

**LAFOURCHE PARISH CLERK OF COURT**  
*Thibodaux, Louisiana*

**Annual Financial Report**  
**For the Year Ended June 30, 2023**

**LAFOURCHE PARISH CLERK OF COURT**  
**Annual Financial Report**  
**For the Year Ended June 30, 2023**

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**LAFOURCHE PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*FOR THE YEAR ENDED JUNE 30, 2023*

The following discussion and analysis of the Lafourche Parish Clerk of Court's (the Clerk's) financial performance provides an overview of the financial activities as of and for the fiscal year ended June 30, 2023. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements, which follows this report.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5.9 million (net position) at the end of the current fiscal year. Net position consisted of net investment in capital assets in the amount of \$82,170, (1.4%) and unrestricted net position in the amount of \$5.8 million (99%).
- The total net position increased by over \$31,000 from the prior fiscal year.
- As of the close of the current fiscal year, the governmental funds showed combined ending fund balances totaling \$11.5 million an increase of \$481,409 from the prior fiscal year. Of the total ending fund balance, all was considered available for funding future operational needs (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was 312% of total General Fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (Statement of Net Position and the Statement of Activities) provide information about the governmental activities as a whole and present a longer-term view of the finances. Fund Financial Statements (Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance, and Combining Statement of Fiduciary Net Assets) tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information is providing varying degrees of assurance. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

**LAFOURCHE PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*FOR THE YEAR ENDED JUNE 30, 2023*

***Government-Wide Financial Statements***

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

The Statement of Net Position presents information on all assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions that are principally supported by fines and fees charged to the public (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds are governmental funds.

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

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

**LAFOURCHE PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs. The Clerk of Court is the trustee, or fiduciary, for funds reserved by the Court and Advanced Costs collected for court costs. All of these fiduciary activities are reported in a separate Combined Statement of Fiduciary Net Assets. The Clerk of Court is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**GOVERNMENT WIDE FINANCIAL ANALYSIS**

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The net position totaled \$5,912,548 at the end of the current fiscal year, which was a .5% increase over the prior fiscal year. Following is a summary of the government-wide Statement of Net Position:

	FY 2023	FY 2022	Increase (Decrease)
Current and Other Assets	\$11,697,096	\$ 11,076,632	\$ 620,464
Capital Assets	82,170	49,772	32,398
<b>Total Assets</b>	<b>11,779,266</b>	<b>11,126,404</b>	<b>652,862</b>
<b>Deferred outflows of resources</b>	<b>2,138,464</b>	<b>1,497,007</b>	<b>641,457</b>
Current Liabilities	235,574	96,519	139,055
Non-Current Liabilities	6,202,660	4,283,775	1,918,885
<b>Total Liabilities</b>	<b>6,438,234</b>	<b>4,380,294</b>	<b>2,057,940</b>
<b>Deferred inflows of resources</b>	<b>1,566,948</b>	<b>2,361,612</b>	<b>(794,664)</b>
Net Investment in Capital Assets	82,170	49,772	32,398
Unrestricted	5,830,378	5,831,733	(1,355)
<b>Total Net Position</b>	<b>\$ 5,912,548</b>	<b>\$ 5,881,505</b>	<b>\$ 31,043</b>

- The portion of the net position – net investment in capital assets (e.g., building improvements and equipment less accumulated depreciation) are not available for future spending. The Clerk cannot sell the assets to obtain funding.
- The remaining balance of net position is considered unrestricted and may be used to meet the ongoing obligations to citizens and creditors. At the end of the current and prior fiscal years, the reported positive balances in all categories of net assets.

**LAFOURCHE PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Changes in Net Position.** For the year ended June 30, 2023, the net position increased by \$31,043, an indication that its financial position increased during the year. Following is a summary of the government-wide Statement of Activities:

	FY 2023	FY 2022	Increase (Decrease)
Total program expenses	\$ (4,118,786)	\$ (3,010,387)	\$1,108,399
Total program revenues	3,971,833	3,998,314	(26,481)
<b>Net program income</b>	(146,953)	987,927	(1,134,880)
General revenues	177,996	59,074	118,922
<b>Change in Net Position</b>	31,043	1,047,001	(1,015,958)
<b>Net Position:</b>			
Beginning of the year	5,881,505	4,834,504	1,047,001
End of the year	<u>\$ 5,912,548</u>	<u>\$ 5,881,505</u>	<u>\$ 31,043</u>

- Program revenues - charges for services were \$3,971,833 and decreased slightly by 5% over the prior fiscal year.
- General revenues (interest) in the amount of almost \$177,996 increased significantly from the prior fiscal year.
- Total expenses including salaries and benefits and office supplies, increased by over \$1 million or 36% over the prior fiscal year. The reason for most of the increase was the \$1.6 million increase in the pension liability.

**FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS**

The Clerk uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental Funds.** The focus of the governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for funding future operational needs.

**Major Governmental Fund**

**The General Fund** is the chief operating fund. At the end of the current fiscal year, fund balance totaled \$11,461,522, of which all was unassigned.

The fund balance of the General Fund increased by \$481,409 during the current fiscal year, as compared to the prior fiscal year. This increase as compared to the prior fiscal

**LAFOURCHE PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

year is due to increases in fees collected; court costs, mortgage certificates, notarial fees, and criminal fees all increased.

**BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was not revised during the fiscal year. Total variances were all favorable. Total revenues recorded were 6% more than budgeted. Total expenditures were 6% less than budgeted. The budget variances were favorable and in compliance with the Local Budget Law.

**CAPITAL ASSETS**

Capital assets include furniture and fixtures, office equipment, leasehold improvements and intangibles recorded at historical cost of \$949,683. Accumulated depreciation of \$867,513 deducted from the cost of assets resulted in an ending book balance of assets of \$82,170.

This year there were \$57,984 in additions, including an adjustment (addition) of \$15,041 made for an asset not included in the prior year. Fully depreciated assets totaling \$26,453 were deleted from capital assets. Depreciation expense of \$25,586 was recorded for the year. More detailed information about the capital assets is presented in Note 4 to the financial statements.

**LONG-TERM OBLIGATIONS**

The Clerk has long-term obligations recorded for compensated absences in the amount of \$151,824; net pension liability of \$3,505,271, and other post-employment benefits of \$2,545,565. More detailed information about these long term obligations is presented in Note 5 and Note 6 to the basic financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

A summary of next year's budget follows:

Condensed Summary of Budgeted Finances

	FY 2024
Anticipated revenues	\$ 3,810,800
<b>Expenditures:</b>	
Current	3,760,785
Capital outlay	50,000
Anticipated expenditures	3,810,785
Excess of revenues	15
<b>Fund Balance:</b>	

**LAFOURCHE PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Beginning of the year	<u>10,980,113</u>
End of the year	<u>\$ 10,980,128</u>

Revenues have remained stable and as a result there is no planned increase in fees or service costs for the next fiscal year.

Through prudent planning and decision making, cross-training employees and the combination of job duties, we have only a minimal increase in employee wages and costs. We have added some additional amounts to our budget to continue our technology upgrades which includes completion of our electronic filing projects for civil, criminal and land records.

**CONTACTING FINANCIAL MANAGEMENT**

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

Honorable Annette M. Fontana  
Lafourche Parish Clerk of Court  
P.O. Box 818  
Thibodaux, LA 70302  
985-447-4841

## *Financial Section*



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## ***INDEPENDENT AUDITOR'S REPORT***

Honorable Annette M. Fontana  
Lafourche Parish Clerk of Court  
Thibodaux, Louisiana

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Lafourche 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 basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund, as of and for the year ended 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management's for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free of 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 ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our 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 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, 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 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 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 and the Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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 sufficient evidence to express an opinion or provide any assurance.

***Other Supplementary Information***

The Schedule of Changes in Fiduciary Liabilities, Schedule of Compensation, Benefits, and Other Payment to the Agency Head and the Justice System Funding Schedules as listed in the table of contents as other supplementary information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. These schedules are the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule 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 our report dated November 9, 2023, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the 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 internal control over financial reporting and compliance.

*Stagni & Company*

November 9, 2023  
Thibodaux, Louisiana



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STAGNI & COMPANY, LLC

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**LAFOURCHE PARISH CLERK OF COURT**

*Statement of Net Position*

*June 30, 2023*

<u>ASSETS</u>	<u>Governmental Fund</u>
Cash and cash equivalents	\$ 8,057,073
Investments	2,699,871
Receivables	33,850
Due from Fiduciary Funds	906,302
Capital assets, net of accumulated depreciation	82,170
Total assets	<u>11,779,266</u>
Total Deferred outflows of resources	2,138,464
<u>LIABILITIES</u>	
Current liabilities	
Accounts payable and accrued expenses	235,574
Total current liabilities	<u>235,574</u>
Non-current liabilities	
Compensated absences	151,824
Net pension liability	3,505,271
Net OPEB	2,545,565
Total noncurrent liabilities	<u>6,202,660</u>
Total liabilities	<u>6,438,234</u>
Deferred inflows of resources	1,566,948
<u>NET POSITION</u>	
Net Investment in Capital Assets	82,170
Unrestricted	<u>5,830,378</u>
Total net position	<u><u>\$ 5,912,548</u></u>

See notes to financial statements.

**LAFOURCHE PARISH CLERK OF COURT**

*Statement of Activities*

*For the Year Ended June 30, 2023*

<u>EXPENSES</u>	
Salaries and benefits	\$ 2,903,666
Group Insurance	505,378
Other Insurance	31,758
Office supplies and expense	623,232
Convention and Travel	29,166
Depreciation	25,586
Total program expenses	<u>4,118,786</u>
<u>PROGRAM REVENUES</u>	
Charges for services	<u>3,971,833</u>
Total program revenues	<u>3,971,833</u>
Net Program (Income) Expense	(146,953)
<u>GENERAL REVENUES</u>	
Interest earned	<u>177,996</u>
Total general revenues	<u>177,996</u>
Change in Net Position	31,043
<u>NET POSITION</u>	
Beginning of year	<u>5,881,505</u>
End of year	<u>\$ 5,912,548</u>

See notes to financial statements.

**LAFOURCHE PARISH CLERK OF COURT**  
*Balance Sheet - Governmental Fund - General Fund*  
*June 30, 2023*

ASSETS		
Cash and cash equivalents	\$ 8,057,073	
Investments	2,699,871	
Accounts Receivable	33,850	
Due from Other Funds	906,302	
Total assets	\$ 11,697,096	
LIABILITIES AND FUND BALANCES		
Accounts payable and accrued expenses	\$ 235,574	
Total liabilities	235,574	
Fund Balance :		
Unassigned	11,461,522	
Total fund balance	11,461,522	
Total liabilities and fund balances	\$ 11,697,096	
 <b>Reconciliation to the Statement of Net Position:</b>		
Total fund balance - governmental fund (Fund Financial Statement)		\$ 11,461,522
 Amounts reported for <i>governmental activities</i> in the statement of net position (Government-Wide Financial Statements) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Capital Assets at Cost	\$ 949,683	
Accumulated Depreciation	(867,513)	82,170
 Certain non-current liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Net Pension liability	(3,505,271)	
Compensated absences	(151,824)	
Other Post-Employment Benefits Liability	(2,545,565)	(6,202,660)
 Deferred outflows and inflows of resources related to pensions & OPEB are applicable to future periods and, therefore, are not reported in the funds		
Deferred outflows of resources - OPEB	663,633	
Deferred outflows of resources - contributions	350,638	
Deferred outflows of resources - other	1,124,193	2,138,464
Deferred inflows of resources - OPEB	(1,498,844)	
Deferred inflows of resources - pensions	(68,104)	(1,566,948)
Total net position of governmental activities (Government-Wide Financial Statements)		\$ 5,912,548

See notes to financial statements.

**LAFOURCHE PARISH CLERK OF COURT**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Governmental Fund - General Fund*  
*For the Year Ended June 30, 2023*

<b>Revenues</b>	
Suits and successions transferred from the Advance Deposit Fund	\$ 1,456,507
Recording fees	1,552,956
Certified copies	279,567
Fees in criminal cases	114,966
Interest earned	177,996
Mortgage certificates	17,815
Court attendance	18,200
Cancellations	4,100
Marriage licenses	14,944
Notarial fees	33,495
Other	479,283
Total revenues	4,149,829

<b>Expenditures</b>	
<b>Current - Judiciary:</b>	
Salaries and benefits	2,420,902
Group Insurance	505,378
Other Insurance	31,758
Office supplies and expense	638,273
Convention and Travel	29,166
Total current expenditures	3,625,477
Capital outlay	42,943
Total expenditures	3,668,420

**Net change in fund balance** 481,409

<b>Fund Balances</b>	
Beginning of year	10,980,113
End of year	\$ 11,461,522

See notes to financial statements.



**LAFOURCHE PARISH CLERK OF COURT**

*Combining Statement of Fiduciary Net Assets*

June 30, 2023

	<b>Advance Deposit Fund</b>	<b>Registry of the Court Fund</b>	<b>Total</b>
<hr/> <b>ASSETS</b> <hr/>			
Cash and cash equivalents	\$ 1,584,352	\$ 28,144	\$ 1,612,496
Investments	2,004,940	3,677,301	5,682,241
Miscellaneous receivable	4,922	-	4,922
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 3,594,214</u>	<u>\$ 3,705,445</u>	<u>\$ 7,299,659</u>
<hr/> <b>LIABILITIES</b> <hr/>			
Due to General Fund	\$ 906,302	\$ -	\$ 906,302
Due to Others	2,687,912	3,705,445	6,393,357
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 3,594,214</u>	<u>\$ 3,705,445</u>	<u>\$ 7,299,659</u>

See notes to the financial statements.

## **LAFOURCHE PARISH CLERK OF COURT**

### *Schedule of Changes in Fiduciary Liabilities*

*June 30, 2023*

	<b>Advance Deposit Fund</b>	<b>Registry of the Court Fund</b>	<b>Total</b>
<b>Additions:</b>			
<u>Receipts</u>	\$ 2,560,165	\$ 333,508	\$ 2,893,673
Interest	-	42,335	42,335
Total additions	<u>2,560,165</u>	<u>375,843</u>	<u>2,936,008</u>
<b>Reductions:</b>			
<u>Payments</u>	2,076,111	-	2,076,111
Refunds/Settlements	590,691	294,873	885,564
Total reductions	<u>2,666,802</u>	<u>294,873</u>	<u>2,961,675</u>
Increase (Decrease) in Liabilities	(106,637)	80,970	(25,667)
<b>Unsettled deposits:</b>			
<u>Beginning of year</u>	3,700,851	3,624,475	7,325,326
End of year	<u>\$ 3,594,214</u>	<u>\$ 3,705,445</u>	<u>\$ 7,299,659</u>

See notes to the financial statements.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**INTRODUCTION**

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the Clerk of Court serves as ex-officio notary public, the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The Clerk of Court is elected for a four-year term. The current term ends June 30, 2024.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP used are discussed below.

**Note 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.      Reporting Entity**

These financial statements present the Lafourche Parish Clerk of Court (Clerk of Court) as the primary government as defined by GASBS No. 14; component units are legally separate entities that are included in the reporting entity because of the significance of their operating or financial relationships. GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since, the Clerk of Court is an independently elected official, and is legally separate and fiscally independent; they are considered a separate governmental reporting entity.

There are unrecorded financial transactions between the Lafourche Parish Council (the Council) and the Clerk of Court where the Council provides office space and utilities for the Clerk of Court. These transactions between the Clerk of Court and the Parish Council are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability.

**B.      Basic Financial Statements**

Basic financial statements are presented at both the government-wide and fund financial statement level. Both levels of statements categorize primary activities as governmental. Government-wide financial statements (GWFS) report information about the reporting unit as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the entity and the change in aggregate financial position resulting from the activities of the year.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

B. Basic Financial Statements (continued)

These aggregated statements consist of the Statement of Net Position and the Statement of Activities. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include fees and charges to the public customers who use, or directly benefit from services, or privileges provided by a given function. Other items not reported as program revenues are reported instead as general revenues.

C. Measurement Focus / Basis of Accounting

The GWFS are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements (FFS) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. A one-year availability period is used for revenue recognition. Expenditures are recorded when the related fund liability is incurred.

***Fund Financial Statements (FFS)***

The financial transactions of the Clerk of Court are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

**Governmental Funds**

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

C. Measurement Focus / Basis of Accounting (continued)

The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the clerk's governmental funds:

General Fund

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

Fiduciary Funds – Agency Funds

Fiduciary fund (Advanced Deposit and Registry of the Court Funds) reporting focuses on net assets and changes in net assets. These funds are held for the benefit of individuals, but not derived from the Clerk's own source revenue, and over which the Clerk has no direct financial involvement. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, these funds have no measurement focus, but use the modified accrual basis of accounting.

Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**Accrual:** The governmental-type activities in the GWFS and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

C. Measurement Focus / Basis of Accounting (continued)

**Modified Accrual:** The governmental FFS are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

D. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, money market accounts and cash on hand. Cash equivalents include time deposits maturing within 90 days. Under state law, governmental entities may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. Investments

Investments are limited by Louisiana Revised Statute 25 33:2955 and the investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities of investments are 90 days or less, they are classified as cash and cash equivalents. The investments consist of time deposits with maturities between 91 and 270 days.

F. Capital Assets

Capital assets purchased or acquired with a cost of \$1,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

F.      Capital Assets (continued)

<u>Description</u>	<u>Estimated Lives</u>
Office Equipment	5 years
Furniture & Fixtures	10 years
Automobiles	5 years
Leased Equipment	5 years

G.      Interfund Activities

The Clerk of Court transfers interest earned on the investments of the Advance Deposit Fund to the Salary Fund to be utilized by the Salary Fund in its operations. In those cases where the physical transfer of assets has not taken place as of year-end, or where repayment is expected, these amounts are accounted for through the various due to and due from accounts.

H.      Fees Transferred from Advance Deposit Agency Fund

These fees represent revenue earned from everyday operations such as copying and faxing for litigants. These fees are collected by a transfer of litigant's money deposited in the Advance Deposit Fund to the Salary Fund.

I.      Budgetary Practices

The Clerk of Court annually adopts a budget for the General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Any amendments to the budget are published in the official journal. Budgetary integration is employed as a management tool.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting is not utilized in the funds.

J.      Compensated Absences

The Clerk of Court's policy calls for accrual of accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

J.      Compensated Absences (continued)

Each full-time employee is entitled to earn vacation time up to 10 days per year. Vacation time will be earned at 2.70 hours per pay period. Effective January 1, 2018, additional vacation time will be earned based on years of service as follows:

- 5-9 years      1 additional day per year
- 10-14 years    2 additional days per year
- 15-19 years    3 additional days per year
- 20-24 years    4 additional days per year
- 25+ years      5 additional days per year

Any vacation time accumulated by the employee over 10 days will be forfeited as of December 15 of each year.

Personal leave time is earned at 3.23 per pay period. The Clerk allows a maximum of 30 unused personal leave days to accumulate. Any personal leave time accumulated over 30 days will be paid to the employee annually through the pay period endings December 15<sup>th</sup> of each year. Accumulated personal leave is paid upon separation of employment. Based on this policy, all unpaid sick and vacation leave is considered to be a long term liability.

K.      Net Position and Fund Equity

*Government-wide Financial Statements*

Equity is classified as net assets and displayed in three components:

- Net Investment in capital assets,—Consists of capital assets net of accumulated depreciation and net of capital related debt.
- Restricted net assets—consists of net assets with constraints placed on the use by law through constitutional provisions or enabling legislation.
- Unrestricted net assets—all other net assets that do not meet the definition of “restricted” or “invested in capital assets.”

When both restricted and unrestricted resources are available for use, it is the policy to use restricted resources first.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*Fund Financial Statements*

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- *Non-spendable* fund balance cannot be spent because of its form.
- *Restricted* fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions.
- *Committed* fund balance is a limitation imposed by the Clerk through approval.
- *Assigned* fund balances is a limitation imposed by a designee of the Clerk.
- *Unassigned* fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

K.      Net Position and Fund Equity (continued)

Louisiana R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund fund balance that exceeds one-half of the revenues of the clerk's last year of the term of office, which amount shall be limited to no more than that which was received by the clerk in accordance with R.S. 1784 (A) during said term in office. The Parish Council has not provided any funding to the Clerk under statute R.S. 13:784 (A) for items such as office furniture, equipment, and record books. At June 30, 2023, there was no amount due the parish treasurer.

L.      Use of Estimates

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

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

M.      Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes 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. The Clerk has recognized deferred outflows of resources for pension contributions and other postemployment benefits (OPEB) contributions.

In addition to liabilities, the statement of financial position also reports 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 (revenue) until that time. The Clerk has recognized deferred inflows of resources for pension liability and other postemployment benefits (OPEB) liability based on actuarial valuation that was performed.

**Note 2      DEPOSITS AND INVESTMENTS**

Deposits (demand deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value.

The carrying amounts of deposits are as follows:

	<b>Balances</b>	
	Book	Bank
Governmental Fund – Cash	\$ 8,057,073	\$ 7,910,220
Governmental Fund – Investments	2,699,871	2,699,871
Fiduciary Fund – Cash	1,612,496	1,909,143
Fiduciary Fund – Investments	5,682,241	5,682,442
<b>Total deposits</b>	<b>\$ 18,051,681</b>	<b>\$ 18,201,676</b>

The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Under state law, the book deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.







**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 5**                      **POST-RETIREMENT BENEFITS (CONTINUED)**

**Changes in the Total OPEB Liability (Asset)**

Balance at 6/30/2022	\$2,302,196
Changes for the year:	
Service Cost	52,690
Interest	83,638
Differences between expected and actual experience	56,864
Change in benefit terms	457,563
Changes in Assumptions/Inputs	(230,827)
Benefit payments	(176,559)
	243,369
Change in Net OPEB Obligation	243,369
Ending Net OPEB Obligation	\$2,545,565

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability, as well as what the 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 (2.86%)	Current Discount Rate (3.86%)	1.0% Increase (4.86%)
Total OPEB liability	\$ 2,935,301	\$ 2,545,565	\$ 2,142,414

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability, as well as what the 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 Trend	1.0% Increase
Total OPEB liability	\$ 2,258,484	\$2,545,565	\$ 2,920,535



**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 6      PENSION PLAN (continued)**

The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the fund in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained from the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana, 70816, or by calling (225) 293-1162.

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

**Retirement Benefits**

A member or former member is eligible for regular retirement benefits upon attaining 12 or more years of credited service, attaining the age of 55 (age 60 if hired on or after January 1, 2011), and terminating employment. Regular retirement benefits, payable monthly for life, equal 3% of the member's average final compensation multiplied by the number of years of credited service, not to exceed 100% of the monthly average final compensation. The retirement benefit accrual rate is increased to 3 1/3% for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For those members hired before July 1, 2006, monthly average final compensation is based on the highest compensated 60 consecutive months, or successive joined months if service was interrupted, with a limit of 10% increase in each of the last 5 years of measurement. For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is 36 months plus the number of whole months elapsed since January 1, 2011, not to exceed 60 months.

**Disability Benefits**

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

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 6**      **PENSION PLAN (continued)**

**Survivor Benefits**

If a member who has less than five years of credited service dies, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, automatic Option 2 benefits are payable to the surviving spouse.

**Deferred Retirement Option Plan**

In lieu of terminating employment and accepting a service retirement allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in DROP for up to 36 months and defer the receipt of benefits.

**Cost of Living Adjustments**

The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of \$40 per month. The LA statutes allow the board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later.

**Employer Contributions**

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2022, the actuarially determined employer contribution rate was 22.25%.

In accordance with state statute, the Fund also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. The amount of proportionate share of non-employer contributions for the Clerk for June 30, 2022 was \$175,066.

The Clerk is not required to but is allowed to pay the employee and employer portion of the required contribution. The Clerk's contribution for the years ending June 30, 2021, 2022, and 2023 were \$403,443, \$449,327, and \$474,840 respectively, which were equal to the required contributions for each year.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 6 PENSION PLAN (continued)**

**Pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources:**

As of June 30, 2023, the Clerk reported a liability of \$3,505,271 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 proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2022, the proportion of the plan was 1.446210%, an increase of 0.05003% from the prior valuation.

For the year ended June 30, 2023 (measured at June 30, 2022), the Clerk recognized pension expense of \$642,227 and the following deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
Difference between expected and actual experience	\$ 33,235	\$ (31,863)
Net difference between projected and actual earnings on investments	749,937	-
Changes in assumptions	257,228	-
Change in proportion	83,793	(36,241)
Employer contributions subsequent to the measurement date	350,638	-
	<b>\$ 1,474,831</b>	<b>\$ (68,104)</b>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 6      PENSION PLAN (continued)**

Year ended June 30:	
2024	\$327,314
2025	268,537
2026	81422
2027	378,816

**Actuarial Assumptions**

The total pension liabilities in the actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

Valuation date	June 30, 2022
Actuarial cost method	Entry Age Normal
Investment rate of return	6.55%
Projected salary increases	1-5 years of service - 6.20% 5 years or more – 5.0%
Inflation Rate	2.40%
Expected remaining service lives	5 years

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

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 are developed for each major asset class. The long term expected rate of return was 6.02% for the year ended June 30, 2022.

**LAFOURCHE PARISH CLERK OF COURT**  
*Notes to Financial Statements*  
For the Year Ended June 30, 2023

**Note 6 PENSION PLAN (continued)**

Best estimates of arithmetic real rates of return for each major class included in the System’s target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income – Domestic & International Bonds	25.0%	2.50%
Fixed income – International Bonds		3.50%
Domestic Equity	38.0%	7.50%
International Equity	22.0%	8.50%
Real Estate	15.0%	4.50%
Totals	100.0%	

**Discount Rate**

The discount rate used to measure the total pension liability was 6.55%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Plan’s actuary.

Based on these assumptions, the Plan’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 period of projected benefit payments to determine the total pension liability.

**Sensitivity to changes in the discount rate**

The following presents the net pension liability of the participating employers calculated using the discount rates as shown above, as well as what the net pension liability would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<b>1% Decrease 5.55%</b>	<b>Current Discount Rate 6.55%</b>	<b>1% Increase 7.55</b>
Net Pension Liability	\$5,003,299	\$ 3,505,271	\$ 2,243,168

## **LAFOURCHE PARISH CLERK OF COURT**

*Notes to Financial Statements*  
For the Year Ended June 30, 2023

### **Note 7                    DEFERRED COMPENSATION PLAN**

The Clerk of Court employees participate 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.

The participants may choose the amount to contribute with the maximums defined by the Internal Revenue Code and the investment option(s). The Clerk of Court agreed to match each participant's contribution up to a maximum of 10% for the current fiscal year. Total contributions made by the Clerk of Court on behalf of the employees were \$95,133.

### **Note 8                    EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL**

The Clerk of Court's office is located in the parish courthouse. The expenditures for maintenance and operation of the parish courthouse are paid by the Lafourche Parish Council and are not included in the accompanying financial statements. The amount of these expenditures paid by the Parish Council is indeterminate.

### **Note 9                    RISK MANAGEMENT**

#### **GENERAL LIABILITY INSURANCE**

The Clerk of Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court purchases commercial insurance policies for any and all claims relating to the above types of risks.

The payment of the deductible is the only liability associated with these insurance policies. There has been no significant reduction in insurance coverage in the prior year. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

#### **HEALTH INSURANCE**

The Clerk of Court provides health and life insurance to employees through the Louisiana Clerk of Court Association. Under this insurance program, the Clerk pays initial premiums based on the level of the employee's participation and has no further liabilities on any claims.

*Required Supplemental Information*

**LAFOURCHE PARISH CLERK OF COURT**

*Budgetary Comparison Schedule - General Fund*

*For the Year Ended June 30, 2023*

<b>Revenues</b>	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final *</b>		<b>Favorable (Unfavorable)</b>
Suits and successions transferred				
from the Advance Deposit Fund	\$ 1,315,000	\$ 1,315,000	\$ 1,456,507	\$ 141,507
Recording fees	1,835,000	1,835,000	1,552,956	(282,044)
Certified copies	355,000	355,000	279,567	(75,433)
Fees in criminal cases	100,000	100,000	114,966	14,966
Interest earned	70,000	70,000	177,996	107,996
Mortgage certificates	14,000	14,000	17,815	3,815
Court attendance	20,000	20,000	18,200	(1,800)
Cancellations	4,000	4,000	4,100	100
Marriage licenses	18,000	18,000	14,944	(3,056)
Notarial fees	15,000	15,000	33,495	18,495
Other	143,600	143,600	479,283	335,683
<b>Total revenues</b>	<b>3,889,600</b>	<b>3,889,600</b>	<b>4,149,829</b>	<b>260,229</b>
<b>Expenditures</b>				
<b>Current-Judiciary:</b>				
Salaries and benefits	1,907,000	1,907,000	2,420,902	(513,902)
Group Insurance	500,000	500,000	505,378	(5,378)
Other Insurance	36,000	36,000	31,758	4,242
Office operations	1,323,250	1,323,250	638,273	684,977
Convention and Travel	13,000	13,000	29,166	(16,166)
Total current expenditures	3,779,250	3,779,250	3,625,477	153,773
<b>Capital outlay</b>	100,000	100,000	42,943	57,057
<b>Total expenditures</b>	<b>3,879,250</b>	<b>3,879,250</b>	<b>3,668,420</b>	<b>210,830</b>
Excess (deficiency) of revenues over expenditures	10,350	10,350	481,409	471,059
<b>Fund Balances</b>				
Beginning of year	10,213,656	10,213,656	10,980,113	766,457
End of year	<u>\$ 10,224,006</u>	<u>\$ 10,224,006</u>	<u>\$ 11,461,522</u>	<u>\$ 1,237,516</u>

\* NOTE: The budget was not amended during the year.

**LAFOURCHE PARISH CLERK OF COURT**  
**Louisiana Clerks' of Court Retirement & Relief Fund**  
**Last Ten Fiscal Years\***

Fiscal Year End Date Measurement Date	June 30, 2016 June 30, 2015	June 30, 2017 June 30, 2016	June 30, 2018 June 30, 2017	June 30, 2019 June 30, 2018	June 30, 2020 June 30, 2019	June 30, 2021 June 30, 2020	June 30, 2022 June 30, 2021	June 30, 2023 June 30, 2022
<b>SCHEDULE OF THE CLERK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY</b>								
Proportion of the net pension liability	1.705096%	1.689061%	1.527986%	1.462737%	1.414301%	1.377205%	1.396181%	1.446210%
Proportionate share of the net pension liability	\$ 2,557,698	\$ 3,124,719	\$ 2,311,742	\$ 2,432,971	\$ 2,568,359	\$ 3,313,369	\$ 1,857,254	\$ 3,505,271
Covered employee payroll	\$ 1,542,600	\$ 1,541,679	\$ 1,378,448	\$ 1,358,787	\$ 1,375,171	\$ 1,364,969	\$ 1,406,873	\$ 1,575,898
Proportionate share of the net pension liability as a percentage of its covered employee payroll	165.80%	202.68%	167.71%	179.05%	186.77%	242.74%	132.01%	222.43%
Plan fiduciary net position as a percentage of the total pension liability	78.13%	74.17%	79.69%	79.07%	77.93%	72.09%	85.40%	74.09%
<b>SCHEDULE OF CONTRIBUTIONS</b>								
Contractually required contribution	\$ 293,094	\$ 292,919	\$ 261,906	\$ 258,041	\$ 261,452	\$ 259,458	\$ 295,929	\$ 329,431
Contributions paid	\$ (293,094)	\$ (292,919)	\$ (261,906)	\$ (258,170)	\$ (261,283)	\$ (272,127)	\$ (295,929)	\$ (329,432)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (129)	\$ 169	\$ (12,669)	\$ -	\$ (1)
Covered employee payroll	\$ 1,541,679	\$ 1,378,448	\$ 1,378,448	\$ 1,358,787	\$ 1,375,171	\$ 1,364,969	\$ 1,406,873	\$ 1,575,898
Contribution as a percentage of covered employee payroll	19.01%	21.25%	19.00%	19.00%	19.00%	19.94%	21.03%	20.90%

\*Note: Initial Year of GASB 68 Implementation, Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Notes to Required Supplementary Information**

<i>Changes of Benefit Terms include:</i>	no changes							
<i>Changes of Assumptions</i>								
Actuarial Cost Method	Entry Age Normal							
Investment Rate of Return	7.25%	7.00%	7.00%	6.75%	6.75%	6.75%	6.55%	6.55%
Projected Salary Increases	5.75%	5.00%	5.00%	5.00%	5.00%	6.20%	6.20%	6.20%
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.40%	2.40%
Expected service lives	5 years							

**LAFOURCHE**

**Schedule of Changes in the Total OPEB Liability and Related Ratios**

Year ended:	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Valuation as of	1/1/2018	1/1/2018	1/1/2020	1/1/2020	1/1/2022	1/1/2022
Service cost	\$ 48,180	\$ 46,235	\$ 35,105	\$ 47,892	\$ 46,412	\$ 52,690
Interest	86,331	75,824	75,941	64,287	67,036	83,638
Changes of benefit terms	-	-	-	686,954	-	457,563
Differences between expected and actual experience	25,156	(220,600)	471,545	41,415	(586,407)	56,864
Changes in assumptions or other inputs	-	231,953	(276,659)	165,304	(596,096)	(230,827)
Benefit payments	(118,981)	(121,159)	(115,966)	(125,960)	(147,700)	(176,559)
Net change in Total OPEB Liability	40,686	12,253	189,966	879,892	(1,216,755)	243,369
Total OPEB Liability - beginning	2,396,154	2,436,840	2,449,093	2,639,059	3,518,951	2,302,196
Total OPEB Liability - ending	<u>\$ 2,436,840</u>	<u>\$ 2,449,093</u>	<u>\$ 2,639,059</u>	<u>\$ 3,518,951</u>	<u>\$ 2,302,196</u>	<u>\$ 2,545,565</u>
Covered employee payroll	\$ 1,424,751	\$ 1,442,805	\$ 1,444,523	\$ 1,490,924	\$ 1,524,422	\$ 1,714,849
OPEB Liability as a percentage of covered employee payroll	171.04%	169.75%	182.69%	236.02%	151.02%	148.44%

\*Note: Initial Year of GASB 75 Implementation is 2018. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Notes to Required Supplementary Information**

<i>Changes of Benefit Terms include:</i>	contributions are 50% for retirees and 100% for dependents	contributions are 50% for retirees and 100% for dependents	contributions are 50% for retirees and 100% for dependents	contributions are 25% for retirees and 100% for dependents	contributions are 25% for retirees and 100% for dependents	contributions are 100% for retirees and 0% for dependents
--	--	--	--	--	--	---

*Changes of Assumptions-Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.*

Discount rates	3.62% RPH-2014 Employee and Healthy Annuity, Generational with MP-2018	3.13% PubG.H-2010 employee and Healthy Annuitant, Generational with MP-2018	2.45% PubG.H-2010 employee and Healthy Annuitant, Generational with MP-2019	1.92% PubG.H-2010 employee and Healthy Annuitant, Generational with MP-2020	3.69% PubG.H-2010 employee and Healthy Annuitant, Generational with MP-2021	3.86% PubG.H-2010 employee and Healthy Annuitant, Generational with MP-2021
Mortality Rates						

## Other Supplementary Information

## LAFOURCHE PARISH CLERK OF COURT

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended June 30, 2023

**Agency Head Name:** Annette M. Fontana, Clerk of Court

Purpose	Amount
Salary	\$122,671
Salary - Supplemental	\$24,600
Salary - Statutory Allowance	\$14,727
Salary - Election Expense	\$2,400
Benefits - insurance	\$11,134
Benefits - retirement	\$49,409
Benefits - Deferred Compensation	\$10,000
Benefits - Medicare tax	\$2,947
Car Allowance	\$15,000
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements - auto maintenance	\$0
Travel	\$0
Registration fees (non-CLE)	\$2,083
Conference travel	\$3,548
Continuing professional education fees	\$45
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$2,849
Cell Phone	\$0
Other	\$0

This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on  
Supplemental Reporting

# Justice System Funding Schedule - Collecting/Disbursing Entity

## As Required by Act 87 of the 2020 Regular Legislative Session

### Identifying Information

**Entity Name**

LAFOURCHE PARISH CLERK OF COURT

**LLA Entity ID #** (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)

1174

**Date that reporting period ended** (mm/dd/yyyy)

June 30, 2023

**Cash Basis Presentation**

First Six Month Period Ended 12/31/22	Second Six Month Period Ended 06/30/23
---------------------------------------	--

**Beginning Balance of Amounts Collected (i.e. cash on hand)**

1,422,622	947,820
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**Add: Collections**

Civil Fees - Advanced Deposits	709,121	747,386
Civil Fees - Child Support Fees and Service Costs	57,089	58,845
Criminal Court Costs/Fees (Expungments & Paid Appeals)	3,988	12,341
Interest Earnings on Collected Balances	12,578	16,260
Other (do not include collections that fit into more specific categories above)	-	-

**Subtotal Collections**

<b>782,776</b>	<b>834,832</b>
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**Less: Disbursements To Governments & Nonprofits:** (Must include one agency name and one collection type on each line and may require multiple lines for the same agency if more than one collection type is applicable. Additional rows may be added as necessary.)

Louisiana Secretary of State - Service Fees	15,500	11,850
17th Judicial District Court - Judicial Expense	11,375	11,654
La. State Treasurer - Judges Supplemental Compensation Fund	33,085	33,935
La. Supreme Court Judicial Administrator - Fees	1,725	1,375
La. Supreme Court Judicial Administrator - Judicial College Fund	569	581
Lafourche Bar Association - Library Fund	4	8
Lafourche Parish Council - Jury	4,658	10,780
First Circuit Court of Appeal - Fees	4,263	1,640
Lafourche Parish Sheriff - Civil & Support Enforcement Service Fees	76,066	75,806
Acadia Parish Sheriff - Fees	101	36
Allen Parish Sheriff - Fees	23	-
Ascension Parish Sheriff - Fees	614	882
Assumption Parish Sheriff - Fees	1,282	767
Avoyelles Parish Sheriff - Fees	-	44
Beauregard Parish Sheriff - Fees	-	7
Bossier Parish Sheriff - Fees	127	32
Caddo Parish Sheriff - Fees	323	936

Calcasieu Parish Sheriff - Fees	389	654
Caldwell Parish Sheriff - Fees	-	66
Cameron Parish Sheriff - Fees	32	64
Concordia Parish Sheriff - Fees	64	64
Desoto Parish Sheriff - Fees	-	31
East Baton Rouge Parish Sheriff - Fees	23,923	21,906
Evangeline Parish Sheriff - Fees	-	66
Iberia Parish Sheriff - Fees	172	570
Iberville Parish Sheriff - Fees	32	100
Jefferson Parish Sheriff - Fees	4,122	4,885
Lafayette Parish Sheriff - Fees	1,602	1,869
Lincoln Parish Sheriff - Fees	-	119
Livingston Parish Sheriff - Fees	126	471
Natchitoches Parish Sheriff - Fees	45	-
Office of the City Constable	30	-
Orleans Parish Sheriff - Fees	3,560	4,156
Ouachita Parish Sheriff - Fees	75	50
Plaquemines Parish Sheriff - Fees	332	242
Pointe Coupee Parish Sheriff - Fees	214	37
Rapides Parish Sheriff - Fees	266	330
Richland Parish Sheriff - Fees	-	37
St. Bernard Parish Sheriff - Fees	137	34
St. Charles Parish Sheriff - Fees	876	557
St. Helena Parish Sheriff - Fees	60	-
St. James Parish Sheriff - Fees	666	937
St. John Parish Sheriff - Fees	142	196
St. Landry Parish Sheriff - Fees	161	137
St. Martin Parish Sheriff - Fees	158	110
St. Mary Parish Sheriff - Fees	558	1,033
St. Tammany Parish Sheriff - Fees	1,104	1,513
Tangipahoa Parish Sheriff - Fees	547	343
Tensas Parish Sheriff - Fees	88	-
Terrebonne Parish Sheriff - Fees	10,986	14,444
Vermilion Parish Sheriff - Fees	103	81
Washington Parish Sheriff - Fees	47	64
Webster Parish Sheriff - Fees	-	130
West Baton Rouge Parish Sheriff - Fees	134	174
Winn Parish Sheriff - Fees	-	35

**Less: Amounts Retained by Collecting Agency**

Amounts "Self-Disbursed" to Collecting Agency (*must include a separate line for each collection type, as applicable*) - Example: Criminal Fines - Other (*Additional rows may be added as necessary*)

Lafourche Parish Clerk - Civil Fees	709,121	747,386
Lafourche Parish Clerk - Support Enforcement	47,222	46,926
Lafourche Parish Clerk Criminal Fee Expungements & Appeals	3,988	12,341

**Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies**

Civil Fee Refunds	232,646	347,031
Other Disbursements - Attorney and Ad Hoc Fees	31,604	25,172
Other Disbursements - Special Master Hearing Officer	28,840	26,740
Other Disbursements - Court Reporters	1,751	2,307
Other Disbursements - Other Fees (Publications & Shipping)	761	758
Other Disbursements - Witness Fees	1,179	411
Payments to 3rd Party Collection/Processing Agencies	-	-

<b>Subtotal Disbursements/Retainage</b>	1,257,578	1,414,910
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<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	947,820	367,742
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<b>Ending Balance of "Partial Payments" Collected but not Disbursed</b> ( <i>only applies if collecting agency does not disburse partial payments until fully collected</i> ) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.	-	-
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**Other Information:**

Pauper Owing [Ending Balance of Total Amounts Assessed but not yet Collected ( <i>i.e. receivable balance</i> )]	3,927	4,920
Total Waivers During the Fiscal Period ( <i>i.e. non-cash reduction of receivable balances, such as time served or community service</i> )	-	-

## Justice System Funding Schedule - Receiving Entity

### As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
<b>Entity Name</b>	Lafourche Parish Clerk of Court
<b>LLA Entity ID #</b> (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	1174
<b>Date that reporting period ended</b> (mm/dd/yyyy)	June 30, 2023

If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund. Examples include Judicial Expense Fund, Drug Court Fund, Veterans Treatment Court Fund, etc.

Cash Basis Presentation

	First Six Month Period Ended 12/31/22	Second Six Month Period Ended 06/30/23
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**Receipts From:** (Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)

Lafourche Parish Sheriff Office - Criminal Bond Fee	1,524	1,342
Lafourche Parish Sheriff Office - Criminal Fines and Forfeitures	39,748	54,475
Lafourche Parish District Attorney - Asset Forfeiture	-	-
Lafourche Parish Government - Court Attendance	10,080	8,260

Agency name/collection type	-	-
<b>Subtotal Receipts</b>	51,352	64,077

<b>Ending Balance of Amounts Assessed but Not Received</b> (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 (do not include collections that fit into more specific categories above)

*Reports Required by  
Government Auditing Standards*



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

Honorable Annette M. Fontana  
Lafourche Parish Clerk of Court  
Thibodaux, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 9, 2023.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. 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 internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
November 9, 2023



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STAGNI & COMPANY, LLC

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***LAFOURCHE PARISH CLERK OF COURT***

**Statewide Agreed Upon  
Procedures Report  
With Schedule of Findings  
and Management's Responses**

***As of and for the Year Ending  
June 30, 2023***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## STATEWIDE AGREED-UPON PROCEDURES REPORT

Lafourche Parish Clerk of Court

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period July 1, 2022 – June 30, 2023**

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

We have performed the procedures enumerated below, on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Lafourche Parish Clerk of Court's (Clerk'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 the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

### ***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***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.
  - c) ***Disbursements***, including processing, reviewing, and approving.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that documentation is maintained to demonstrate that all employees, including elected officials, were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **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.

**Results:** *No findings were noted for these procedures tested.*

#### **Board or Finance Committee**

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



- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- b) For those entities reporting on the governmental accounting model, observe that 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.*
- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- d) Observe that 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.

**Results:** *These procedures are not applicable.*

### ***Bank Reconciliations***

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3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Results:** *No findings were noted for these procedures tested.*

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

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



5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) 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.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not also responsible for collecting cash, unless another employee verifies the reconciliation.
6. 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.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations". Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe 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).
  - e) Trace the actual deposit per the bank statement to the general ledger.

**Results:** *No findings were noted for these procedures tested.*



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

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - e) 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.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
11. Using the entity's main operating account and the month selected in "Bank Reconciliations" procedure #3, 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,

**Results:** *No findings were noted for these procedures tested.*



### **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing, by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (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.

**Results:** *No findings were noted for these procedures tested.*

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

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15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those



individuals participating) and other documentation required by written policy (procedure #1h).

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

**Results:** *No findings were noted for these procedures tested.*

### **Contracts**

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16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. 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:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
- c) 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).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** *These procedures are not applicable.*

### **Payroll and Personnel**

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17. 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.

18. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.



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

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

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

**Results:** *No findings were noted for these procedures tested.*

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates that each employee/official completed one hour of ethics training during the fiscal period as required by R.S. 42:1170.
- b. Observe that the entity maintains documentation which demonstrates that each employee/official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

**Results:** *No findings were noted for these procedures tested.*

### ***Debt Service***

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

24. 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).

**Results:** *These procedures are not applicable.*



## ***Fraud Notice***

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25. 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.
26. 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.

**Results:** *No findings were noted for these procedures tested.*

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

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27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
  - a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, 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.
  - b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 under "Payroll and Personnel" above. Observe evidence that the selected terminated employees have been removed or disabled from the network.

**Results:** *We performed the procedure and discussed the results with management. No exceptions were noted.*



## ***Prevention of Sexual Harassment***

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29. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, 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.
30. 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).
31. 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 it includes the applicable requirements of R.S. 42:344:
  - a. Number and percentage of public servants in the agency who have completed the training requirements;
  - b. Number of sexual harassment complaints received by the agency;
  - c. Number of complaints which resulted in a finding that sexual harassment occurred;
  - d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e. Amount of time it took to resolve each complaint.

**Results:** *No findings were noted for these procedures tested.*

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

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

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

*Stagni & Company*

Thibodaux, LA  
September 20, 2023



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STAGNI & COMPANY, LLC

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