

EISNERAMPER

**ST. CHARLES PARISH CLERK
HAHNVILLE, LOUISIANA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2023**



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INDEPENDENT AUDITORS' REPORT

St. Charles Parish Clerk of Court
Hahnville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Charles Parish Clerk of Court (Clerk), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Manager for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, the Budgetary Comparison Information, the Schedule of Changes in Other Post-Employment Benefits Liability and Related Ratios, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Employer Contributions on pages 4 through 8 and 30 through 35, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic 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 the Clerk of Court and the Judicial System Funding Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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 information is 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 a report dated December 28, 2023, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER, LLP
Metairie, Louisiana
December 28, 2023



**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

This section of the St. Charles Parish Clerk of Court's (Clerk) financial report presents our discussion and analysis of the Clerk's financial performance during the year that ended on June 30, 2023. Please read it in conjunction with the Clerk's financial statements, which follow this section.

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. The governmental fund financial statements tell how the Clerk's services were financed in the short-term as well as what remains for future spending.

- Net deficit of government-wide activities increased by \$393,115 or 14.9% due to expenses exceeding revenues by that amount.
- The liabilities and deferred inflows of the Clerk exceeded its assets and deferred outflows by \$3,027,688 at June 30, 2023. Of this amount, \$45,437 is invested in capital assets. The Clerk has an unrestricted net deficit of (\$3,073,125) in governmental activities.
- During the year, the Clerk had expenses of \$3,064,542, which was \$560,946 more than the \$2,503,596 of revenue generated by governmental programs during the year.
- Governmental funds reported an ending unassigned fund balance of \$795,954, which is a \$159,683 decrease from the prior year ending unassigned fund balance of \$955,637.
- Total governmental fund revenues were \$2,506,201 in the current year, an increase of \$40,779, or 1.6%, from prior year revenues. Total governmental fund expenditures were \$2,665,884, a decrease of \$30,825, or 1.2%, from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: (1) Management's Discussion and Analysis (this section), (2) the basic financial statements, including the notes to the financial statements, (3) required supplementary information, and (4) fiduciary fund information and other supplementary schedule. The Basic Financial Statements include two kinds of statements that present different views of the Clerk.

The first two statements are government-wide financial statements which provide both long-term and short-term information about the Clerk's overall financial status.

The remaining statements are the governmental fund financial statements of the Clerk, which focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Government-Wide Financial Statements

The government-wide financial statements report information about the Clerk as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Clerk's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Clerk's net position and how they have changed. The balance of net position is an indicator of the financial well-being of the Clerk. Increases and decreases in net position are an indicator of whether its financial health is improving or declining.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Fund Financial Statements

The fund financial statements provide more detailed information about the Clerk's most significant funds - not the entity as a whole. Funds are accounting devices that governments use to keep track of specific sources of funding and spending for particular purposes. The Clerk has two governmental funds. The General Fund accounts for the numerous funding sources provided annually and is presented individually in the financial statements. The Advance Deposit Fund is a special revenue fund that collects and disburses advanced costs collected for court costs. These statements report governmental activities on a more current basis rather than a long-term basis, indicating sources and uses of funding and resources available for spending in future periods. The governmental fund financial statements focus on how money flows in and out of those funds, the balances that are left at year-end, and the amount available for spending in future periods. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The relationship between governmental activities reported in the government-wide financial statements and the governmental funds reported in the fund financial statements are reconciled in the fund financial statements.

The Clerk is the trustee, or fiduciary, for funds reserved by the Court. The registry fund is reported separately as a fiduciary activity. We exclude fiduciary activities from the other financial statements because the Clerk cannot use these assets to finance its operations. The Clerk is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Basic Financial Statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Schedule of Revenues, Expenditures, and Changes in Fund Balance of the General Fund – Budget (GAAP Basis) and Actual reports the original and final amended budget adopted by the Clerk as well as the actual activities and how they compare to the final budgeted numbers.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Clerk's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$3,027,688 at June 30, 2023. Net position has an unrestricted deficit of (\$3,073,125) with \$45,437 of net investment in capital assets. The Clerk uses these capital assets, which consist entirely of office equipment, furniture, fixtures, equipment, and automobiles as part of its daily operations. Consequently, these assets are not available for future spending.

The Clerk did not have any net position subject to restrictions in the current year. The Clerk's total revenues for the year in governmental activities were \$2,671,428 (\$2,503,596 in program revenues, \$167,832 in general revenues). This is an increase of approximately 2.2% from the prior year. Total expenses for governmental activities were \$3,064,542, an increase of 288,141, or 10.4%, primarily due to the change in change in the net pension liability and the related deferred outflows and deferred inflows which are calculated based on actuarial assumptions.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

The following table reflects condensed information on the Clerk's net position as of June 30:

	2023	2022
Current and other assets	\$ 2,641,150	\$ 2,679,809
Capital assets	45,437	57,930
Total assets	2,686,587	2,737,739
Deferred outflows of resources - pension and OPEB	1,936,707	1,338,264
Current liabilities	1,994,559	1,893,424
Noncurrent liabilities	5,121,167	3,445,706
Total liabilities	7,115,726	5,339,130
Deferred inflow of resources - pension and OPEB	535,256	1,371,447
Net investment in capital assets	45,437	57,930
Unrestricted (deficit)	(3,073,125)	(2,692,504)
Total net position (deficit)	\$ (3,027,688)	\$ (2,634,574)

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, St. Charles Parish Clerk uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Looking at funds helps in considering whether the Clerk is being accountable for the resources provided to it but may also provide insight into the overall financial health.

The focus of the Clerk's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Clerk's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Clerk's general fund reported ending fund balance of \$917,297, a decrease of \$159,683 in comparison with the prior year. All of the total fund balance at year end was considered to be unassigned.

The General Fund is the primary fund of the Clerk and accounts for most of the Clerk's governmental activities. As a measure of the General Fund's liquidity, it may be useful to compare the fund balance to total fund expenditures. Unassigned fund balance represents 30% of total General Fund expenditures compared to 35% in the prior year.

BUDGETARY HIGHLIGHTS

The Clerk's general fund budget is prepared according to Louisiana law. During the course of the year, the Clerk may revise its budget to take into consideration significant changes in revenues or expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected total revenues are less, or anticipated total expenditures are in excess, of budgetary goals by 5% or more. The original budget for the Clerk was adopted in June of 2022. The budget was not amended during the year ended June 30, 2023.

A statement reporting the Clerk's original and final budget for the general fund compared with actual operating results is provided in the schedule on page 33.

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2023**

A comparison of actual results as of June 30, 2023 and the original budget for the General Fund are as follows:

	<u>Original Budget</u>	<u>Actual</u>	<u>Difference</u>
Total revenues	\$ 2,094,300	\$ 1,490,613	\$ (603,687)
Total expenditures	(2,753,900)	(2,611,702)	142,198
Transfers in	676,000	961,406	285,406
Net change in fund balance	<u>\$ 16,400</u>	<u>\$ (159,683)</u>	<u>\$ (176,083)</u>

CAPITAL ASSETS

Capital assets include office equipment, furniture, fixtures, equipment, and automobiles recorded at a historical cost of \$589,470. Accumulated depreciation as of June 30, 2023 of \$544,034 recorded from the cost of assets resulted in an ending book balance of \$45,437. Depreciation expense of \$12,493 was recorded for the year. More detailed information about the capital assets is presented in Note 4 to the financial statements.

ECONOMIC AND OTHER FACTORS BEARING ON THE CLERK'S FUTURE

Historically, the Clerk's office staff and costs remain relatively stable year to year. In the current year, there was a slight decrease in personnel salaries and related benefits, which can be attributed to turnover in Clerk personnel in the current year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances and to show the accountability for the funds received. If you have questions about this report or need additional information, contact:

Honorable Lance Marino
 St. Charles Clerk
 P.O. Box 424
 Hahnville, Louisiana 70057
 985-783-6632

ST. CHARLES PARISH CLERK OF COURT
HANHNVILLE, LOUISIANA

STATEMENT OF NET POSITION
JUNE 30, 2023

<u>ASSETS</u>	<u>Governmental Activities</u>
Current Assets:	
Cash and cash equivalents	\$ 1,406,038
Certificates of deposit	1,184,838
Accounts receivable	47,784
Due from fiduciary fund	2,490
Total current assets	2,641,150
Noncurrent Assets:	
Capital assets, net of depreciation	45,437
Total assets	2,686,587
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflow amounts related to other post-employment benefit obligation	452,487
Deferred outflow amounts related to pension liability	1,484,220
Total deferred outflows of resources	1,936,707
Total assets and deferred outflows of resources	\$ 4,623,294
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable	\$ 46,690
Accrued expenses	74,482
Unearned revenue	1,724,024
Current portion of other post-employment benefits liability	67,845
Current portion of compensated absences	81,518
Total current liabilities	1,994,559
Noncurrent Liabilities:	
Other post-employment benefits liability, net of current portion	1,806,251
Net pension liability	3,308,265
Compensated absences payable, net of current portion	6,651
Total noncurrent liabilities	5,121,167
Total liabilities	7,115,726
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflow amounts related to other post-employment benefits obligation	503,560
Deferred inflow amounts related to pension liability	31,696
Total deferred inflows on resources	535,256
<u>NET POSITION (DEFICIT)</u>	
Net investment in capital assets	45,437
Unrestricted (deficit)	(3,073,125)
Total net position (deficit)	(3,027,688)
Total liabilities, deferred inflows of resources, and net position	\$ 4,623,294

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net Expense and Changes in Net Position</u>
<u>Governmental Activities</u>				
General government	\$ 3,064,542	\$ 2,503,596	\$ -	\$ (560,946)
Total governmental activities	<u>\$ 3,064,542</u>	<u>\$ 2,503,596</u>	<u>\$ -</u>	<u>(560,946)</u>
General revenues:				
Grants and contributions not restricted				165,227
Interest and investment earnings				2,605
Total general revenues				<u>167,832</u>
Change in net position				(393,114)
Net position, beginning of year				<u>(2,634,574)</u>
Net position, end of year				<u>\$ (3,027,688)</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	<u>GENERAL FUND</u>	<u>ADVANCE DEPOSITS</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 252,187	\$ 1,153,851	\$ 1,406,038
Certificates of deposit	614,836	570,002	1,184,838
Accounts receivable	47,784	-	47,784
Due from other funds	2,490	171	2,661
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 917,297</u>	<u>\$ 1,724,024</u>	<u>\$ 2,641,321</u>
 <u>LIABILITIES</u>			
Accounts payable	\$ 46,690	\$ -	\$ 46,690
Accrued expenses	74,482	-	74,482
Unearned revenue	-	1,724,024	1,724,024
Due to other funds	171	-	171
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>121,343</u>	<u>1,724,024</u>	<u>1,845,367</u>
 <u>FUND BALANCE</u>			
Unassigned	<hr/> 795,954	<hr/> -	<hr/> 795,954
Total fund balance	<hr/> 795,954	<hr/> -	<hr/> 795,954
Total liabilities and fund balance	<u>\$ 917,297</u>	<u>\$ 1,724,024</u>	<u>\$ 2,641,321</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HANHVILLE, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balance - Governmental Funds		\$ 795,954
Amounts reported in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds. This is the amount of capital assets, net of accumulated depreciation (\$544,034), in the current fiscal year.		45,437
Compensated absences liability		(88,169)
Other post-employment benefits (OPEB) liability and deferrals recorded in accordance with GASB 75:		
Deferred outflow of resources - related to OPEB	452,487	
Other post-employment benefits obligation	(1,874,096)	
Deferred inflow of resources - related to OPEB	<u>(503,560)</u>	
		<u>(1,925,169)</u>
Net pension liability and deferrals recorded in accordance with GASB 68:		
Deferred outflow of resources - related to net pension liability	1,484,220	
Net pension liability	(3,308,265)	
Deferred inflow of resources - related to net pension liability	<u>(31,696)</u>	
		<u>(1,855,741)</u>
Total net position - Governmental Activities		<u>\$ (3,027,688)</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023

	<u>GENERAL FUND</u>	<u>ADVANCE DEPOSITS</u>	<u>TOTAL</u>
<u>REVENUES</u>			
Charges for services			
Court costs, fees and charges	\$ 584,123	1,015,417	\$ 1,599,540
Recording fees	767,906	-	767,906
Copy fees	136,150	-	136,150
Interest	2,434	171	2,605
Total revenues	<u>1,490,613</u>	<u>1,015,588</u>	<u>2,506,201</u>
<u>EXPENDITURES</u>			
Current			
Personnel services and benefits	2,304,366	-	2,304,366
Operating	165,799	31,222	197,021
Materials and supplies	57,037	-	57,037
Professional fees	83,588	-	83,588
Other expenses	912	22,960	23,872
Total expenditures	<u>2,611,702</u>	<u>54,182</u>	<u>2,665,884</u>
Excess of revenues (under) over expenditures	<u>(1,121,089)</u>	<u>961,406</u>	<u>(159,683)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	961,406	-	961,406
Operating transfers out	-	(961,406)	(961,406)
Total other financing sources (uses)	<u>961,406</u>	<u>(961,406)</u>	<u>-</u>
Net change in Fund Balance	<u>(159,683)</u>	<u>-</u>	<u>(159,683)</u>
Fund balance - beginning of year	<u>955,637</u>	<u>-</u>	<u>955,637</u>
Fund balance - end of year	<u>\$ 795,954</u>	<u>\$ -</u>	<u>\$ 795,954</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net change in fund balance - governmental funds		\$ (159,683)
<p>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 governmental funds. These expenditures consist of:</p>		
Capital Assets:		
Depreciation expense	<u>(12,493)</u>	(12,493)
Excess of compensated absences earned over amounts used		18,701
Change in other post-employment benefits liability and deferred inflows and outflows in accordance with GASB 75.		(13,545)
Change in net pension liability and deferred inflows and outflows in accordance with GASB 68.		<u>(226,094)</u>
Change in net position - governmental activities		<u>\$ (393,114)</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	REGISTRY FUND - CUSTODIAL FUND
<u>ASSETS</u>	
Cash and cash equivalents	\$ 644,681
Certificates of deposit	<u>1,682,372</u>
Total assets	<u>2,327,053</u>
<u>LIABILITIES</u>	
Due to other fund	<u>2,490</u>
Total liabilities	<u>2,490</u>
<u>NET POSITION</u>	
Restricted for individuals, organizations, and other governments	<u>2,324,563</u>
Total net position	<u>\$ 2,324,563</u>

The accompanying notes are an integral part of this financial statement.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	REGISTRY FUND - CUSTODIAL FUND
<u>ADDITIONS</u>	
Suits and successions	\$ 173,597
Interest income	1,325
Total additions	<u>174,922</u>
<u>DEDUCTIONS</u>	
Settlements to litigants	358,091
Disbursements to governments and nonprofits	904,079
Bank fees	8,125
Total disbursements	<u>1,270,295</u>
<u>CHANGE IN NET POSITION</u>	(1,095,373)
Net Position - beginning of year	<u>3,419,936</u>
Net Position - end of year	<u><u>\$ 2,324,563</u></u>

The accompanying notes are an integral part of this financial statement.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the St. Charles Parish Clerk (the Clerk) 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 is elected for a four-year term. The more significant of the Clerk's accounting policies are described below.

Basis of Presentation

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

Reporting Entity

For financial reporting purposes, the Clerk's basic financial statements include all funds that are controlled by the Clerk as an independently elected Parish Official. As an independently elected official, the Clerk is solely responsible for the operations of his office. Fiscally independent means that the Clerk may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Clerk also has no component units as other legally separate organizations for which the Clerk is financially accountable. There are no other primary governments with which the Clerk has a significant relationship. Accordingly, the Clerk is a primary government for reporting purposes. The criteria for including organizations as component units within the Clerk's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate.

Fund Accounting

The Clerk 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 functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for most of the Clerk's governmental activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk. The following is the Clerk's governmental fund:

General Fund

The General fund is the primary operating fund of the Clerk and is considered to be a major fund. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Clerk's policy.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting (continued)

Governmental Funds (continued)

Special Revenue Fund

The Advance Deposit Fund, provided for under Louisiana Revised Statute 13:842, is used to account for advance deposits in suits filed by litigants. Though the funds are not allowed to be used for the Clerk's general expenditures, the fund is recorded as a special revenue fund due to the Clerk's administrative involvement with the funds.

Fiduciary Funds

Fiduciary fund reporting focuses on resources held for other parties. The only funds accounted for in this category by the Clerk are custodial funds. Custodial funds are used to account for assets held by the Clerk as an agent for litigants pending court action. The Custodial funds use the full accrual basis of accounting. The Registry of Court Fund, provided for under Louisiana Revised Statute 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary and is the only fiduciary fund.

Basis of Accounting / Measurement Focus

Government-wide financial statements (GWFS)

The statement of net position and the statement of activities display information about the primary government (the Clerk). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*.

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

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Clerk gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting / Measurement Focus (continued)

Fund Financial Statements (FFS) (continued)

The fund financial statements provide information about the Clerk's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds. The General Fund and the Advance Deposits Fund are the Clerk's major governmental funds.

The amounts reflected in the General Fund and Advance Deposit Fund are accounted for using the 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 net fund balances reports on the sources (i.e., revenues and other financing resources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of clerk operations.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Clerk considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Copies, fees, recording, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Clerk prepares and submits for public inspection a budget each year prior to June 15, for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase/decrease 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.

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 Clerk 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.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are limited by Louisiana R.S. 33:2955 and the Clerk'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.

Receivables

All receivables are reported at their gross value. The Clerk expects to collect all balances due.

Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Clerk 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 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 \$2,000 or more for capitalizing assets.

Compensated Absences

The Clerk accrues accumulated personal leave and associated employee related costs when earned (or estimated to be earned) by the employee. The compensated absence liability for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

The Clerk employees earn annual and sick leave at various rates depending on the number of years of service. Any comp-time earned due to employees working overtime is added to the personal leave time. Upon termination or retirement employees receive all earned personal leave earned and not used.

Pension Plans

The Clerk is a participating employer in the Louisiana Clerks' of Court Retirement and Relief Fund (Fund) as described in Note 5. 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 Fund and additions to/deductions from the Fund's fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the Plan.

Unearned Revenues

Unearned revenues are liabilities resulting from the collection of advance deposits or other dedicated funds before the eligibility requirements have been met or expended on its intended purpose.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 6 for additional information on deferred outflows of resources related to other post-employment benefits and Note 5 for additional information on deferred outflows of resources related to defined benefit pension plans.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. See Note 6 for additional information on deferred inflows of resources related to other post-employment benefits and Note 5 for additional information on deferred inflows of resources related to defined benefit pension plans.

Estimates

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

Net Position

For the government-wide statement of net position, net position amount is classified and displayed in three components:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Clerk.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance of Fund Financial Statements

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

- Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.
- Restricted – represents balances where constraints have been established by parties outside the Clerk’s office or imposed by law through constitutional provisions or enabling legislation.
- Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Clerk’s highest level of decision-making authority.
- Assigned – represents balances that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed or assigned to be specific purposes within the general fund.

When expenditures are incurred for the purposes of which both restricted and unrestricted amounts are available, the Clerk’s office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for the purposes of which committed, assigned and unassigned amounts are available, the Clerk’s office reduces committed amounts first followed by assigned amounts and then unassigned amounts.

Current Year Adoption of New Accounting Standards

In March 2020, the Government Accounting Standards Board (GASB) issued Statement No. 94, *Public-Private and Public-Public Partnerships (PPPs or P3s) and Availability Payment Arrangements (APAs)*, which clarifies the accounting and financial reporting surrounding these types of arrangements. This standard establishes definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for these types of transactions. The Clerk did not have any such arrangements that were subject to the implementation requirements of GASB 94.

In May 2020, the Government Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. GASB Statement No. 96 (GASB 96) establishes uniform accounting and financial reporting requirements for SBITAs; improves the comparability of government’s financial statements; and enhances the understandability, reliability, relevance, and consistency of information about SBITAs. The clerk did not have any SBITA contracts that were subject to the implementation requirements of GASB 96.

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023**

2. CASH AND CERTIFICATES OF DEPOSIT

At June 30, 2023, the Clerk had the following cash and certificates of deposit as follows:

Governmental Funds	\$ 2,590,876
Fiduciary Fund	2,327,053
Total	\$ 4,917,929

Under State law, the bank balances of these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. At year-end, the bank balances were fully insured or collateralized.

3. RECEIVABLES

The accounts receivable in the general fund of \$47,784 consists of amounts due from attorneys for recording court fees and expenses related to cases in progress, and from abstractors for certified copies.

4. CAPITAL ASSETS

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

	Balance June 30, 2022	Additions	Disposals	Balance June 30, 2023
Furniture, fixtures, and equipment	\$ 233,221	\$ -	\$ -	\$ 233,221
Office equipment	311,174	-	-	311,174
Automobiles	45,075	-	-	45,075
Less: accumulated depreciation	(531,540)	(12,493)	-	(544,033)
Net capital assets	\$ 57,930	\$ (12,493)	\$ -	\$ 45,437

Depreciation expense of \$12,493 was charged to the general government function.

5. PENSION PLAN

Substantially all employees of the Clerk are members of the Louisiana Clerks' of Court Retirement and Relief Fund (Fund), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The Louisiana Clerks' of Court Retirement and Relief Fund (the Fund) was established and provided for by R.S. 111:1501 of the Louisiana Revised Statutes (LRS). In accordance with this law, the Fund is administered by a board of trustees made up of ten members composed of the president, first vice-president, treasurer, second vice-president, and immediate past president of the Clerks' Association, one retired clerk elected by the Clerks' Association, two additional members elected by the Clerks' Association, the chairman of the Retirement Committee of the Louisiana House of Representatives, and the chairman of the Finance Committee of the Senate, or their designees.

The Fund issues an annual publicly available financial report that includes financial statements and required supplementary information for the Fund. The report may be obtained by writing to the Louisiana Clerks' of Court Retirement and Relief Fund, 10202 Jefferson Highway, Bldg. A., Baton Rouge, Louisiana 70809, or by calling (225) 293-1162.

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

5. PENSION PLAN (continued)

Funding Policy - The contribution requirements of plan members and the Clerk are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:105, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Benefit Terms – Benefit terms are described in the Fund's publicly available financial report referred to above.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Clerk is required to contribute at an actuarially determined rate. The employer's and employee's rate for the year ended June 30, 2023 was 22.25 and 8.25 percent, respectively of annual covered payroll. The Clerk's contributions to the Plan, for the years ending June 30, 2023, 2022, and 2021 were \$297,262, \$310,164, and \$263,114, respectively.

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

At June 30, 2023, the Clerk reported a liability of \$3,308,265 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the Net Pension Liability was based on the Clerk's contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2022, the Clerk's proportion was 1.364929%, which was an increase of 0.123025% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Clerk recognized pension expense of \$688,583 including the Clerk's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,367	\$ (30,072)
Net difference between projected and actual earnings on pension plan investments	707,788	-
Change in assumptions	242,771	-
Changes in proportion and differences between employer		
Change in proportion	205,066	-
Difference in contributions	-	(1,624)
Employer contributions subsequent to the measurement date	297,228	-
Total	\$ 1,484,220	\$ (31,696)

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023**

5. PENSION PLAN (continued)

Deferred outflows of resources of \$297,228 related to pensions resulting from the Clerk's contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30:	
2024	\$ 376,262
2025	294,979
2026	102,184
2027	381,871
	\$ 1,155,296

Actuarial Assumptions

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

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	5 Years
Investment Rate of Return	6.55%, net of investment expense
Inflation Rate	2.40% per annum
Projected Salary Increases	1-5 years of service - 6.2% 5 years or more - 5%
Mortality	Pub- 2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using appropriate MP-2019 improvement scale.
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 2020 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 - June 30, 2019 unless otherwise specified.

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

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

5. PENSION PLAN (continued)

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

Actuarial Assumptions (continued)

The rate of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022, the measurement date, is summarized in the following table:

Asset class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income:		
Domestic bonds	25.00%	2.50%
International bonds	-	3.50%
Domestic equity	38.00%	7.50%
International equity	22.00%	8.50%
Real estate	15.00%	4.50%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 6.55%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by the Board of Trustees and the Public Retirement System's Actuary Committee (PRSAC) taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, 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 table presents the Clerk's proportionate share of the net pension liability (NPL) using the discount rate of 6.55% as well as what the Clerk's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by the Fund:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Discount rates	5.55%	6.55%	7.55%
Proportionate share of the NPL	\$ 4,722,099	\$ 3,308,265	\$ 2,117,096

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

5. PENSION PLAN (continued)

Support of Non-Employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Clerk recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended June 30, 2023, the Clerk recognized revenue as a result of support received from non-employer contributing entities of \$165,227 for its participation in the Clerks' Pension and Relief Fund.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Clerks' Retirement and Relief Fund Audit Report at www.lla.la.gov. The Clerks' Retirement and Relief Fund issues a publicly available audit report that includes financial statements and required supplementary information.

Payables to the Pension Plan

Payables to the Pension Plan for contractually required contributions were \$33,032 as of June 30, 2023. Outstanding balances will be applied to the Clerk's required monthly contribution.

6. OTHER POST-EMPLOYMENT BENEFIT PLAN

General Information about the OPEB Plan

Plan description

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

Benefits Provided

Medical, dental, vision and life insurance benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. Upon retirement, the Clerk pays 50% of the premium cost for the retiree and dependent. Employees are covered by the Louisiana Clerks' of Court Retirement and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: If a member is hired on or before December 31, 2010 then the member is eligible to receive regular retirement benefits once he or she has attained age 55 and completed 12 years of service. If a member is hired on or after January 1, 2011 then the member will be eligible to receive regular retirement benefits once he or she has attained age 60 and has at least 12 years of service.

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

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023**

6. OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	20
Active employees	27
	47

Total OPEB Liability

The Clerk's total OPEB liability of \$1,874,096 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2021. The total pension liability was rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions.

Actuarial Assumptions and other inputs

The total OPEB liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%	
Salary increases	3.00%	including inflation
Discount rates	3.65%	annually, prior discount rate 3.54% annually
Healthcare cost trend rates	Flat	5.50% annually until year 2032, then 4.5%
Mortality		SOA RP-2014 combined table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2022, the end of the applicable measurement period.

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

Balance at June 30, 2022	\$ 1,856,060
Changes for the year:	
Service cost	32,774
Interest	66,285
Difference between expected and actual experience	11,743
Changes in assumption	(28,457)
Benefit payments and net transfers	(64,309)
Net changes	18,036
Balance at June 30, 2023	\$ 1,874,096

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023**

6. OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

Sensitivity of the total OPEB liability to changes in the discount rate

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

	1.0% Decrease	Current Discount	1.0% Increase
Total OPEB liability	\$ 2,174,121	\$ 1,874,096	\$ 1,635,483

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 trend rates:

	1.0% Decrease	Current Discount	1.0% Increase
Total OPEB liability	\$ 1,767,890	\$ 1,874,096	\$ 2,004,719

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

For the year ended June 30, 2023, the Clerk recognized OPEB expense of \$77,854. At June 30, 2023, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Inflows of Resources
experience	\$ 125,647	\$ (367,542)
Changes in assumptions	326,840	(136,018)
Total	\$ 452,487	\$ (503,560)

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

Year ending June 30	
2024	\$ (21,205)
2025	(21,205)
2026	(21,205)
2027	(5,738)
2028	18,053
Thereafter	227
	\$ (51,073)

**ST. CHARLES PARISH CLERK OF COURT
 HAHNVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2023**

7. COMPENSATED ABSENCES

The following is a summary of long-term liabilities of the Clerk for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due within one year
Compensated absences	\$ 106,870	\$ 122,851	\$ (141,552)	\$ 88,169	\$ 81,518

8. DEFERRED COMPENSATION PLAN

The Clerk employees have the option of becoming participants in the State of Louisiana Deferred Compensation Plan. This Plan was established pursuant to IRC Section 457 and Louisiana R.S. 42:1301-1308. The Plan provides state, parish, and municipal employees with the opportunity to invest money on a before-tax basis, using payroll deduction. Participants defer federal or state income tax on their contributions. In addition, interest or earnings on the participant's account accumulate tax-deferred.

Participants can contribute up to a maximum of 100% of compensation, not to exceed \$19,000 for the 2022 calendar year. Additionally, if age 50 or older, participants may elect the Age 50+ provision to defer an additional \$6,000 above the annual deferral limit.

The Clerk agreed to match each participant's contribution up to a maximum of 6% for the year ended June 30, 2023. Total contributions made by the Clerk on behalf of the employees for the year ended June 30, 2023 were \$63,390. Withdrawals from the Plan occur at retirement, separation from service, death, or proven financial hardship (unforeseeable emergency as defined by the Plan).

9. EXPENDITURES PAID BY ST. CHARLES PARISH COUNCIL

The Clerk's office is located in the St. Charles Parish courthouse. The expenditures for maintenance and operation of the courthouse and Clerk's office are paid by the Parish and are not included in the accompanying financial statements.

For the year ended June 30, 2023, the amount of these expenditures were:

Professional Services	\$ 254,859
Office supplies and other expenses	23,066
Maintenance of property and equipment	6,868
	<u>\$ 284,793</u>

10. RISK MANAGEMENT

The Clerk 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 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.

REQUIRED SUPPLEMENTARY INFORMATION

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GENERAL FUND -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Variance with Final Budget
	Original and Final	Actual Amounts	Favorable (Unfavorable)
<u>REVENUES</u>			
Charges for services			
Court costs, fees and charges	\$ 620,000	\$ 584,123	\$ (35,877)
Recording fees	1,359,300	767,906	(591,394)
Copy fees	114,000	136,150	22,150
Miscellaneous			
Interest	1,000	2,434	1,434
Total revenues	<u>2,094,300</u>	<u>1,490,613</u>	<u>(603,687)</u>
<u>EXPENDITURES</u>			
Current:			
Personnel services and benefits	2,453,000	2,304,366	148,634
Operating	237,900	165,799	72,101
Materials and supplies	63,000	57,037	5,963
Professional fees	-	83,588	(83,588)
Other expenses	-	912	(912)
Total expenditures	<u>2,753,900</u>	<u>2,611,702</u>	<u>142,198</u>
Excess of revenues (under) over expenditures	<u>(659,600)</u>	<u>(1,121,089)</u>	<u>(461,489)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	676,000	961,406	285,406
Total other financing sources (uses)	676,000	961,406	285,406
Net change in Fund Balance	<u>16,400</u>	<u>(159,683)</u>	<u>(176,083)</u>
Fund balance - beginning of year	<u>1,186,924</u>	<u>955,637</u>	<u>(231,287)</u>
Fund balance - end of year	<u>\$ 1,203,324</u>	<u>\$ 795,954</u>	<u>\$ (407,370)</u>

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE ADVANCE DEPOSITS FUND -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Variance with Final Budget
	Original and Final	Actual Amounts	Favorable (Unfavorable)
<u>REVENUES</u>			
Charges for services			
Court costs, fees and charges	\$ 712,000	\$ 1,015,417	\$ 303,417
Miscellaneous			
Interest	-	171	171
Total revenues	<u>712,000</u>	<u>1,015,588</u>	<u>303,588</u>
<u>EXPENDITURES</u>			
Current:			
Operating	36,000	31,222	4,778
Other expenses	-	22,960	(22,960)
Total expenditures	<u>36,000</u>	<u>54,182</u>	<u>(18,182)</u>
Excess of revenues (under) over expenditures	<u>676,000</u>	<u>961,406</u>	<u>285,406</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers out	(676,000)	(961,406)	285,406
Total other financing sources (uses)	<u>(676,000)</u>	<u>(961,406)</u>	<u>285,406</u>
Net change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF CHANGES IN
OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS

Financial statement reporting date	Measurement date	Service cost	Interest	Differences between expected and actual experience	Changes of assumptions	Benefit payments	Net change in total OPEB liability	Total OPEB liability - beginning	Total OPEB liability - ending	Covered-employee payroll	Total OPEB liability as a percentage of covered-employee payroll
6/30/2023	6/30/2023	\$ 32,774	\$ 66,285	\$ 11,743	\$ (28,457)	\$ (64,309)	\$ 18,036	\$ 1,856,060	\$ 1,874,096	\$ 1,343,582	139.49%
6/30/2022	6/30/2022	45,219	41,744	109,822	(187,172)	(63,541)	(53,928)	1,909,988	1,856,060	1,304,449	142.29%
6/30/2021	6/30/2021	44,074	41,193	17,953	14,772	(49,914)	68,078	1,841,910	1,909,988	1,286,932	148.41%
6/30/2020	6/30/2020	55,434	70,599	(735,086)	507,410	(45,840)	(147,483)	1,989,393	1,841,910	1,249,449	147.42%
6/30/2019 *	6/30/2019	33,073	68,355	76,692	129,390	(67,861)	239,649	1,749,744	1,989,393	1,168,070	170.31%
6/30/2018 *	6/30/2018	32,109	67,487	2,724	-	(64,323)	37,997	1,711,747	1,749,744	1,134,049	154.29%

Notes to Schedule:

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

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

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2023 (*)

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2023	1.364929%	\$ 3,308.265	\$ 1,397,374	236.75%	74.09%
2022	1.241904%	1,652.028	1,257,992	131.32%	85.40%
2021	1.220794%	2,937.066	1,218,535	241.03%	72.09%
2020	1.201065%	2,181.124	1,167,836	186.77%	77.93%
2019	1.156297%	1,923.269	1,073,591	179.14%	79.07%
2018	1.164632%	1,762.011	1,050,656	167.71%	79.69%
2017	1.179296%	2,181.667	1,076,394	202.68%	74.17%
2016	1.145631%	1,718.483	1,036,731	165.76%	78.13%
2015	1.312241%	1,770.032	851,075	207.98%	79.37%

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

(*) The amounts presented have a measurement date of the previous fiscal year end.

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF EMPLOYER CONTRIBUTIONS
LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND
FOR THE YEAR ENDED JUNE 30, 2023

<u>Year</u>	<u>Contractually Required Contribution¹</u>	<u>Contributions in Relation to Contractually Required Contribution²</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll³</u>	<u>Contributions as a % of Covered Payroll</u>
2023	\$ 297,262	\$ 297,262	\$ -	\$ 1,336,008	22.25%
2022	310,164	310,164	-	1,397,374	22.20%
2021	263,114	263,114	-	1,257,992	20.92%
2020	228,649	228,649	-	1,218,535	18.76%
2019	221,598	221,598	-	1,167,836	18.98%
2018	203,771	203,771	-	1,073,591	18.98%
2017	199,625	199,625	-	1,050,656	19.00%
2016	204,160	204,160	-	1,076,394	18.97%
2015	196,911	196,911	-	1,036,731	18.99%

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

For reference only:

¹ *Employer contribution rate multiplied by covered payroll*

² *Actual employer contributions remitted to the Clerks' of Court Retirement and Relief Fund*

³ *Covered payroll amount for the fiscal year ended June 30*

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

BUDGETARY BASIS OF ACCOUNTING

Budgets for the General Fund are legally adopted by the Clerk on a basis consistent with generally accepted accounting principles (GAAP).

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO OTHER POST-EMPLOYMENT BENEFIT PLAN

Changes in benefit terms -

There were no changes of benefit terms for the years presented.

Changes in assumptions -

The fluctuations in the changes in assumptions balance was a result of changes in the discount rate. The following are the discount rates used in each measurement of total other post-employment obligation.

Year end	Measurement Date	Rate	Change
6/30/2023	6/30/2023	3.650%	0.110%
6/30/2022	6/30/2022	3.540%	1.380%
6/30/2021	6/30/2021	2.160%	-0.050%
6/30/2020	6/30/2020	2.210%	-1.290%
6/30/2019	6/30/2019	3.500%	-0.370%
6/30/2018	6/30/2018	3.870%	

CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO LOUISIANA CLERKS' PENSION AND RELIEF FUND

Changes in benefit terms -

There were no changes of benefit terms for the years presented.

Changes in assumptions -

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:

Year End (*)	Rate	Change
6/30/2023	6.550%	0.000%
6/30/2022	6.550%	-0.200%
6/30/2021	6.750%	0.000%
6/30/2020	6.750%	0.000%
6/30/2019	6.750%	-0.250%
6/30/2018	7.000%	0.000%
6/30/2017	7.000%	0.000%
6/30/2016	7.000%	-0.250%
6/30/2015	7.250%	

Salary Increases:

Year End (*)	Rate	Change
6/30/2023	5.000% - 6.200%	0.000%
6/30/2022	5.000% - 6.200%	0.000%
6/30/2021	5.000% - 6.200%	0.000% - 1.200%
6/30/2020	5.000%	0.000%
6/30/2019	5.000%	0.000%
6/30/2018	5.000%	0.000%
6/30/2017	5.000%	0.000%
6/30/2016	5.000%	-0.750%
6/30/2015	5.750%	

Inflation Rate:

Year End (*)	Rate	Change
6/30/2023	2.400%	0.000%
6/30/2022	2.400%	-0.100%
6/30/2021	2.500%	0.000%
6/30/2020	2.500%	0.000%
6/30/2019	2.500%	0.000%
6/30/2018	2.500%	0.000%
6/30/2017	2.500%	0.000%
6/30/2016	2.500%	0.000%
6/30/2015	2.500%	

Investment rate of return:

Year End (*)	Rate	Change
6/30/2023	6.550%	0.000%
6/30/2022	6.550%	0.370%
6/30/2021	6.180%	-0.200%
6/30/2020	6.380%	-0.720%
6/30/2019	7.100%	-0.500%
6/30/2018	7.600%	0.400%
6/30/2017	7.200%	-0.700%
6/30/2016	7.900%	0.000%
6/30/2015	7.900%	

(*) The amounts presented have a measurement date of the previous fiscal year-end.

OTHER SUPPLEMENTARY INFORMATION

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE CLERK OF COURT
FOR THE YEAR ENDED JUNE 30, 2023

Agency Head: Lance Marino, Clerk of Court

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 163,319
Benefits - insurance	17,592
Benefits - retirement	49,745
Benefits - deferred compensation	9,799
Benefits - FICA & Medicare	2,315
Car allowance	19,635
Conference travel	1,477
Special meals	728
	<hr/>
	\$ 264,610

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 1,944,051	\$ 2,019,219
Add: Collections		
Civil Fees (<i>including refundable amounts such as garnishments or advance deposits</i>)	\$ 851,912	\$ 1,882,894
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)	665	815
Interest Earnings on Collected Balances	171	-
Other	-	-
Subtotal Collections	852,748	1,883,709
Less: Disbursements To Governments & Nonprofits:		
29th Judicial District Clerks Expense Fund, Civil Fees	13,905	12,450
Ascension Parish Civil Sheriff, Civil Fees	783	1,137
Assumption Parish Civil Sheriff, Civil Fees	173	193
Bossier Parish Civil Sheriff, Civil Fees	47	-
Caddo Parish Civil Sheriff, Civil Fees	158	219
Calcasieu Parish Civil Sheriff, Civil Fees	179	135
East Baton Rouge Parish Civil Sheriff, Civil Fees	3,264	4,171
East Feliciana Parish Civil Sheriff, Civil Fees	906	30
Evangeline Parish Civil Sheriff, Civil Fees	66	-
Franklin Parish Civil Sheriff, Civil Fees	-	61
Grant Parish Civil Sheriff, Civil Fees	-	40
Greg Champagne, Sheriff, Civil Fees	46,101	37,718
Iberia Parish Civil Sheriff, Civil Fees	105	35
Iberville Parish Civil Sheriff, Civil Fees	87	44

(Continued)

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Jefferson Parish Civil Sheriff, Civil Fees	6,950	7,060
Jefferson Parish Civil Sheriff, Other	711	-
Lafayette Parish Civil Sheriff, Civil Fees	827	781
Lafourche Parish Civil Sheriff, Civil Fees	697	689
Livingston Parish Civil Sheriff, Civil Fees	353	198
Louisiana Clerk's Remote Access Authority, Civil Fees	231	486
Louisiana Judicial College Fund, Civil Fees	471	416
Louisiana Supreme Court, Civil Fees	1,486	1,101
Louisiana State Treasurer, Civil Fees	27,573	24,957
Orleans Parish Civil Sheriff, Civil Fees	4,449	5,250
Ouachita Parish Civil Sheriff, Civil Fees	-	117
Rapides Parish Civil Sheriff, Civil Fees	-	1
St. Bernard Parish Civil Sheriff, Civil Fees	271	157
St. Charles Parish Council, Civil Fees	9,330	8,290
St. Charles Parish, Other	-	900,000
St. James Parish Civil Sheriff, Civil Fees	232	504
St. John Parish Civil Sheriff, Civil Fees	1,491	1,289
St. Landry Parish Civil Sheriff, Civil Fees	39	64
St. Martin Parish Civil Sheriff, Civil Fees	-	59
St. Mary Parish Civil Sheriff, Civil Fees	210	739
St. Tammany Parish Civil Sheriff, Civil Fees	84	265
Tangipahoa Parish Civil Sheriff, Civil Fees	548	1,195
Terrebonne Parish Civil Sheriff, Civil Fees	473	877
Washington Parish Civil Sheriff, Civil Fees	47	-
Webster Parish Civil Sheriff, Civil Fees	55	-
West Baton Rouge Parish Civil Sheriff, Civil Fees	-	46
Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency - Other	878	-
Amounts "Self-Disbursed" to Collecting Agency - Civil Fees	471,365	492,336

(Continued)

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	\$ 123,656	\$ 311,486
Bond Fee Refunds	-	-
Restitution Payments to Individuals	-	-
Other Disbursements to Individuals	58,137	290,864
Payments to 3rd Party Collection/Processing Agencies	1,244	1,257
Subtotal Disbursements/Retainage	<u>777,580</u>	<u>2,106,715</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 2,019,219</u>	<u>\$ 1,796,213</u>
Ending Balance of "Partial Payments" Collected but not Disbursed <i>(only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</i>	-	-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected <i>(i.e. receivable balance)</i>	-	-
Total Waivers During the Fiscal Period <i>(i.e. non-cash reduction of receivable balances, such as time served or community service)</i>	-	-

(Concluded)

ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2023

First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
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Receipts From:

<i>St. Charles Parish Sheriff's Office, Bond Fees</i>	\$ 1,514	\$ 2,176
<i>St. Charles Parish Sheriff's Office, Criminal Court Costs/Fees</i>	126,645	138,326
<i>St. Charles Parish Sheriff's Office, Criminal Fines - Contempt</i>	12,677	16,836
<i>Other/ Other</i>	-	-
Subtotal Receipts	\$ 140,836	\$ 157,338

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

-	-
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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

OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS

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

St. Charles Parish Clerk of Court
Hahnville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the St. Charles Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated December 28, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk's internal control over financial reporting (internal control) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 Clerk's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER, LLP
Metairie, Louisiana
December 28, 2023



**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2023**

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of the St. Charles Parish Clerk as of and for the year June 30, 2023.
2. No significant deficiencies or material weaknesses in internal controls were reported relating to the audit of the financial statements.
3. One instance of noncompliance material to the financial statements of the St. Charles Parish Clerk were disclosed during the audit for the year ended June 30, 2023.

B. FINDINGS – NON-COMPLIANCE WITH STATE LAWS AND REGULATION

2023-001 Local Government Budget Act

Criteria: LA R.S. 39:1301-1315 requires that budgets be amended when expenditures and transfers out or revenues and transfers in exceed a 5% unfavorable variance.

Condition: The budgeted revenues and transfers in during the fiscal year end June 30, 2023 of the General Fund exceeded actual revenues and transfers in by approximately 29%. A revised budget was not adopted.

Cause: A revised budget was not adopted.

Effect: Non-compliance with the state budget law.

Recommendation: The Clerk's office should closely monitor the budget and propose amendments for the adoption when revenues or expenditures have unfavorable variances from budgeted amounts by more than 5%.

Management's response: Management agrees with the finding and going forward, the Clerk's office will include in its month end closing procedures a review of its financial statements and projections to the end of the fiscal year to ensure compliance with LA R.S. 39:1301-1315 – Local Government Budget Act that requires that budgets be amended when revenues and transfers in or expenditures and transfers out present an unfavorable variance of more than 5 percent..

**ST. CHARLES PARISH CLERK OF COURT
HAHNVILLE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2023**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2022-001: Audit Law

Criteria: Louisiana Revised Statute 24:513 requires that political subdivisions of the State submit completed audit reports to the Legislative Auditor no later than six months after the fiscal year. Accordingly, the submission due date was December 31, 2022. In accordance with the provisions for non-emergency extensions promulgated by Louisiana Revised Statute 39:721, the Clerk requested and was granted a 90-day extension to complete and submit the audit to the Legislative Auditor. Accordingly, the extended due date is March 31, 2023.

Condition: The audit was submitted after the statutory deadline, but before the extended deadline.

Cause: Hurricane Ida made landfall in August of 2021 for which a Presidential Major Disaster Declaration was made. Further, in December 2022 a major tornado swept through parts of St. Charles Parish significantly disrupting both the court system and the operations of the Clerk of Court. As a result, delays were encountered in the audit process.

Effect: There has been minimal if any impact to intergovernmental funding resulting from the delayed completion.

Recommendation: We recommend that the Clerk in conjunction with the audit firm take steps to ensure that the audit is not delayed.

Status: Resolved.

C. FINDINGS – NON-COMPLIANCE WITH STATE LAWS AND REGULATION

2021-001 Local Government Budget Act

Criteria: LA R.S. 39:1301-1315 requires that budgets be amended when expenditures and transfers out or revenues and transfers in exceed a 5% unfavorable variance.

Condition: The actual expenditures and transfers out during the fiscal year end June 30, 2021 of the General Fund exceeded the amount budgeted by approximately 8%. A revised budget was not adopted.

Cause: A revised budget was not adopted.

Effect: Non-compliance with the state budget law.

Recommendation: The Clerk's office should closely monitor the budget and propose amendments for the adoption when revenues or expenditures have unfavorable variances from budgeted amounts by more than 5%.

Status: Not resolved. See repeat finding 2023-001.

EISNERAMPER

ST. CHARLES PARISH CLERK OF COURT

**REPORT ON STATEWIDE
AGREED-UPON PROCEDURES ON
COMPLIANCE
AND CONTROL AREAS**

FOR THE YEAR ENDED JUNE 30, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To: The Honorable Lance Marino, St. Charles Parish Clerk of Court, and the Louisiana Legislative Auditor

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

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

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by the Clerk of Court to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Clerk of Court for the fiscal period July 1, 2022 through June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

The purpose of 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.



EISNERAMPER, LLP

Metairie, Louisiana

December 28, 2023

**ST. CHARLES PARISH CLERK OF COURT
AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS
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Schedule A

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *“no exception noted”* or for step 13 *“we performed the procedure and discussed the results with management”*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

The Clerk of Court has written policies for Budgeting; however, the policy does not specifically address amending the budget. The other attributes were addressed in the policies and procedures.

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.

The Clerk of Court has written policies for Purchasing; however, the policy does not specifically address how vendors are added to the vendor list (subcategory #2). The other attributes were addressed in the policies and procedures.

iii. **Disbursements**, including processing, reviewing, and approving

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

**ST. CHARLES PARISH CLERK OF COURT
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- 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).

No exception noted.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exception noted.

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

No exception noted.

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

No exception noted.

- 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.

No exception noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe whether 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.

This area is deemed "not applicable" since the Clerk of Court does not have an oversight Board, and therefore, no meetings are held.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-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.*

This area is deemed "not applicable" since the Clerk of Court does not have an oversight Board, and therefore, no meetings are held.

**ST. CHARLES PARISH CLERK OF COURT
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- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

This area is deemed "not applicable" since the Clerk of Court does not have an oversight Board, and therefore, no meetings are held.

- 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.

This area is deemed "not applicable" since the Clerk of Court does not have an oversight Board, and therefore, no meetings are held.

3) Bank Reconciliations

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

A listing of bank accounts was provided and included a total of 7 bank accounts. Management identified the entity's main operating account. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (1 main operating and 4 randomly) and obtained the bank reconciliations for the month ending May 31, 2023, resulting in 5 bank reconciliations obtained and subjected to the below procedures.

- 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);

No exception noted.

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

No exception noted.

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

No exception noted.

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4) Collections (excluding electronic funds transfers)

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

A listing of deposit sites was provided and included 1 deposit site. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 1 deposit sites and performed the procedures below.

- 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 (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for each deposit site selected in procedure #4A was provided and included a total of 2 collection locations. No exceptions were noted as a result of performing this procedure.

From the listings provided, we randomly selected one collection location for the 1 deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

- i. Employees responsible for cash collections do not share cash drawers/registers;

No exception noted.

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

No exception noted.

- iii. Each employee responsible for collecting cash is not also 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; and

No exception noted.

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

No exception noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

A copy of the bond or insurance policy for theft covering employees who have access to cash was not provided. Therefore, enforcement of such policy could not be observed.

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- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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:

We randomly selected 2 deposit dates for each of the 5 bank accounts selected in procedure #3A. We obtained supporting documentation for each of the 10 deposits and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.

No exception noted.

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

No exception noted.

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

No exception noted.

- 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).

Of the 10 deposits selected for testing, 6 were not made within one business day of receipt. No exceptions noted for the other 4 deposits selected for testing.

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

No exception noted.

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).

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

Based on client inquiry, we noted there is 2 two physical locations which processed disbursements; therefore we selected both locations and performed the procedures below.

- 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

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Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

- ii. At least two employees are involved in processing and approving payments to vendors;

No exception noted.

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

For 1 of the 2 physical locations tested, the employee responsible for processing payments also has the ability to add/modify vendor files, with no other employee 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; and

No exception noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exception noted.

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

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected 10 disbursements and performed the procedures below.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and

No exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

No exception noted.

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

No exception noted.

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

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

- 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

From the listing provided, we selected all 3 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 3 cards selected and performed the procedures noted below.

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

Of the 3 monthly credit card statements tested, 1 did not have documented evidence of review and approval by someone other than the authorized card holder. No exceptions noted for the other 2 credit card statements selected for testing.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

No exception noted.

- C. Using the monthly statements or combined statements selected under procedure #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 (e.g., 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.

We selected all 12 transactions from the month selected for testing and obtained supporting documentation for the transactions. An original itemized receipt that identifies precisely what was purchased was observed for each of the 12 transactions. Six of the 12 transactions did not have written documentation of the business/public purpose. One of the 12 transactions was for a meal, and the individuals participating in the meal were not documented.

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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, and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

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

No exception noted.

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

No exception noted.

- 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 Policies and Procedures", procedure #1A(vii); and

No exception noted.

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

For 4 of the 5 reimbursements tested, written review and approval was not observable from the supporting documentation provided. No exceptions noted for the 1 other reimbursement selected for testing.

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. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

An active vendor list for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 contracts and performed the procedures below.

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

No exception noted.

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

No exception noted.

- 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

No exception noted.

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

No exception noted.

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.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure. From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

- B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

- i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

No exception noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

No exception noted.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

No exception noted.

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- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

No exception noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials 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 cumulative leave records, agree the pay rates 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.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures.

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

No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics 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

No exception noted.

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

The Clerk of Court did not have any changes to the ethics policy during the fiscal period. Therefore, this step is not applicable.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exception noted.

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Schedule A

11) Debt Service

- A. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.

The Clerk of Court did not issue any bonds/notes during the fiscal period. Therefore, this step is not applicable.

- 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).

The Clerk of Court did not have any bonds/notes outstanding at the end of the fiscal period. Therefore, this step is not applicable.

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.

Management represented that there were no misappropriations of public funds and assets during the fiscal period.

- 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.

No exception noted.

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

We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if 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 within the past 3 months.

We performed the procedure and discussed the results with management.

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Schedule A

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

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

We performed the procedure 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.

No exception noted.

- 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).

No exception noted.

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

The Clerk of Court did not produce an annual sexual harassment report for the current fiscal period. Therefore, the applicable requirements of R.S. 42:344 could not be observed (see steps a – e below).

- i. Number and percentage of public servants in the agency who have completed the training requirements;

We were unable to observe this information because an annual sexual harassment report was not provided.

- ii. Number of sexual harassment complaints received by the agency;

We were unable to observe this information because an annual sexual harassment report was not provided.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

We were unable to observe this information because an annual sexual harassment report was not provided.

**ST. CHARLES PARISH CLERK OF COURT
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Schedule A

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

We were unable to observe this information because an annual sexual harassment report was not provided.

- v. Amount of time it took to resolve each complaint.

We were unable to observe this information because an annual sexual harassment report was not provided.

**ST. CHARLES PARISH CLERK OF COURT
MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN
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Schedule B

Management has reviewed and addressed the exceptions noted.

1) Ai: The Clerk of Court has written policies for Budgeting; however, the policy does not specifically address amending the budget.

Response: The Clerk of Court shall adopt a budget amendment by publishing the amendment in the official journal upon receiving notification of a 5% variance or a change in operations upon which the original budget was developed.

1) Aii: The Clerk of Court has written policies for purchasing; however, the policy does not specifically address how vendors are added to the vendors list (subcategory #2).

Response: Vendors are added and removed by the Office Manager once approved by the Clerk of Court or the Chief Deputy.

4) C: A copy of the bond or insurance policy for theft covering employees who have access to cash was not provided.

Response: Subsequent to year-end, the Clerk of Court through Hunt Insurance Group obtained a policy for Commercial Crime in the amount of \$250,000.

4) Div: Of the 10 deposits selected for testing, 6 were not made within one business day of receipt. No exceptions noted for the other 4 deposits selected for testing.

Response: The St. Charles Parish Clerk of Court will implement procedures to ensure that deposits are made as timely as possible.

5) Biii: For 1 of the 2 physical locations tested, the employee responsible for processing payments also has the ability to add/modify vendor files, with no other employee responsible for periodically reviewing changes to vendor files.

Response: The St. Charles Parish Clerk of Court has segregation of duties through its accounting firm. The CPA firm is reviewing all transactions for additions/removals and abnormalities.

6) Bi: Of the 3 monthly credit card statements tested, 1 did not have documented evidence of review and approval by someone other than the authorized card holder.

Response: The employee is to attach the receipts and documentation to the monthly statement and the Clerk shall approve before payment is made.

The Office Manager shall review the Clerk of Court's purchases and monthly statement.

6) C: Six of twelve transaction did not have written documentation of the business/public purpose. One of the 12 transactions was for a meal, and the individuals participating in the meal were not documented.

Response: Employees are responsible for obtaining receipts/documentation as proof of purchase and for documenting the business purpose on the receipts. Receipts for any meals and entertainment expenditures also must contain documentation of the names of all the persons participating and the business discussed.

7) iv: For all 4 of the 5 reimbursements tested, written review and approval was not observable from the supporting documentation provided.

**ST. CHARLES PARISH CLERK OF COURT
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Schedule B

Response: All claims for reimbursement of business expenses must be submitted by the employee, signed (in ink) and be approved (in writing) by the Clerk. The Clerk's expenses will be reviewed and approved by the Office Manager or Chief Deputy.

14) C The Clerk of Court did not produce an annual sexual harassment report for the current fiscal period.

Response: As per R.S. 42:344 the St. Charles Parish Clerk of Court will produce an annual report before February 1st annually.