)	170,282
Total OPEB Liability - Beginning	4,032,476	4,106,090	4,389,580	5,622,534	6,009,405	4,683,387
Total OPEB Liability - Ending	<u>\$4,106,090</u>	<u>\$4,389,580</u>	<u>\$5,622,534</u>	<u>\$6,009,405</u>	<u>\$4,683,387</u>	<u>\$4,853,669</u>
 Covered-Employee Payroll	 \$1,485,273	 \$1,529,831	 \$2,333,476	 \$2,403,480	 \$2,377,199	 \$2,448,515
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 276.45%	 286.93%	 240.95%	 250.03%	 197.01%	 198.23%

**Notes to Schedule**

<i>Benefit Changes:</i>	None	None	None	None	None	None
<i>Changes of Assumptions:</i>						
Discount Rate:	3.50%	3.50%	2.21%	2.16%	3.54%	3.65%
Mortality:	RP-2000	RP-2000	RP-2014	RP-2014	RP-2014	RP-2014
Trend:	5.50%	5.50%	4.5% to 5.5%	4.5% to 5.5%	4.5% to 5.5%	4.5% to 5.5%

There are no plan assets accumulated in a trust to pay OPEB benefits.

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

See independent auditor's report.

## LIVINGSTON PARISH CLERK OF COURT

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2023

#### **Louisiana Clerks' of Court Retirement and Relief Fund:**

##### ***Changes in Actuarial Assumptions***

There were no changes of benefit assumptions for the year ended June 30, 2022, 2021, 2020, 2019, 2018, 2017, and 2016.

For the year ended June 30, 2015, for the Louisiana Clerks of Court Retirement and Relief Fund, retirement, DROP entry, and withdrawal rates were changed based on the results of the actuarial experience study for the period July 1, 2009 - June 30, 2014 and expectations of future experience. Family statistics were also updated based on more recent measures available from the United States Census Bureau.

Other changes are as follows:

Valuation Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Investment Rate of Return	6.55%	6.55%	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%
Inflation Rate	2.40%	2.40%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Projected Salary Increase	1-5 years service - 6.2%, 5 years or more - 5.0%	1-5 years service - 6.2%; 5 years or more - 5%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Mortality Rate - Active Members	Pub-2010 PRP multiplied by 120%. Mortality Table with full generational projection using the appropriate MP- 2019 improvement scale.	Pub-2010 PRP multiplied by 120%. Mortality Table with full generational projection MP- 2019 improvement scale	Pub-2010 PRP multiplied by 120%. Mortality Table with full generational projection MP- 2019 improvement scale	No Change	No Change	No Change	No Change	RP 2000 employee table set back 4 years for males and 3 years for females
Mortality Rate - Annuitant and Beneficiary	Same as Active Members	Same as Active Members	Same as Active Members	No Change	No Change	No Change	No Change	RP 2000 healthy annuitant table set forward 1 year for males and projected to 2030 for males and females
Mortality Rate - Disabled	Same as Active Members	Same as Active Members	Same as Active Members	No Change	No Change	No Change	No Change	RP 2000 disabled lives mortality table set back 5 year for males and 3 year for females

SCHEDULES REQUIRED BY STATE LAW (R.S. 24:515.2 ACT 87)

## LIVINGSTON PARISH CLERK OF COURT

SCHEDULE OF JUSTICE SYSTEM FUNDING - RECEIVING ENTITY

FOR THE YEAR ENDED JUNE 30, 2023

<b>Cash Basis Presentation</b>	<b>First Six Month Period Ended 12/31/22</b>	<b>Second Six Month Period Ended 6/30/23</b>
<b>Receipts From:</b>		
Livingston Parish Sheriff's Office - Criminal Bond Fees	\$ 1,666	\$ 2,288
Livingston Parish Sheriff's Office - Criminal Fines	66,733	142,294
Livingston Parish Council - Court Attendance	5,300	6,360
Louisiana Clerk's of Court Association - Supplemental Compensation Fund	10,750	12,900
<b>Total Receipts</b>	<b>\$ 84,449</b>	<b>\$ 163,842</b>

See independent auditor's report.

## LIVINGSTON PARISH CLERK OF COURT

## SCHEDULE OF JUSTICE SYSTEM FUNDING - COLLECTING/DISBURSING ENTITY

FOR THE YEAR ENDED JUNE 30, 2023

	<b>Month Period Ended 12/31/22</b>	<b>Month Period Ended 6/30/23</b>
<b>Cash Basis Presentation</b>		
<b>Beginning Balance of Amounts Collected (i.e. cash on hand)</b>	\$ 6,105,959	\$ 6,355,003
<b>Add: Collections</b>		
Civil Fees ( <i>including refundable amounts such as garnishments or advance deposits</i> )	1,981,120	1,935,985
Other - Jury Reimbursements	27,230	33,388
<b>Subtotal Collections</b>	<b>2,008,350</b>	<b>1,969,373</b>
<b>Less: Disbursements To Governments and Nonprofits:</b>		
Livingston Parish Sheriff's Office - Jury Payments	2,500	6,500
Livingston Parish Sheriff's Office - Non-Support Fees	80	2,315
Acadia Parish Sheriff's Office - Civil Fees	-	46
Ascension Parish Sheriff's Office - Civil Fees	4,691	4,798
Assumption Parish Sheriff's Office - Civil Fees	145	156
Avoyelles Parish Sheriff's Office - Civil Fees	76	124
Bienville Parish Sheriff's Office - Civil Fees	70	-
Calcasieu Parish Sheriff's Office - Civil Fees	81	244
Catahoula Parish Sheriff's Office - Civil Fees	32	83
Concordia Parish Sheriff's Office - Civil Fees	608	36
Desoto Parish Sheriff's Office - Civil Fees	53	-
East Baton Rouge Parish Sheriff's Office - Civil Fees	5,915	4,903
East Feliciana Parish Sheriff's Office - Civil Fees	168	145
Evangeline Parish Sheriff's Office - Civil Fees	-	47
Franklin Parish Sheriff's Office - Civil Fees	-	85
Grant Parish Sheriff's Office - Civil Fees	-	88
Iberia Parish Sheriff's Office - Civil Fees	145	15
Iberville Parish Sheriff's Office - Civil Fees	159	183
Jefferson Parish Sheriff's Office - Civil Fees	90	120
Lafayette Parish Sheriff's Office - Civil Fees	984	1,090
Lafourche Parish Sheriff's Office - Civil Fees	33	33
Lincoln Parish Sheriff's Office - Civil Fees	-	31
Livingston Parish Sheriff's Office - Civil Fees	77,110	85,808
Morehouse Parish Sheriff's Office - Civil Fees	-	60
Natchitoches Parish Sheriff's Office - Civil Fees	68	-
Orleans Parish Sheriff's Office - Civil Fees	1,140	1,990
Ouachita Parish Sheriff's Office - Civil Fees	110	59
Pointe Coupee Parish Sheriff's Office - Civil Fees	-	154
Rapides Parish Sheriff's Office - Civil Fees	173	154
Richland Parish Sheriff's Office - Civil Fees	-	36
St. Bernard Parish Sheriff's Office - Civil Fees	174	34
St. Charles Parish Sheriff's Office - Civil Fees	196	51
St. Helena Parish Sheriff's Office - Civil Fees	50	182
St. James Parish Sheriff's Office - Civil Fees	194	23
St. John the Baptist Parish Sheriff's Office - Civil Fees	138	217

(CONTINUED)

## LIVINGSTON PARISH CLERK OF COURT

## SCHEDULE OF JUSTICE SYSTEM FUNDING - COLLECTING/DISBURSING ENTITY (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2023

	<b>Month Period Ended 12/31/22</b>	<b>Month Period Ended 6/30/23</b>
<b>Less: Disbursements To Governments and Nonprofits (Continued):</b>		
St. Landry Parish Sheriff's Office - Civil Fees	-	43
St. Martin Parish Sheriff's Office - Civil Fees	86	-
St. Mary Parish Sheriff's Office - Civil Fees	-	65
St. Tammany Parish Sheriff's Office - Civil Fees	287	201
Tangipahoa Parish Sheriff's Office - Civil Fees	1,845	1,788
Terrebonne Parish Sheriff's Office - Civil Fees	35	19
Union Parish Sheriff's Office - Civil Fees	-	53
Vermillion Parish Sheriff's Office - Civil Fees	124	-
Vernon Parish Sheriff's Office - Civil Fees	5	75
Washington Parish Sheriff's Office - Civil Fees	219	190
West Baton Rouge Parish Sheriff's Office - Civil Fees	77	-
West Feliciana Parish Sheriff's Office - Civil Fees	240	73
Winn Parish Sheriff's Office - Civil Fees	56	31
Livingston Parish Council - Courthouse Civil Fees \$10/pleading	189,904	138,591
Livingston Parish Council - Courthouse Civil \$100/New Pleading Fees	185,855	196,350
Livingston Parish Council - Recording Fees for Courthouse bond pd in Civil Suits	13,746	10,200
Southeast Legal Services - Civil Fees	5,721	5,959
21st Judicial Expense Fund - Indigent Transcript Fund Civil Fees	1,030	1,083
21st Judicial Expense Fund - Civil Fees	38,300	39,271
Louisiana Supreme Court 1 - Civil Fees	1,190	1,280
Louisiana Supreme Court 2 - Civil Fees	1,086	1,058
Louisiana Clerks Remote Access Authority (Pd from Civil Suits)	1,326	1,948
Louisiana State Treasurer - (Jud. Admin Fee)	52,816	53,929
Hon. Rodd Naquin - First Circuit Court of Appeal	4,595	1,968
State of LA Dept. of Children and Family Services	13,349	12,357
Special Master Cade R. Cole	9,520	3,080
	<u>616,595</u>	<u>579,422</u>
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts "Self-Disbursed" to Collecting Agency - Livingston Parish Clerk of Court - Civil Filing Fees	851,119	923,840
<b>Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies</b>		
Civil Fee Refunds	224,818	117,003
Bond Fee Refunds	3,938	2,567
Steno fees to Court Reporters	9,498	11,483
Civil Jury - Juror Costs	-	8,494
Criminal Jury - Juror Costs	27,107	24,895
Curator's fees	19,869	19,431
Miscellaneous	5,959	7,111
Bank Fees	403	517
<b>Subtotal Disbursements/Retainage</b>	<u>291,592</u>	<u>191,501</u>
<b>Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	<u>\$ 6,355,003</u>	<u>\$ 6,629,614</u>

See independent auditor's report.

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



INDEPENDENT AUDITOR'S REPORT

To the Honorable Jason B. Harris  
Livingston Parish Clerk of Court  
Livingston, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund (the General Fund), and the fiduciary fund, of the Livingston Parish Clerk of Court “the Clerk” (a component unit of the Livingston Parish Council), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk’s basic financial statements, and have issued our report thereon dated December 19, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Clerk’s internal control over financial reporting (internal control) as a basis for designing 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 Clerk’s internal control. Accordingly, we do not express an opinion on the effectiveness of Clerk’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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *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.

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





Honorable Jason B. Harris  
Livingston Parish Clerk of Court

### **Report Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk'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 Clerk's internal control and compliance. Accordingly, this communication is not suitable for any other purpose; however, under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,

*Hannis T. Bourgeois, LLP*

Denham Springs, Louisiana  
December 19, 2023

**LIVINGSTON PARISH CLERK OF COURT**

**SCHEDULE OF FINDINGS AND RESPONSES**

FOR THE YEAR ENDED JUNE 30, 2023

**A. Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weaknesses identified?	<u>        </u> Yes	<u>  x  </u> No
• Significant deficiencies identified?	<u>        </u> Yes	<u>  x  </u> None Reported

Noncompliance material to financial statements noted?	<u>        </u> Yes	<u>  x  </u> No
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**B. Internal Control Over Financial Reporting**

None

**C. Compliance and Other Matters**

None

**LIVINGSTON PARISH CLERK OF COURT**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**A. Internal Control Over Financial Reporting**

None

**B. Compliance and Other Matters**

None

**LIVINGSTON PARISH CLERK OF COURT**  
**INDEPENDENT ACCOUNTANT'S REPORT**  
**ON APPLYING AGREED-UPON PROCEDURES**

**JUNE 30, 2023**

**LIVINGSTON, LOUISIANA**



**HANNIS T.  
BOURGEOIS**

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Independent Accountant’s Report  
on Applying Agreed-Upon Procedures

The Honorable Jason B. Harris  
Livingston Parish Clerk of Court  
Livingston, Louisiana

Louisiana Legislative Auditor

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

The Clerk 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 exceptions are as follows:

**1) Written Policies and Procedures**

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- A. 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:
  - i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget. – **No exceptions noted.**
  - ii. **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 noted.**
  - iii. **Disbursements**, including processing, reviewing, and approving. – **No exceptions noted.**

- iv. **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 noted.**
- v. **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 noted.**
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process. – **No exceptions noted.**
- vii. **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 noted.**
- viii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers. – **No exceptions noted.**
- ix. **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 noted.**
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements. – **No exceptions noted.**
- xi. **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.  
  
**Exception** – The Clerk does not have written policies and procedures related to items (1) through (6). Although the Clerk did not have formal written policies and procedures related to the above items, they do have informal procedures in place.
- xii. **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting. – **No exceptions noted.**

## 2) Board or Finance Committee

---

- A. 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:
  - i. 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. – **Not applicable – The Clerk is an independently elected official.**

- ii. 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.* – **Not applicable – The Clerk is an independently elected official.**
- iii. 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. – **Not applicable – The Clerk is an independently elected official.**
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved. – **No audit findings in the prior year noted.**

### **3) Bank Reconciliations**

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- A. 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:
  - i. 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 exceptions noted.**
  - ii. 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 – **No exceptions noted.**
  - iii. 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. – **No exceptions noted.**

### **4) Collections (excluding electronic funds transfers)**

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- A. 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). – **No exceptions noted.**
- B. 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:

- i. Employees responsible for cash collections do not share cash drawers/registers. – **No exceptions noted.**
  - ii. 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. – **No exceptions noted.**
  - iii. 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. – **No exceptions noted.**
  - iv. 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. – **No exceptions noted.**
- C. 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 exceptions noted.**
- D. 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:
- i. Observe that receipts are sequentially pre-numbered. – **No exceptions noted.**
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip. – **No exceptions noted.**
  - iii. Trace the deposit slip total to the actual deposit per the bank statement. – **No exceptions noted.**
  - iv. 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). – **No exceptions noted.**
  - v. Trace the actual deposit per the bank statement to the general ledger. – **No exceptions noted.**

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

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- A. 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). – **No exceptions noted.**
- B. For each location selected under #5A 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:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase. – **No exceptions noted.**
  - ii. At least two employees are involved in processing and approving payments to vendors. – **No exceptions noted.**



- iii. 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 noted.**
  - iv. 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 noted.**
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means. – **No exceptions noted.**
- C. For each location selected under #5A 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: – **No exceptions noted.**
- i. 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 noted.**
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable. – **No exceptions noted.**
- D. 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 noted.**

**6) Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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- A. 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. – **No exceptions noted.**
- B. 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:
- i. 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. – **No exceptions noted.**
  - ii. Observe that finance charges and late fees were not assessed on the selected statements. – **No exceptions noted.**

- C. Using the monthly statements or combined statements selected under #7B 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. – **No exceptions noted.**

#### **7) *Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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- A. 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:
- i. 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](http://www.gsa.gov)). – **No exceptions noted.**
  - ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased. – **No exceptions noted.**
  - iii. 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 noted.**
  - iv. Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement. – **No exceptions noted.**

#### **8) *Contracts***

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- B. 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:
- i. 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 noted.**
  - ii. 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 noted.**
  - iii. 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). – **No exceptions noted.**
  - iv. 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. – **No exceptions noted.**

## 9) *Payroll and Personnel*

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- A. 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. – **No exceptions noted.**
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
- i. 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 noted.**
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials. – **No exceptions noted.**
  - iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records. – **No exceptions noted.**
  - iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file. – **No exceptions noted.**
- C. 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 noted.**
- D. 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 noted.**

## 10) *Ethics*

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- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period. – **No exceptions noted.**
  - ii. 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. – **Not applicable – no changes to the entity's ethics policy during the fiscal period.**
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170. – **No exceptions noted.**

### *11) Debt Service*

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- A. 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. – **Not applicable – The Clerk does not have any debt.**
- B. 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). – **Not applicable – The Clerk does not have any debt.**

### *12) Fraud Notice*

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- A. 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. – **There were no misappropriations of public funds or assets noted during the fiscal period.**
- B. 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. – **Notice posted on premises and on website.**

### *13) Information Technology Disaster Recovery/Business Continuity*

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- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
  - i. 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. – **We performed the procedure and discussed the results with management.**
  - ii. 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. – **We performed the procedure and discussed the results with management.**
  - iii. 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. – **We performed the procedure and discussed the results with management.**



- B. 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. – **We performed the procedure and discussed the results with management.**

**14) Sexual Harassment**

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- A. Using the 5 randomly selected employees/officials from procedure #9A 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 exceptions noted.**
- B. 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 exceptions noted.**
- C. 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: – **No exceptions noted.**
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

We were engaged by the Clerk 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, 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 Authority 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.

Respectfully submitted,  
*Hannis T. Bourgeois, LLP*

Denham Springs, Louisiana  
December 19, 2023

# Livingston Parish Clerk of Court



JASON B. HARRIS  
Clerk of Court

P.O. BOX 1150  
Livingston, Louisiana 70754  
225.686.2216

December 5, 2023

Hannis T. Bourgeois, LLP  
178 Del Orleans Ave Suite C  
Denham Springs, LA 70726

Re: Exceptions to Annual Audit

Dear Mr. Sanders

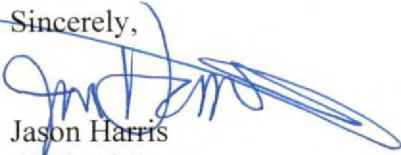
Below are the responses to the exceptions to the annual audit for Livingston Parish Clerk of Court for the fiscal year ending June 30, 2023.

1. Information Technology Disaster Recovery/Business Continuity –

As of December 5, 2023 the Clerk's Office has developed and put in place written policies and procedures to formalize the informal procedures in place that HTB has sighted in relation to (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.

If you feel the response to the exception to the annual audit for the Livingston Parish Clerk of Court for the fiscal year ending June 30, 2023, are inadequate, please let us know and we can establish additional mitigation efforts to clear the exception.

Sincerely,



Jason Harris  
Clerk of Court