

**SABINE PARISH CLERK OF COURT
MANY, LOUISIANA**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2024**

Sabine Parish Clerk of Court
Many, Louisiana

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Sabine Parish Clerk of Court
Many, Louisiana

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Sabine Parish Clerk of Court

P. O. Box 419
Many, LA 71449

MANAGEMENT'S DISCUSSION AND ANALYSIS for the Year Ended June 30, 2024

The Management's Discussion and Analysis of the Sabine Parish Clerk of Court's financial performance presents a narrative overview and analysis of the Clerk's financial activities for the year ended June 30, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Clerk's financial statements, which begin on page 11.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Clerk as a whole and present a longer-term view of the Clerk's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

- 1) The Sabine Parish Clerk of Court had cash and investments of \$3,021,179 at June 30, 2024, which represents an increase of \$189,201 from the prior year.
- 2) The Sabine Parish Clerk of Court had accounts receivable of \$24,907 at June 30, 2024, which represents a decrease of \$15,393 from the prior year.
- 3) The Sabine Parish Clerk of Court had accounts payable and accruals of \$20,439 at June 30, 2024, which represents a decrease of \$6,329 from the prior year.
- 4) The Sabine Parish Clerk of Court had total revenues of \$1,632,689 for the year ended June 30, 2024, which represents an increase of \$65,710 from the prior year.
- 5) The Sabine Parish Clerk of Court had fees, and charges for services revenues of \$1,477,358 for the year ended June 30, 2024, which represents an increase of \$19,652 from the prior year.
- 6) The Sabine Parish Clerk of Court had total expenses of \$1,433,939 for the year ended June 30, 2024, which represents an increase of \$21,152 from the prior year.
- 7) The Sabine Parish Clerk of Court had personnel services expense of \$955,840 for the year ended June 30, 2024, which represents an increase of \$29,723 from the prior year.
- 8) The Sabine Parish Clerk of Court had operating services expense of \$269,144 for the year ended June 30, 2024, which represents an increase of \$5,162 from the prior year.
- 9) The Sabine Parish Clerk of Court had supplies expense of \$44,543 for the year ended June 30, 2024, which represents a decrease of \$10,789 from the prior year.
- 10) The Sabine Parish Clerk of Court had capital asset purchases of \$30,470 for the year ended June 30, 2024 which represents an increase of \$30,470 from the prior year..

Overview of the Financial Statements

The following illustrates the minimum requirements for the Sabine Parish Clerk of Court as established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*.

Management's Discussion and Analysis Basic Financial Statements Required Supplementary Information (Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position (on page 11) and the Statement of Activities (on page 12) provide information about the activities of the Sabine Parish Clerk of Court as a whole and present a longer-term view of the Clerk's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the Clerk's net position and changes in it. You can think of the Clerk's net position, the difference between assets and liabilities, as one way to measure the Clerk's financial health, or financial position. Over time, increases or decreases in the Clerk's net position is one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 14. All of the Clerk's basic services are reported in a governmental fund, which focus on how money flows into and out of this fund and the balances left at year end that are available for spending. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short term view of the Clerk's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk's activities as well as what remains for future spending.

A summary of the basic government-wide financial statements is as follows:

Summary of the Statement of Net Position

| | 2024 | 2023 |
|----------------------------------|----------------------------|----------------------------|
| ASSETS: | | |
| Current and Other Assets | \$ 3,048,483 | \$ 2,884,356 |
| Noncurrent Assets | 108,051 | 139,352 |
| Total Assets | <u>\$ 3,156,534</u> | <u>\$ 3,023,708</u> |
| DEFERRED OUTFLOWS OF RESOURCES | <u>\$ 540,209</u> | <u>\$ 720,798</u> |
| LIABILITIES: | | |
| Current Liabilities | \$ 67,123 | \$ 78,461 |
| Long Term Debt | 10,747 | 57,431 |
| Other Post-Employment Benefits | 649,962 | 654,995 |
| Net Pension Liability | 999,673 | 1,130,465 |
| Total Liabilities | <u>\$ 1,727,505</u> | <u>\$ 1,921,352</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>\$ 435,285</u> | <u>\$ 487,951</u> |
| NET POSITION: | | |
| Net Investment in Capital Assets | \$ 50,620 | \$ 30,228 |
| Unrestricted | 1,483,333 | 1,304,975 |
| Total Net Position | <u><u>\$ 1,533,953</u></u> | <u><u>\$ 1,335,203</u></u> |

Net position of the Clerk of Court increased by \$198,750 or 14.89% from the previous fiscal year.

Summary of the Statement of Activities

| | 2024 | 2023 |
|----------------------------------|--------------------------|--------------------------|
| REVENUES: | | |
| Charges for Services | \$ 1,477,358 | \$ 1,457,706 |
| Operating Grants & Contributions | 30,000 | 25,800 |
| General Revenues | <u>125,331</u> | <u>83,473</u> |
| Total Revenues | \$ 1,632,689 | \$ 1,566,979 |
| EXPENSES: | | |
| Expenses | <u>1,433,939</u> | <u>1,412,787</u> |
| Change in Net Position | <u><u>\$ 198,750</u></u> | <u><u>\$ 154,192</u></u> |

The Clerk of Court's total revenues increased by \$65,710 or 4.2% from the previous fiscal year. The total cost of all programs and services increased by \$21,152 or 1.5%.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2024, the Sabine Parish Clerk of Court had \$108,051, net of depreciation and amortization, invested in a broad range of capital assets (see table below). This amount represents a net decrease (including additions and deductions) of \$31,301 or 23% from the previous year.

Capital Assets at Year End (Net of Depreciation/Amortization)

| | <u>2024</u> | <u>2023</u> |
|---------------------------|------------------|------------------|
| Capital Assets | \$ 56,052 | \$ 35,635 |
| Right of Use Assets | 15,198 | 22,755 |
| Subscription-Based Assets | <u>36,801</u> | <u>80,962</u> |
| Total | <u>\$108,051</u> | <u>\$139,352</u> |

Debt

The Sabine Parish Clerk of Court had \$10,747 in Long-term Portion of Leases, \$649,962 in Other Post-Employment Benefits, and \$999,673 in Net Pension Liability outstanding at year end. This represents decreases of \$46,684, \$5,033 and \$130,792, respectively, as compared to the previous year, as shown in the table below.

Outstanding Debt at Year End

| | <u>2024</u> | <u>2023</u> |
|--------------------------------|--------------------|--------------------|
| Long-Term Portion of Leases | \$ 10,747 | \$ 57,431 |
| Other Post-Employment Benefits | 649,962 | 654,995 |
| Net Pension Liability | <u>999,673</u> | <u>1,130,465</u> |
| Total | <u>\$1,660,382</u> | <u>\$1,842,891</u> |

Variations between Final Budgets and Actual Amounts

Actual revenues and other sources were \$100,954 more than budgeted amounts. Actual expenditures were \$4,156 less than budgeted amounts. Both variances are within the 5% allowed.

Economic Factors and Next Year's Budget

The Sabine Parish Clerk of Court's elected official considered the following factors and indicators when setting next year's budget, rates and fees. These factors and indicators include:

1. Fees, and charges for services
2. Interest income
3. Miscellaneous revenues

The Sabine Parish Clerk of Court does not expect any significant changes in next year's results as compared to the current year.

Contacting the Sabine Parish Clerk of Court

This financial report is designed to provide our citizens and creditors with a general overview of the Sabine Parish Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Sabine Parish Clerk of Court at P. O. Box 419, Many, LA 71449.

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
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INDEPENDENT AUDITORS' REPORT

Honorable Shelly Salter
Sabine Parish Clerk of Court
P. O. Box 419
Many, Louisiana 71449

Opinions

We have audited the accompanying financial statements of the governmental activities, major funds and the fiduciary fund of the Sabine Parish Clerk of Court (Clerk), a component unit of the Sabine Parish Police Jury, as of and for the year ended June 30, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major funds and the fiduciary fund of the Clerk as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 on pages 1 through 5 and Budgetary Comparison Schedules, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer's Contributions, and Schedule of Changes in Net OPEB Liability and Related Ratios on pages 42 through 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 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 Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedules 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 2, 2024, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 2, 2024, on the results of our state wide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 2, 2024

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Sabine Parish Clerk of Court
Statement of Net Position
June 30, 2024

| | Governmental Activities |
|---------------------------------------|----------------------------|
| ASSETS: | |
| Current Assets: | |
| Cash & Cash Equivalents | \$ 2,158,058 |
| Investments | 863,121 |
| Revenue Receivable | 24,907 |
| Prepaid Expense | <u>2,397</u> |
| Total Current Assets | <u>\$ 3,048,483</u> |
| Noncurrent Assets: | |
| Capital Assets, Net | \$ 56,052 |
| Right-of Use Assets, Net | 15,198 |
| Subscription-Based Assets, Net | <u>36,801</u> |
| Total Noncurrent Assets | <u>\$ 108,051</u> |
| Total Assets | <u>\$ 3,156,534</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Pension | \$ 303,878 |
| OPEB | <u>236,331</u> |
| Total Deferred Outflows of Resources | <u>\$ 540,209</u> |
| LIABILITIES: | |
| Current Liabilities- | |
| Accounts Payable & Accruals | \$ 15,610 |
| Payroll & Related Liabilities | 4,829 |
| Current Portion of Capital Leases | <u>46,684</u> |
| Total Current Liabilities | <u>\$ 67,123</u> |
| Noncurrent Liabilities | |
| Long-term Portion of Capital Leases | \$ 10,747 |
| Other Post-Employment Benefits | 649,962 |
| Net Pension Liability | <u>999,673</u> |
| Total Noncurrent Liabilities | <u>\$ 1,660,382</u> |
| Total Liabilities | <u>\$ 1,727,505</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Pension | \$ 53,109 |
| OPEB | <u>382,176</u> |
| Total Deferred Outflows of Resources | <u>\$ 435,285</u> |
| NET POSITION: | |
| Net Investment in Capital Assets | \$ 50,620 |
| Unrestricted | <u>1,483,333</u> |
| Total Net Position | <u>\$ 1,533,953</u> |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Statement of Activities
June 30, 2024

| Activities | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|------------------------------|--------------|----------------------|---------------------------------------|-------------------------------------|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| Governmental Activities: | | | | | |
| Judicial | \$ 1,433,939 | \$ 1,477,358 | \$ 30,000 | \$ - | \$ 73,419 |
| | | | | | |
| General Revenues: | | | | | |
| Interest | | | | | \$ 64,323 |
| Miscellaneous | | | | | 2,200 |
| Non-Employer Pension Revenue | | | | | <u>58,808</u> |
| Total General Revenues | | | | | <u>\$ 125,331</u> |
| Change in Net Position | | | | | \$ 198,750 |
| Net Position June 30, 2023 | | | | | <u>1,335,203</u> |
| Net Position June 30, 2024 | | | | | <u>\$ 1,533,953</u> |

FUND FINANCIAL STATEMENTS

Sabine Parish Clerk of Court
Balance Sheet - Governmental Funds
June 30, 2024

| | Major Funds | | |
|------------------------------------|---------------------|-------------------------|---------------------|
| | General Fund | Advance Deposit Fund | Total |
| ASSETS: | | | |
| Cash & Cash Equivalents | \$ 1,778,211 | \$ 379,847 | \$ 2,158,058 |
| Investments | 863,121 | - | 863,121 |
| Revenue Receivables | 24,907 | - | 24,907 |
| Prepaid Expense | <u>2,397</u> | <u>-</u> | <u>2,397</u> |
| Total Assets | <u>\$ 2,668,636</u> | <u>\$ 379,847</u> | <u>\$ 3,048,483</u> |
| LIABILITIES: | | | |
| Accounts Payable & Accruals | \$ 15,610 | \$ - | \$ 15,610 |
| Payroll & Related Liabilities | <u>4,829</u> | <u>-</u> | <u>4,829</u> |
| | <u>\$ 20,439</u> | <u>\$ -</u> | <u>\$ 20,439</u> |
| FUND BALANCE: | | | |
| Restricted for: | | | |
| Nonspendable | | | |
| Prepaid Expense | \$ 2,397 | \$ - | \$ 2,397 |
| Special Purposes | - | 379,847 | 379,847 |
| Unassigned | <u>2,645,800</u> | <u>-</u> | <u>2,645,800</u> |
| Total Fund Balance | <u>\$ 2,648,197</u> | <u>\$ 379,847</u> | <u>\$ 3,028,044</u> |
| Total Liabilities and Fund Balance | <u>\$ 2,668,636</u> | <u>\$ 379,847</u> | <u>\$ 3,048,483</u> |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2024

| | | |
|---|----|-----------|
| Total Fund Balance for the Governmental Fund at June 30, 2024 | \$ | 3,028,044 |
|---|----|-----------|

Total Net Position reported for Governmental Activities in the
Statement of Net Position is different because:

The following used in Governmental Activities are not financial
resources. Therefore, they are not reported in the fund:

| | | |
|---------------------------------|--|-----------|
| Furniture, Fixtures & Equipment | | 622,733 |
| Less, Accumulated Depreciation | | (566,681) |
| Right of Use Assets | | 37,784 |
| Subscription-Based Assets | | 132,483 |
| Less, Accumulated Amortization | | (118,268) |
| Deferred Outflows of Resources | | 540,209 |

The following are not due and payable in the current period.
Therefore, they are not reported in the Governmental Fund
Balance Sheet:

| | | |
|--------------------------------|--|-----------|
| Lease Liabilities | | (57,431) |
| Other Post-Employment Benefits | | (649,962) |
| Net Pension Liabilities | | (999,673) |
| Deferred Inflows of Resources | | (435,285) |

| | | |
|---|----|------------------|
| Total Net Postion of Governmental Activities at June 30, 2024 | \$ | <u>1,533,953</u> |
|---|----|------------------|

Sabine Parish Clerk of Court
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
June 30, 2024

| | Major Funds | | |
|---|---------------------|----------------------|---------------------|
| | General Fund | Advance Deposit Fund | Total |
| REVENUES: | | | |
| Fees & Charges for Services | \$ 862,301 | \$ 615,057 | \$ 1,477,358 |
| Intergovernmental- | | | |
| Supplemental Compensation Fund | 30,000 | - | 30,000 |
| Miscellaneous | | | |
| Interest | 62,761 | 1,562 | 64,323 |
| Miscellaneous | 2,200 | - | 2,200 |
| Total Revenues | <u>\$ 957,262</u> | <u>\$ 616,619</u> | <u>\$ 1,573,881</u> |
| EXPENDITURES: | | | |
| Judicial- | | | |
| Current- | | | |
| Personnel Services | \$ 955,840 | \$ - | \$ 955,840 |
| Travel | 7,308 | - | 7,308 |
| Operating Services | 51,562 | 217,582 | 269,144 |
| Operating Supplies | 44,543 | - | 44,543 |
| Professional Services | 39,650 | - | 39,650 |
| Capital Expenditures | 30,470 | | 30,470 |
| Debt Service | 56,471 | - | 56,471 |
| Total Expenditures | <u>\$ 1,185,844</u> | <u>\$ 217,582</u> | <u>\$ 1,403,426</u> |
| Excess (Deficiency) of Revenues over Expenditures | \$ (228,582) | \$ 399,037 | \$ 170,455 |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers In | \$ 333,692 | \$ - | \$ 333,692 |
| Operating Transfers Out | <u>-</u> | <u>(333,692)</u> | <u>(333,692)</u> |
| Total Other Financing Sources (Uses) | <u>\$ 333,692</u> | <u>\$ (333,692)</u> | <u>\$ -</u> |
| Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses | \$ 105,110 | \$ 65,345 | \$ 170,455 |
| Fund Balance-Beginning of Year | <u>2,543,087</u> | <u>314,502</u> | <u>2,857,589</u> |
| Fund Balance-End of Year | <u>\$ 2,648,197</u> | <u>\$ 379,847</u> | <u>\$ 3,028,044</u> |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
June 30, 2024

| | | |
|--|----|---------|
| Net Change in Fund Balances-Total Governmental Funds | \$ | 170,455 |
|--|----|---------|

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 these assets are allocated over their estimated useful lives as depreciation expense. The current year amounts for these items were:

| | | |
|-------------------------|--|----------|
| Capital Asset Purchases | | 30,470 |
| Depreciation Expense | | (10,053) |
| Amortization Expense | | (51,718) |

Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds. These timing differences are summarized below:

| | | |
|--------------------------------|--|-----------------|
| Non-Employer Pension Revenue | | 58,808 |
| Capital Lease Payments | | 51,694 |
| Other Post-Employment Benefits | | 20,781 |
| Pension Expense | | <u>(71,687)</u> |

| | | |
|--|----|----------------|
| Change in Net Position at June 30, 2024, per Statement of Activities | \$ | <u>198,750</u> |
|--|----|----------------|

Sabine Parish Clerk of Court
Statement of Fiduciary Net Position
June 30, 2024

Registry of
Court Fund

ASSETS

| | |
|-------------------------|---------------------|
| Cash & Cash Equivalents | \$ <u>2,668,009</u> |
|-------------------------|---------------------|

LIABILITIES

| | |
|---------------|---------------------|
| Due to Others | \$ <u>2,668,009</u> |
|---------------|---------------------|

Sabine Parish Clerk of Court
Statement of Changes in Fiduciary Net Position
June 30, 2024

Registry of
Court Fund

ADDITIONS:

| | |
|-----------------------|-------------------|
| Suits and Successions | \$ 420,180 |
| Interest Income | <u>6,874</u> |
| Total Additions | <u>\$ 427,054</u> |

DEDUCTIONS:

| | |
|--------------------------|----------------------------|
| Settlements to Litigants | <u>\$ -</u> |
| Changes in Liabilities | 427,054 |
| Liabilities - Beginning | <u>2,240,955</u> |
| Liabilities - Ending | <u><u>\$ 2,668,009</u></u> |

NOTES TO FINANCIAL STATEMENTS

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

Introduction:

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

1. Summary of Significant Accounting Policies:

A. BASIS OF PRESENTATION-

The accompanying financial statements of the Sabine Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. REPORTING ENTITY-

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

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Sabine Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Sabine Parish Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

Because the Sabine Parish Police Jury provides office facilities for the Clerk, the Clerk was determined to be fiscally dependent on the Police Jury and accordingly is considered to be a component unit of the Sabine Parish Police Jury, the financial reporting entity. The accompanying basic financial statements present information only on the funds maintained by the Clerk and do not present information on the Sabine Parish Police Jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING-

The Sabine Parish Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the Clerk are classified into two categories, governmental and fiduciary, as follows:

Governmental Funds

Governmental funds account for the Clerk of Court's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. Governmental funds of the Clerk of Court include:

General Fund

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

Special Revenue Fund - Advance Deposit

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for the proceeds of advanced costs received by plaintiffs in ordinary suits. The advanced costs shall be disbursed to the clerk's salary fund and to others as their fees accrue.

Fiduciary Funds

The custodial fund, Registry of Court Fund accounts for assets held by the Clerk as an agent for litigants held pending court action or for legally required payments to others. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the custodial fund has no measurement focus, but uses the accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING-

Government-Wide Financial Statements

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 Sabine Parish Clerk of Court, except for the fiduciary funds which are reported separately.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

The government-wide financial statements 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.

Fund Financial Statements

Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sabine Parish Clerk of Court considers all revenues available if collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues-

Fees for certified copies, recording legal documents, marriage licenses, and commissions for services are recorded in the year they are earned. Interest income on time deposits is recorded when the time deposits have matured and the income is available. 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.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

E. BUDGETARY ACCOUNTING-

Formal budgetary accounting is employed as a management control. The Sabine Parish Clerk of Court prepares and adopts a budget each year for its general fund and Advance Deposit Fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The Clerk amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

F. CASH AND CASH EQUIVALENTS-

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

G. INVESTMENTS-

Investments are limited by R. S. 33:2955 and the Sabine Parish Clerk of Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. RECEIVABLES-

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

I. CAPITAL ASSETS-

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Sabine Parish Clerk of Court is charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to expenditures as incurred. Major expenditures for renewals and betterments are capitalized. The Clerk maintains a threshold level of \$5,000 or more for capitalizing assets.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

J. COMPENSATED ABSENCES-

Full-time employees of the Sabine Parish Clerk of Court earn from five to ten days of sick leave each fiscal year, depending on length of service. Vacation is earned as follows: 1st year - 5 days, 2-15 years - 10 days, over 15 years - 15 days. Unused vacation expires at June 30. Beginning July 1, 2014, all unused sick leave at June 30 will be paid, therefore no entry is made for compensated absences.

K. PENSIONS-

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Clerks' of Court Retirement and Relief Fund (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

M. ESTIMATES-

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

N. EQUITY CLASSIFICATIONS-

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets."

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, the Clerk applies unrestricted resources first, unless a determination is made to use restricted net resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by the Clerk at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund, has a nonspendable fund balance of \$2,397 which represents prepaid expense. The remaining fund balance of \$2,645,800 is classified as unassigned. If applicable, the Clerk would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

2. Cash, Cash Equivalents, Investments and Credit Risk:

The cash and cash equivalents of the Clerk of Court are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Clerk of Court will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk of Court that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Clerk of Court's name.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. The Clerk may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

At June 30, 2024, the Clerk had cash and cash equivalents (book balances) totaling \$4,826,067 as follows:

| | |
|---------------------------|--------------------|
| Demand Deposits | \$3,248,045 |
| Time Deposits/Investments | 1,577,822 |
| Petty Cash | <u>200</u> |
| Total | <u>\$4,826,067</u> |

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

At June 30, 2024, the Clerk has \$4,864,257 in deposits (collected bank balances). These deposits are secured from risk by \$1,000,190 of federal deposit insurance and \$3,864,066 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

3. Investments:

Interest Rate Risk. This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is its fair value to changes in market interest rates. The Clerk of Court does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the Clerk of Court diversifies its investments by security type and institution.

Investments held at June 30, 2024 include \$863,121 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at June 30, 2024, is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment 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. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701, enacted LSA-R.S. 33:2955 (A) (1) (h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. 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 value of 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.

4. Revenue Receivable:

The following is a summary of receivables at June 30, 2024:

| <u>Class of Receivable</u> | <u>Total</u> |
|----------------------------|-----------------|
| Charges for services | <u>\$24,907</u> |

5. Interfund Transactions:

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the governmental funds.

The following is a summary of transfers at June 30, 2024:

| | <u>Operating Transfer In</u> | <u>Operating Transfer Out</u> |
|---------------------------------------|----------------------------------|-----------------------------------|
| General Fund | \$333,692 | \$ 0 |
| Special Revenues Fund-Advance Deposit | <u>0</u> | <u>333,692</u> |
| Total | <u>\$333,692</u> | <u>\$333,692</u> |

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

6. Leases:

In 2021 and 2023, the Clerk of Court entered into three lease agreements. Two leases were for copy machines and one was for a postage machine, all with a five-year lease term.

The total of the Clerk's lease assets are recorded at a cost of \$37,784, less accumulated amortization of \$22,586.

The future lease payments under the lease agreement is as follows:

| <u>Year Ending December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------------------|------------------|-----------------|-----------------|
| 2025 | \$ 7,710 | \$ 726 | \$ 8,436 |
| 2026 | 7,238 | 371 | 7,609 |
| 2027 | <u>250</u> | <u>75</u> | <u>325</u> |
| Total | <u>\$15,198</u> | <u>\$1,172</u> | <u>\$16,370</u> |

7. Subscription-Based Information Technology Arrangements:

In May 2023, the Clerk of Court entered into a subscription-based information technology arrangement (SBITA) involving an online indexing solution software with a three-year term.

The total of the Clerk's subscription assets are recorded at a cost of \$132,483, less accumulated amortization of \$95,682.

The future subscription payments under SBITA agreement is as follows:

| <u>Year Ending December 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|------------------------------------|------------------|-----------------|-----------------|
| 2025 | <u>\$36,801</u> | <u>\$1,056</u> | <u>\$37,857</u> |

8. Long-Term Debt:

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

| | <u>Balance 06-30-23</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance 06-30-24</u> |
|--------------------------------|-----------------------------|------------------|------------------|-----------------------------|
| Capital Leases | \$ 57,431 | \$0 | \$ 46,684 | \$ 10,747 |
| Net Pension Liability | 654,995 | 0 | 5,033 | 649,962 |
| Other Post-Employment Benefits | <u>1,130,465</u> | <u>0</u> | <u>130,792</u> | <u>999,673</u> |
| Total | <u>\$1,894,586</u> | <u>\$0</u> | <u>\$182,509</u> | <u>\$1,712,077</u> |

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

9. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2024, is as follows:

| <u>Governmental Activities</u> | <u>Balance</u> <u>06-30-23</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>06-30-24</u> |
|---|-----------------------------------|-------------------|------------------|-----------------------------------|
| Capital Assets | | | | |
| Building Improvements | \$ 79,191 | \$ 0 | \$ 0 | \$ 79,191 |
| Furniture fixtures, and equipment | 543,067 | 30,470 | (29,995) | 543,542 |
| Less, accumulated depreciation | <u>(586,623)</u> | <u>(10,053)</u> | <u>29,995</u> | <u>(566,681)</u> |
| Total Capital Assets, net | <u>\$ 35,635</u> | <u>\$ 20,417</u> | <u>\$ 0</u> | <u>\$ 56,052</u> |
| Lease Assets | | | | |
| Machinery and Equipment | \$ 37,784 | \$ 0 | \$0 | \$ 37,784 |
| Less, accumulated amortization | <u>(15,029)</u> | <u>(7,557)</u> | <u>0</u> | <u>(22,586)</u> |
| Total Lease Assets, net | <u>\$ 22,755</u> | <u>\$ (7,557)</u> | <u>\$0</u> | <u>\$ 15,198</u> |
| Subscription-Based Information Technology Arrangement Assets | | | | |
| Equipment | \$132,483 | \$ 0 | \$0 | \$ 132,483 |
| Less, accumulated amortization | <u>(51,521)</u> | <u>(44,161)</u> | <u>0</u> | <u>(95,682)</u> |
| Total Subscription-Based Information Technology Arrangement Assets, net | <u>\$ 80,962</u> | <u>\$(44,161)</u> | <u>\$0</u> | <u>\$ 36,801</u> |
| Net Governmental Activities Capital Assets | <u>\$ 139,352</u> | <u>\$(31,301)</u> | <u>\$0</u> | <u>\$ 108,051</u> |

Depreciation expense of \$10,053 and Amortization expense of \$51,718 were charged to the judicial function.

10. Accounts Payable and Accruals:

The following is a summary of accounts payable at June 30, 2024:

| <u>Class of Payable</u> | <u>Total</u> |
|-------------------------------|-----------------|
| Vendor | \$15,610 |
| Payroll & Related Liabilities | <u>4,829</u> |
| Total | <u>\$20,439</u> |

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

11. Pension Plan:

Plan Description

The Clerk contributes to The Louisiana Clerks' of Court Retirement and Relief Fund (Fund) is a cost-sharing multiple employer defined benefit pension plan established 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. Substantially all employees of the Sabine Parish Clerk of Court are members of the Fund. The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund, which can be obtained at www.la.la.org.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

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 age sixty if hired on or after January 1, 2011, and terminating employment. Regular retirement benefits, payable monthly for life, is equal to 3% of the member's monthly average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. The retirement benefit accrual rate is increased to 3 1/3% for all service credit accrued after June 30, 1999, for members hired prior to January 1, 2011. For those members hired before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest compensated thirty-six consecutive months, with a limit increase of 10% in each of the last three years of measurement. For those members hired on or after July 1, 2006, monthly average final compensation is based on the highest compensated sixty consecutive months with a limit increase of 10% increase in each of the last five years of measurement. For those members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is thirty-six months plus the number of whole months elapsed since January 1, 2011, not to exceed sixty months.

Disability Benefits

Disability benefits are awarded to active members who are totally and permanently disabled as a result of injuries sustained in the line of duty or to active members with 10 or more years of credible service who are totally disabled due to any cause. A member who is officially certified as totally or permanently disabled by the State medical Disability Board will be paid monthly disability retirement benefits equal to the greater of 40% of their monthly average final compensation or 75% of their monthly regular retirement benefit computed as per R.S. 11:1521 (C).

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

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

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 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 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 ceases; 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 DROP account equal to the payments to the account or a true annuity based upon his account (subject to approval by the Board of Trustees). In addition, the member receives the monthly benefits that were paid into the DROP fund during his period of participation.

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

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. Prior to January 1, 2011, the average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months. Effective January 1, 2011, the average compensation for members whose additional service is less than thirty-six months is equal to the lesser amount used to calculate his original benefit or the compensation earned in the period of additional service divided by the number of months of additional service. For former DROP participants who retire after December 30, 2010, the period used to determine final average compensation for post-DROP service is thirty-six months plus the number of whole months elapsed from January 1, 2011 to the date of DROP entry. In no event can the entire monthly benefit 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.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

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.

In order to grant any cost-of-living increase, the Fund must meet criteria as detailed in the Louisiana statutes related to funding status. 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.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2023, the actual employer contribution rate was 22.25%.

In accordance with state statute, the Fund also 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. Non-employer contributions are recognized as revenue during the year and excluded from pension expense. Non-employer contribution revenue for the year ended June 30, 2024, was \$58,808.

The Clerk of Court's contractually required composite contribution rate for the year ended June 30, 2024 was 23% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Clerk were \$118,300 for the year ended June 30, 2024. The Clerk has elected under state statute to pay both the employer and the employee contributions to the retirement system. Due to this election, the Clerk contributed an additional \$38,741 on behalf of the employees for the year.

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

For the years ending June 30, 2024 and 2023, the Clerk reported a liability of \$999,673 and \$1,130,465, respectively, for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2023 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Clerk of Court's proportion of the Net Pension Liability was based on a projection of the Clerk of Court's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the years ending June 30, 2024 and 2023, the Clerk of Court's proportion was 0.46470% and 0.46641%, which was a decrease of 0.00171% from its proportion measured as of June 30, 2023.

For the years ending June 30, 2024 and 2023, the Clerk of Court recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$71,688 and \$90,931, respectively.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

At June 30, 2024, 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 | \$ 5,398 | \$ 10,175 |
| Changes in assumption | 49,835 | 0 |
| Net difference between projected and actual earnings on pension plan investments | 111,502 | 0 |
| Changes in employer's proportion of beginning net pension liability | 18,842 | 42,828 |
| Differences between employer contributions and proportionate share of employer contributions | 0 | 106 |
| Subsequent Measurement Contributions | 118,301 | 0 |
| | | |
| Total | \$303,878 | \$53,109 |

The deferred outflows of resources related to pensions resulting from Sabine Parish Clerk of Court contributions subsequent to the measurement date in the amount of \$118,301, will be recognized as a reduction of the Net Pension Liabilities in the year of June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

| Year ended June 30: | |
|---------------------|-----------|
| 2024 | \$ 49,346 |
| 2025 | (7,713) |
| 2026 | 106,818 |
| 2027 | (15,983) |
| | |
| Total | \$132,468 |

Actuarial Assumptions

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

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023, are as follows:

| | |
|-------------------------------------|--|
| Valuation Date | June 30, 2023 |
| Actuarial Cost Method | Entry Age Normal |
| Actuarial Assumptions: | |
| Investment Rate of Return | 6.55%, net of investment expense |
| Projected Salary Increases | 1-5 years of service - 6.20% 5 years or more - 5.00% |
| Inflation Rate | 2.40% |
| Mortality Rates | Pub- 2010 Public Retirement Plans multiplies by 120% Mortality Table with full generational projection using the Appropriate MP-2019 improvement scale |
| Expected Remaining Service Lives | 2018-2023 - 5 years |
| Cost-of-Living Adjustments | The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic. |

The actuarial assumptions used are based on the assumptions used in the 2023 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 - June 30, 2019, unless otherwise specified. In cases where benefit structures were changes after the experience study period, assumptions were based on future experiences.

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

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

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 5.81%, for the year ended June 30, 2023.

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, 2023, is summarized in the following table:

| <u>Asset Class</u> | <u>Target Asset Allocation</u> | <u>Long-Term Expected Portfolio Real Rate of Return</u> |
|----------------------|--------------------------------|---|
| Fixed Income: | | |
| Domestic Bonds | 30.00% | 2.50% |
| International Bonds | | 3.50% |
| Domestic Equity | 35.00% | 7.50% |
| International Equity | 20.00% | 8.50% |
| Real Estate | <u>15.00%</u> | 4.50% |
| | <u>100.00%</u> | |

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

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

The following presents the Clerk of Court's proportionate share of the Net Pension Liability using the discount rate of 6.55%, as well as what the Clerk of Court's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.55%) or one percentage-point higher (7.55%) than the current rate:

| | 1.0% Decrease (5.55%) | Current Discount Rate (6.55%) | 1.0% Increase (7.55%) |
|---|--------------------------|----------------------------------|--------------------------|
| Employer's proportionate share of net pension liability | \$1,492,177 | \$999,673 | \$584,530 |

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Louisiana Clerks' of Courts Retirement and Relief Fund Annual Financial Report at www.la.la.gov.

12. Risk Management:

The Sabine Parish Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Clerk of Court.

13. Other Post-Employment Benefits:

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

Benefits provided: The Clerk provides medical, dental, vision, and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 100% of retiree and 50% of dependent pre-Medicare health, Medicare Supplement, vision, and dental insurance premiums. The plan also provides for payment of 100% of retiree life insurance premiums.

Employees covered by benefit terms - At January 1, 2024, the following employees were covered by the benefit terms:

| | |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefit payments | 4 |
| Inactive employees entitled to but not yet receiving benefit payments | 0 |
| Active employees | 10 |
| | <u>14</u> |

Total OPEB Liability

The Clerk's total OPEB liability of \$649,962 was measured as of June 30, 2024 and was determined by an actuarial valuation as of January 1, 2024.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

Actuarial Assumptions and other inputs - The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|---|
| Inflation | 2.40% |
| Salary increases | 3.25%, including inflation |
| Discount rate | 3.97% |
| Healthcare cost trend rates | |
| Medical | 6.75% for 2024, decreasing 0.25% per year to an ultimate rate of 4.75% for 2032 and beyond. |
| Medicare Advantage | 4.5% for 2024, decreasing 0.25% per year to an ultimate rate of 3.0% for 2030 and beyond. Includes 2% per year for aging. |
| Dental | 3.0% annual trend |
| Vision | 2.5% annual trend |
| Retirees' Share of Benefit-Related Costs | |
| Medical | 0% for retirees and 50% for dependents |
| Medicare Advantage | 0% for retirees and 50% for dependents |
| Dental | 0% for retirees and 50% for dependents |
| Vision | 0% for retirees and 50% for dependents |
| Basic Life Insurance | 0% |

The discount rate was based on the June 30, 2024 Fidelity General Obligation AA 20-Year Yield.

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

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

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

Changes in the Total OPEB Liability

| | |
|--|------------|
| Balance at June 30, 2023 | \$ 654,995 |
| Changes for the year: | |
| Service cost | 15,929 |
| Interest | 24,987 |
| Differences between expected and actual experience | 19,773 |
| Changes in Assumptions/Inputs | (18,514) |
| Change in Benefit Terms | 0 |
| Benefit payments and net transfers | (47,208) |
| Net changes | (5,033) |
| Balance at June 30, 2024 | \$ 649,962 |

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97%) or 1-percentage-point higher (4.97%) than the current discount rate:

| | 1.0% Decrease (2.97%) | Current Discount Rate (3.97%) | 1.0% Increase (4.97%) |
|----------------------|----------------------------------|--|----------------------------------|
| Total OPEB liability | \$757,562 | \$649,962 | \$563,222 |

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

| | 1.0% Decrease | Current Trend | 1.0% Increase |
|----------------------|----------------------|----------------------|----------------------|
| Total OPEB liability | \$574,671 | \$649,962 | \$746,868 |

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

For the year ended June 30, 2024, the Clerk recognized OPEB expense of \$26,426. At June 30, 2024, 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 | \$173,568 | \$ 39,103 |
| Changes of assumptions or other inputs | 62,763 | 343,073 |
| Total | \$236,331 | \$382,176 |

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

| <u>Years ending June 30:</u> | |
|------------------------------|-----------------|
| 2025 | \$ (14,489) |
| 2026 | (14,489) |
| 2027 | (14,489) |
| 2028 | (14,051) |
| 2029 | (20,474) |
| Thereafter | <u>(67,853)</u> |
| Total | \$(145,845) |

14. Expenditures of the Clerk of Court Paid by the Sabine Parish Police Jury:

Certain expenses of the Sabine Parish Clerk of Court's office are paid by the Sabine Parish Police Jury. The Police Jury furnishes the building where the Clerk's office is located and pays all utility bills.

Sabine Parish Clerk of Court
Notes to Financial Statements
June 30, 2024

15. Deferred Compensation Plan:

All of the employees of the Sabine Parish Clerk of Court are eligible to participate in the State of Louisiana deferred compensation plan. Employees may contribute up to 100% of their salary (not to exceed \$23,000 a year) to the plan on a pre-tax basis. The contributions are withheld from the employees' paycheck and the Clerk of Court matches 100% of the employee contribution up to 7% of the gross wages. The contributions are fully vested immediately and are remitted to a third-party administrator each pay period, where they are deposited to an account in the employee's name. The Clerk of Court does not assume any liability for the funds and does not have any control over the funds once they are remitted to the third-party administrator. During the year ended June 30, 2024, the Clerk of Court's matching funds totaled \$28,664.

16. Subsequent Events:

Management has evaluated events through December 2, 2024, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Sabine Parish Clerk of Court
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

| | <u>Budget</u> | | Variance- Favorable (Unfavorable) |
|---|------------------------|---------------------|---|
| | <u>Original /Final</u> | <u>Actual</u> | |
| REVENUES: | | | |
| Fees & Charges for Services | \$ 837,200 | \$ 862,301 | \$ 25,101 |
| Intergovernmental- | | | |
| Supplemental Compensation Funds | 25,800 | 30,000 | 4,200 |
| Miscellaneous- | | | |
| Interest | 25,000 | 62,761 | 37,761 |
| Miscellaneous | <u>2,000</u> | <u>2,200</u> | <u>200</u> |
| Total Revenues | <u>\$ 890,000</u> | <u>\$ 957,262</u> | <u>\$ 67,262</u> |
| EXPENDITURES: | | | |
| Judicial- | | | |
| Current- | | | |
| Personnel Services | \$ 983,000 | \$ 955,840 | \$ 27,160 |
| Travel | 8,000 | 7,308 | 692 |
| Operating Services | 110,000 | 51,562 | 58,438 |
| Operating Supplies | 51,000 | 44,543 | 6,457 |
| Profesional Services | 38,000 | 39,650 | (1,650) |
| Capital Expenditures | - | 30,470 | (30,470) |
| Debt Service | <u>-</u> | <u>56,471</u> | <u>(56,471)</u> |
| Total Expenditures | <u>\$ 1,190,000</u> | <u>\$ 1,185,844</u> | <u>\$ 4,156</u> |
| Excess (Deficiency) of Revenues over Expenditures | \$ (300,000) | \$ (228,582) | \$ 71,418 |
| OTHER FINANCING SOURCES (USES) | | | |
| Proceeds of Debt | \$ - | \$ - | \$ - |
| Operating Transfers In | <u>300,000</u> | <u>333,692</u> | <u>33,692</u> |
| Total Other Financing Sources | <u>\$ 300,000</u> | <u>\$ 333,692</u> | <u>\$ 33,692</u> |
| Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses | \$ - | \$ 105,110 | \$ 105,110 |
| Fund Balance-Beginning of Year | <u>2,543,087</u> | <u>2,543,087</u> | <u>-</u> |
| Fund Balance-End of Year | <u>\$ 2,543,087</u> | <u>\$ 2,648,197</u> | <u>\$ 105,110</u> |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Advance Deposit Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2024

| | <u>Budget</u> | | Variance- |
|---|------------------------|-------------------|----------------------------|
| | <u>Original /Final</u> | <u>Actual</u> | Favorable (Unfavorable) |
| REVENUES: | | | |
| Fees & Charges for Services | \$ 600,000 | \$ 615,057 | \$ 15,057 |
| Miscellaneous | | | - |
| Interest | - | 1,562 | 1,562 |
| Total Revenues | <u>\$ 600,000</u> | <u>\$ 616,619</u> | <u>\$ 16,619</u> |
| EXPENDITURES: | | | |
| Judicial- | | | |
| Current- | | | |
| Operating Services | <u>\$ 225,000</u> | <u>\$ 217,582</u> | <u>\$ 7,418</u> |
| Excess (Deficiency) of Revenues over Expenditures | \$ 375,000 | \$ 399,037 | \$ 24,037 |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfers Out | <u>(340,000)</u> | <u>(333,692)</u> | <u>6,308</u> |
| Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses | \$ 35,000 | \$ 65,345 | \$ 30,345 |
| Fund Balance-Beginning of Year | <u>314,502</u> | <u>314,502</u> | <u>-</u> |
| Fund Balance-End of Year | <u>\$ 349,502</u> | <u>\$ 379,847</u> | <u>\$ 30,345</u> |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2024

| Year | Employer's proportion of the net pension liability (asset) | Employer's proportionate share of the net pension liability (asset) | Employer's covered payroll | Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|------|---|--|----------------------------------|---|--|
| 2015 | 0.48867% | \$ 659,155 | \$ 425,072 | 155% | 79.4% |
| 2016 | 0.47847% | \$ 717,723 | \$ 405,429 | 177% | 78.1% |
| 2017 | 0.49579% | \$ 917,193 | \$ 455,108 | 202% | 74.2% |
| 2018 | 0.50447% | \$ 763,237 | \$ 487,709 | 156% | 79.7% |
| 2019 | 0.52528% | \$ 873,703 | \$ 505,065 | 173% | 79.1% |
| 2020 | 0.51943% | \$ 943,288 | \$ 488,004 | 193% | 77.9% |
| 2021 | 0.49741% | \$ 1,196,709 | \$ 451,148 | 265% | 72.1% |
| 2022 | 0.44698% | \$ 594,595 | \$ 477,496 | 125% | 85.4% |
| 2023 | 0.44698% | \$ 1,130,465 | \$ 493,848 | 229% | 74.1% |
| 2024 | 0.46469% | \$ 999,673 | \$ 514,350 | 194% | 77.6% |

See independent auditors' report and notes to the financial statements.

Sabine Parish Clerk of Court
Schedule of Employer's Contributions
For the Year Ended June 30, 2024

| <u>Year</u> | <u>Statutorily Required Contribution</u> | <u>Contributions in relation to the statutorily required contribution</u> | <u>Contribution Deficiency/ (Excess)</u> | <u>Employer's covered payroll</u> | <u>Contributions as a percentage of covered payroll</u> |
|-------------|--|---|--|---|---|
| 2015 | \$ 82,246 | \$ 82,246 | \$ - | \$ 425,072 | 19.3% |
| 2016 | \$ 85,980 | \$ 85,980 | \$ - | \$ 405,429 | 21.2% |
| 2017 | \$ 86,470 | \$ 86,470 | \$ - | \$ 455,108 | 19.0% |
| 2018 | \$ 92,665 | \$ 92,665 | \$ - | \$ 487,709 | 19.0% |
| 2019 | \$ 95,962 | \$ 95,962 | \$ - | \$ 505,065 | 19.0% |
| 2020 | \$ 93,711 | \$ 93,711 | \$ - | \$ 488,004 | 19.2% |
| 2021 | \$ 94,741 | \$ 94,741 | \$ - | \$ 451,148 | 21.0% |
| 2022 | \$ 106,243 | \$ 106,243 | \$ - | \$ 477,496 | 22.3% |
| 2023 | \$ 109,881 | \$ 109,881 | \$ - | \$ 493,848 | 22.2% |
| 2024 | \$ 118,300 | \$ 118,300 | \$ - | \$ 514,350 | 23.0% |

Changes of Assumptions:

There were no changes of benefit assumptions for the year ended June 30, 2024.

Sabine Parish Clerk of Court
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2024

| Year | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Service Cost | \$ 15,929 | \$ 15,428 | \$ 17,336 | \$ 31,580 | \$ 25,439 | \$ 28,061 | \$ 27,618 |
| Interest | 24,987 | 26,989 | 13,784 | 16,636 | 27,738 | 23,112 | 25,266 |
| Changes of Benefits Terms | - | - | - | - | - | 48,566 | |
| Differences Between Expected and Actual Experiences | 19,773 | 11,166 | 201,172 | (4,112) | (34,934) | (33,872) | (4,383) |
| Changes in Assumptions/ Inputs | (18,515) | (85,343) | (167,358) | 35,284 | (218,662) | 98,102 | - |
| Benefit Payments | (47,207) | (58,437) | (40,634) | (11,875) | (13,900) | (13,242) | (3,707) |
| Net Change In Total OPEB Liability | (5,033) | (90,197) | 24,300 | 67,513 | (214,319) | 150,727 | 44,794 |
| Beginning OPEB Liability | 654,995 | 745,192 | 720,892 | 653,379 | 867,698 | 716,971 | 672,177 |
| Ending OPEB Liability | <u>\$ 649,962</u> | <u>\$ 654,995</u> | <u>\$ 745,192</u> | <u>\$ 720,892</u> | <u>\$ 653,379</u> | <u>\$ 867,698</u> | <u>\$ 716,971</u> |
| Covered-Employee Payroll | \$ 514,350 | \$ 493,848 | \$ 477,496 | \$ 451,148 | \$ 488,004 | \$ 484,355 | \$ 469,109 |
| Net OPEB Liability as a Percentage of Covered-Employee Payroll | 126.37% | 132.63% | 156.06% | 159.79% | 133.89% | 179.15% | 152.84% |
| Discount Rate | 3.97% | 3.86% | 3.69% | 1.92% | 2.45% | 3.13% | 3.62% |

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

Notes to Schedule:

Changes of Benefit Terms: Effective January 1, 2019, life insurance benefits were changed from Plan C to Plan A.

| | |
|-------------------------|---|
| Changes of Assumptions: | Mortality Rates |
| 2018 | RPH-2014 Employee and Healthy Annuity, Generational with MP-2018. |
| 2019 | Pub G.H.-2010 Employee and Healthy Retiree, Generational with MP-2018 |
| 2020 | Pub G.H.-2010 Employee and Healthy Retiree, Generational with MP-2019 |
| 2021 | Pub G.H.-2010 Employee and Healthy Retiree, Generational with MP-2020 |
| 2022-2024 | Pub G.H.-2010 Employee and Healthy Retiree, Generational with MP-2021 |

SUPPLEMENTARY INFORMATION

Sabine Parish Clerk of Court
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2024

Agency Head Name: Shelly Salter, Clerk of Court

| <u>Purpose</u> | <u>Amount</u> |
|-----------------------|---------------|
| Salary | \$177,569 |
| Benefits-Insurance | 9,802 |
| Benefits-Retirement | 48,178 |
| Deferred Compensation | 12,314 |
| Benefits-Other | 3,026 |
| Registration Fees | 1,800 |
| Conference travel | 4,760 |
| Meals & Entertainment | 1,818 |
| Other | 3,000 |

See independent auditors' report.

Sabine Parish Clerk of Court
Justice System Funding Schedule - Collecting/Disbursing Entity
For the Year Ended June 30, 2024

Justice System Funding Schedule - Collecting/Disbursing Entity

As Required by Act 87 of the 2020 Regular Legislative Session

| Identifying Information | | |
|--|---|---|
| Entity Name | Sabine Parish Clerk of Court | |
| LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.) | 1187 | |
| Date that reporting period ended (mm/dd/yyyy) | 6/30/2024 | |
| | First Six Month Period Ended 12/31/2023 | Second Six Month Period Ended 6/30/2024 |
| Cash Basis Presentation | | |
| Beginning Balance of Amounts Collected (i.e. cash on hand) | 314,502 | 328,820 |
| Add: Collections | | |
| Civil Fees (including refundable amounts such as garnishments or advance deposits) | 290,800 | 324,257 |
| Interest Earnings on Collected Balances | 396 | 1,166 |
| Subtotal Collections | 291,196 | 325,423 |
| Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.) | | |
| 11th Judicial District Court (Expense Fund)-Civil | 5,400 | 5,400 |
| LA Dept of Treasury (Womens Shelter)-Civil | 580 | 620 |
| LA State Treasurer (Judges Supplemental Fund)-Civil | 11,003 | 10,764 |
| LA Secretary of State Fees-Civil | 950 | 1,150 |
| LA Supreme Court Judicial Administrator-Civil | 181 | 176 |
| Sabine Parish Police Jury-Civil | - | 7,477 |
| Sabine Parish Sheriff-Civil | 18,248 | 23,779 |
| Acadia Parish Sheriff-Civil | 36 | - |
| Allen Parish Sheriff-Civil | 235 | - |
| Ascension Parish Sheriff-Civil | 106 | 30 |
| Avoyelles Parish Sheriff-Civil | 51 | 32 |
| Beauregard Parish Sheriff-Civil | 63 | 63 |
| Bienville Parish Sheriff-Civil | 151 | 302 |
| Bossier Parish Sheriff-Civil | 475 | 321 |
| Caddo Parish Sheriff-Civil | 1,206 | 1,413 |
| Calcasieu Parish Sheriff-Civil | 312 | 402 |
| Caldwell Parish Sheriff-Civil | - | 60 |
| Concordia Parish Sheriff-Civil | - | 81 |
| DeSoto Parish Sheriff-Civil | 377 | 409 |
| East Baton Rouge Parish Sheriff-Civil | 2,311 | 1,940 |
| Evangeline Parish Sheriff-Civil | - | 16 |
| Iberia Parish Sheriff-Civil | - | 35 |
| Jefferson Parish Sheriff-Civil | - | 43 |
| Lafayette Parish Sheriff-Civil | 34 | 295 |
| Lincoln Parish Sheriff-Civil | 61 | 31 |
| Natchitoches Parish Sheriff-Civil | 877 | 697 |
| Orleans Parish Sheriff-Civil | 360 | 270 |
| Ouachita Parish Sheriff-Civil | 85 | 402 |
| Rapides Parish Sheriff-Civil | 278 | 314 |
| Red River Parish Sheriff-Civil | 29 | - |
| St. James Parish-Civil | - | 43 |
| St. Landry Parish-Civil | 43 | 32 |
| St. Tammany Parish Sheriff-Civil | 193 | 86 |
| Terrebonne Parish Sheriff-Civil | 70 | - |
| Vernon Parish Sheriff-Civil | 1,003 | 1,369 |
| Webster Parish Sheriff-Civil | - | 150 |
| Winn Parish Sheriff-Civil | - | 31 |
| Less: Amounts Retained by Collecting Agency | | |
| Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount | 166,562 | 169,515 |
| Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies | | |
| Civil Fee Refunds | 50,261 | 43,014 |
| Other Disbursements to Individuals (additional detail is not required) | 15,337 | 3,634 |
| Subtotal Disbursements/Retainage | 276,878 | 274,396 |
| Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand) | 328,820 | 379,847 |

Sabine Parish Clerk of Court
Justice System Funding Schedule - Receiving Entity
For the Year Ended June 30, 2024

Cash Basis Presentation

| First Six Month Period Ended 12/31/2023 | Second Six Month Period Ended 6/30/2024 |
|---|---|
|---|---|

Receipts From: *(Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)*

| | | |
|--|-------|--------|
| Sabine Parish Sheriff's Department - Bond Fees | 274 | 418 |
| Sabine Parish Sheriff's Department - Criminal Court Costs/Fees | 9,881 | 13,942 |

Subtotal Receipts

| | |
|---------------|---------------|
| 10,155 | 14,360 |
|---------------|---------------|

Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

| | |
|---|---|
| - | - |
|---|---|

| Collection Types to be used in the "Receipts From:" section above |
|--|
| Civil Fees |
| Bond Fees |
| Asset Forfeiture/Sale |
| Pre-Trial Diversion Program Fees |
| Criminal Court Costs/Fees |
| Criminal Fines - Contempt |
| Criminal Fines - Other |
| Restitution |
| Probation/Parole/Supervision Fees |
| Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees) |
| Interest Earnings on Collected Balances |
| Other <i>(do not include collections that fit into more specific categories above)</i> |

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

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

Honorable Shelly Salter
Sabine Parish Clerk of Court
P. O. Box 419
Many, Louisiana 71449

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, major funds and fiduciary fund as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Sabine Parish Clerk of Court's (Clerk) basic financial statements and have issued our report thereon dated December 2, 2024.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.

Report on 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 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 are 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 2, 2024

Sabine Parish Clerk of Court
Schedule of Audit Results
Year Ended June 30, 2024

I. SUMMARY OF AUDIT RESULTS

The following summarizes the audit results:

1. An unmodified opinion was issued on the financial statements of the Sabine Parish Clerk of Court as of and for the year ended June 30, 2024.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None Noted.

III. PRIOR YEAR FINDINGS

None Noted.

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

To the Sabine Parish Clerk of Court
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. 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, 2023 through June 30, 2024. 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 for this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe that 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.
 - 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.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - 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)

- v. ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- 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.
- vii. ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***Credit Cards (and debit cards, fuel cards, purchase 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).
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedure Results: No exceptions were noted as a result of these procedures.

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 documents 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.
 - ii. For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparison on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit 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.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

- 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.

Procedure Results: No exceptions were noted as a result of these procedures.

3) Bank Reconciliations

- A. Obtain a listing of client 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 if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each 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, electronically logged);
 - 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 within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedure Results: Three exceptions were noted as a result of these procedures. Bank reconciliations do not include evidence that they were prepared within two months of related statement closing date nor evidence that a member of management has reviewed each bank reconciliation and reconciling items outstanding for more than 12 months have not been researched.

4) Collections (excluding EFTs)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (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).
- 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.
 - 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.
 - 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.
 - 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 verifies the reconciliation.
- C. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

- 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). *Alternatively, 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.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Procedure Results: No exceptions were noted as a result of these procedures.

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

- 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).
- 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.
 - ii. At least two employees are involved in processing and approving payments to vendors.
 - 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.
 - 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.
 - 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.
- 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:
 - i. Observe that the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

- 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 (1) 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.

Procedure Results: We noted one exception. Disbursement documentation does not include evidence of segregation of duties.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.
- 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 that 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) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder; and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B 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 inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results: No exceptions were noted as a result of these procedures.

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

- 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, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

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

Procedure Results: No exceptions were noted as a result of these procedures.

8) Contracts

- A. 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. 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 that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - iii. If the contract was amended (e.g. change order), observe that 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, the documented approval); and
 - 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 that the invoice and related payment agreed to the terms and conditions of the contract.

Procedure Results: No exceptions were noted as a result of these procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
 - i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe that supervisors approved the attendance and leave of the selected employees/officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and 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's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

- D. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Procedure Results: No exceptions were noted as a result of these procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain ethics compliance documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Results: No exceptions were noted as a result of these procedures.

11) Debt Service (excluding nonprofits)

- 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- 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).

Procedure Results: No exceptions were noted as a result of these procedures.

12) Fraud Notice

- 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 as required by R.S. 24:523.
- B. Observe that 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.

Procedure Results: No exceptions were noted as a result of these procedures.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- i. Observe 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.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed in the past 3 months.
 - 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.
- 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.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 – completed the training; and
 - Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

Procedure Results: We performed these procedures and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that 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).
- 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 that the report includes the applicable requirements of R.S. 42:344:
- 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.

Procedure Results: No exceptions were noted as a result of these procedures.

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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Clerk 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.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

December 2, 2024

Sabine Parish Clerk of Court
Management's Response to Exceptions to
Statewide Agreed-Upon Procedures
For the Year Ended June 30, 2024

MANAGEMENT'S RESPONSE TO EXCEPTIONS:

Item 3: Exception - Bank reconciliations do not include evidence that they were prepared within two months of related statement closing date nor evidence that a member of management has reviewed each bank reconciliation and reconciling items outstanding for more than 12 months have not been researched.

Response - We will include evidence of the date bank reconciliations were prepared, that a member of management has reviewed the bank reconciliations and we will review the outstanding items more than 12 months.

Item 5: Exception -Disbursement documentation does not include evidence of segregation of duties.

Response - We will include evidence of segregation of duties on disbursement documentation.