

R E P O R T

ST. TAMMANY PARISH CLERK OF COURT

JUNE 30, 2021

ST. TAMMANY PARISH CLERK OF COURT

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March 31, 2022

To the Honorable Melissa Henry  
St. Tammany Parish Clerk of Court  
Covington, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court (Clerk) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the index to the report.

### Management's Responsibility 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 statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court as of June 30, 2021, 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.

## **Other Matters**

### *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 index to the report, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Clerk's basic financial statements. The other supplementary information as listed in the index to the report is presented for purpose of additional analysis and is not a required part of the financial statements. These other supplementary schedules are the responsibility of management and

were 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 statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the index is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2022 on our consideration of the Clerk's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

*Duplantier, Sharpner, Hogan and Grady, LLP*

New Orleans, Louisiana

ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

The management's discussion and analysis of the St. Tammany Parish Clerk of Court's (the Clerk) financial performance provides an overview and analysis of the Clerk's financial activities for the year ended June 30, 2021. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. This analysis should be read in conjunction with the audited financial statements, which follow this section.

## **FINANCIAL HIGHLIGHTS**

- Total program revenues of the Clerk were \$13,846,772 which was an increase of \$2,006,208, or 16.94%, as compared to the prior year.
- Total program expenses of the Clerk were \$15,588,339, which was an increase of \$1,517,218 or 10.78%, as compared to the prior year.
- The Clerk's total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources by \$19,168,195.
- Net position had a deficit balance in the amount of \$19,168,195. This deficit is the result of recording the Clerks' proportionate share of net pension liability and other post-employment benefits in the government-wide financial statements.
- The fund balance on the General Fund financial statements had a positive balance in the amount of \$6,527,708.
- As of July 1, 2020, the Clerk adopted GASB Statement No. 84 – *Fiduciary Activities*, which provides guidance on the identification, accounting and reporting of fiduciary activities. As a result of this implementation, the Advance Deposit Fund was reclassified to a special revenue fund. The result was an increase in current assets and liabilities of \$7,956,104 in the governmental funds balance sheet. Also, the beginning net position in the Registry of Court fund was restated to \$7,138,869.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of four sections: management's discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. Management's discussion and analysis is intended to serve as an introduction to the Clerk's basic financial statements. The basic financial statements consist of the government-wide financial statements, the fund financial statements, and the notes to the financial statements. This report also contains additional information to supplement the basic financial information, such as required supplementary information and other supplementary information.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to present the financial operations of the Clerk as a whole. The Statement of Net Position presents information on the Clerk's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net

ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Government-Wide Financial Statements: (Continued)**

position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Clerk is improving or weakening.

The Statement of Activities presents information showing how the Clerk'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 the related cash flows. As a result, transactions may be included that will not affect cash until future fiscal periods.

**Fund Financial Statements**

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. The Clerk uses two categories of funds to account for financial transactions, governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for governmental funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader insight on the long-term impact of the Clerk's more immediate decisions on the current use of financial resources. The governmental funds of the fund financial statements requires and includes a reconciliation following the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds accounted for by the Clerk are custodial in nature and represent assets held by the Clerk for litigants pending court action. Under applicable standards of GASB Statement No. 84, fiduciary funds are not included in the government-wide financial statements. These activities are excluded from the Clerk's governmental funds financial statements because these assets are not available to finance operations. The Clerk is responsible for ensuring that the assets reported in the fiduciary funds are used for their intended purposes.



ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Clerk's General Fund budgetary comparison to actual, its obligations to provide other postemployment benefits, the Clerk's proportionate share of net pension liability and the Clerk's contributions to the Louisiana Clerks' of Court Retirement and Relief Fund.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Condensed Statements of Net Position  
June 30, 2021 and 2020

	2021	2020	Change	Percentage Change
<b>ASSETS:</b>				
Current and other assets	\$ 14,687,155	\$ 6,370,769	\$ 8,316,386	130.54%
Capital assets, net	722,546	54,189	668,357	1233.38%
Total assets	<u>15,409,701</u>	<u>6,424,958</u>	<u>8,984,743</u>	139.84%
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>10,887,918</u>	<u>8,183,105</u>	<u>2,704,813</u>	33.05%
<b>LIABILITIES:</b>				
Current liabilities	203,343	54,614	148,729	272.33%
Long-term liabilities	44,555,905	31,327,356	13,228,549	42.23%
Total liabilities	<u>44,759,248</u>	<u>31,381,970</u>	<u>13,377,278</u>	42.63%
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>706,566</u>	<u>764,777</u>	<u>(58,211)</u>	-7.61%
<b>NET POSITION:</b>				
Net investment in capital assets	247,210	54,189	193,021	356.20%
Unrestricted net position (deficit)	<u>(19,415,405)</u>	<u>(17,592,873)</u>	<u>(1,822,532)</u>	10.36%
Total net position (deficit)	<u>\$ (19,168,195)</u>	<u>\$ (17,538,684)</u>	<u>\$ (1,629,511)</u>	9.29%

ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

**GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)**

Condensed Statements of Activities  
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>Percentage Change</u>
<b>Program Revenues:</b>				
Charges for services	\$ 13,191,789	\$ 11,220,140	\$ 1,971,649	17.57%
Operating grants and contributions	654,983	620,424	34,559	5.57%
Total program revenues	<u>13,846,772</u>	<u>11,840,564</u>	<u>2,006,208</u>	16.94%
<b>General Revenues:</b>				
Other revenues	79,309	103,939	(24,630)	-23.70%
Interest earnings	32,747	226,142	(193,395)	-85.52%
Total general revenues	<u>112,056</u>	<u>330,081</u>	<u>(218,025)</u>	-66.05%
Total revenues	<u>13,958,828</u>	<u>12,170,645</u>	<u>1,788,183</u>	14.69%
<b>Function /Program Expenses:</b>				
Administration	3,153,521	2,700,248	453,273	16.79%
Recordings and filings	2,681,194	1,764,519	916,675	51.95%
Mortgage certificates	726,417	1,048,299	(321,882)	-30.71%
Civil suits and probates	5,493,330	5,338,583	154,747	2.90%
Criminal suits and minutes	3,257,963	2,953,528	304,435	10.31%
Elections	275,914	265,944	9,970	3.75%
Total program expenses	<u>15,588,339</u>	<u>14,071,121</u>	<u>1,517,218</u>	10.78%
Change in net position	<u>\$ (1,629,511)</u>	<u>\$ (1,900,476)</u>	<u>\$ 270,965</u>	

**FUND FINANCIAL STATEMENTS ANALYSIS**

**Governmental Funds**

The Clerk maintains two governmental funds, the General Fund and a Special Revenue Fund. For the year June 30, 2021, the General Fund reported a fund balance of \$6,527,708 which increased by \$358,776 as compared to prior year. For the year ended June 30, 2021 the Special Revenue Fund reported a -0- fund balance.

**Fiduciary Funds**

The Clerk maintains one fiduciary fund, the Registry of Court Fund. Net position increased \$1,504,928 for the Registry of Court Fund as compared to the prior year.

ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

**ANALYSIS OF BUDGET VARIATIONS IN THE GENERAL FUND**

The variations from the budgeted revenues and expenditures for the General Fund were as follows:

- Revenues and operating transfers in were greater than the budget by \$662,850, or 5.24% due to favorable increases in fees for recording legal documents.
- Expenditures were greater than the budget by \$908,747, or 7.19%, mainly due to an increase in capital outlay expenditures reported under a capital lease agreement and increased personnel costs within the information technology and finance departments.

**CAPITAL ASSETS AND LONG-TERM OBLIGATIONS**

**Capital Assets**

Capital assets in the amount of \$722,546, represent the investment in office furniture and computer equipment, office improvements, and software net of accumulated depreciation and amortization expense. Net capital assets increased \$668,357 during 2021 due to additions in the amount of \$781,925 for computer equipment, software and office renovations, and reduction of the current year depreciation / amortization expense in the amount of \$113,568.

**Net Pension Liability**

At June 30, 2021, the Clerk reported \$13,615,517 for its proportionate share of net pension liability, \$5,437,134 for deferred outflows of resources and \$6,168 for deferred inflows of resources. See Note 6 to the basic financial statements for further details of the net pension liability, pension expense, deferred outflows of resources, and deferred inflows of resources.

**Other Postemployment Benefits Liability**

At June 30, 2021, the Clerk reported other postemployment benefits liability in the amount of \$22,508,948, \$5,450,784 for deferred outflows of resources and \$700,398 for deferred inflows of resources. See Note 7 to the basic financial statements for further details of the other postemployment benefits liability, expense, deferred outflows of resources and deferred inflows of resources.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

A review of the number of documents filed within the Recording Department during fiscal year 2021 indicates that 65,785 land documents were recorded. The number of recordings increased by 15,924 from the number of land documents that were recorded in fiscal year 2020.

ST. TAMMANY PARISH CLERK OF COURT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (Continued)**

The number of civil suit filings in fiscal year 2021 was 7,278. This represents a decrease of 136 civil suit filings, in comparison to the number of civil suit filings during fiscal year 2020.

Revenue for recording portal fees and cancellation fees have remained strong.

Services for passports and personal documents are available on an appointment basis due to the COVID 19 pandemic, thus, revenues for passports and personal documents have decreased.

Investment income has decreased due to decreases in interest rates.

In conclusion, the Clerk's office provides a wide range of services to the public and anticipates that it will be able to operate within the operating budget for the fiscal year 2021-2022.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the St. Tammany Parish Clerk of Court's finances. Questions concerning this report or the need for additional information should be directed to the Honorable Melissa Henry, Clerk of Court, St. Tammany Parish, P.O. Box 1090, Covington, LA 70434.

ST. TAMMANY PARISH CLERK OF COURT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 9,050,214
Investments	5,300,000
Receivables	8,261
Prepaid items	328,680
Capital assets, net of accumulated depreciation and amortization	<u>722,546</u>
Total assets	<u>15,409,701</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred outflows related to pensions	5,437,134
Deferred outflows related to other postemployment benefits	<u>5,450,784</u>
Total deferred outflows of resources	<u>10,887,918</u>
<b>LIABILITIES:</b>	
Accounts payable and other accrued liabilities	69,068
Unearned revenue	134,275
Non-current liabilities:	
Capital lease payable - due in one year	199,321
Capital lease payable - due in more than one year	276,015
Net pension liability	13,615,517
Other postemployment benefits	22,508,948
Advance deposits held	<u>7,956,104</u>
Total liabilities	<u>44,759,248</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred inflows related to pensions	6,168
Deferred inflows related to other postemployment benefits	<u>700,398</u>
Total deferred inflows of resources	<u>706,566</u>
<b>NET POSITION:</b>	
Net investment in capital assets	247,210
Unrestricted (deficit)	<u>(19,415,405)</u>
Total net position (deficit)	<u>\$ (19,168,195)</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

<u>Functions/ Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Net Position</u>
Governmental Activities:				
Administration	\$ 3,153,521	\$ -	\$ 111,412	\$ (3,042,109)
Recordings and filings	2,681,194	2,908,959	130,816	358,581
Mortgage certificates	726,417	788,125	30,956	92,664
Civil suits and probates	5,493,330	5,959,982	214,616	681,268
Criminal suits and minutes	3,257,963	3,534,723	153,027	429,787
Elections	275,914	-	14,156	(261,758)
	<u>\$ 15,588,339</u>	<u>\$ 13,191,789</u>	<u>\$ 654,983</u>	<u>(1,741,567)</u>
Total Governmental Activities				
General Revenues:				
				32,747
				79,309
				<u>112,056</u>
				(1,629,511)
				<u>(17,538,684)</u>
				<u>\$ (19,168,195)</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
GOVERNMENTAL FUNDS BALANCE SHEET  
JUNE 30, 2021

	General Fund	Advance Deposit Fund	Total
ASSETS:			
Cash and cash equivalents	\$ 4,194,110	\$ 4,856,104	\$ 9,050,214
Investments	2,200,000	3,100,000	5,300,000
Receivables	8,261	-	8,261
Prepaid items	328,680	-	328,680
TOTAL ASSETS	<u>\$ 6,731,051</u>	<u>\$ 7,956,104</u>	<u>\$ 14,687,155</u>
LIABILITIES:			
Accounts payable	69,068	-	69,068
Unearned revenue	134,275	-	134,275
Advance deposits held	-	7,956,104	7,956,104
Total liabilities	<u>203,343</u>	<u>7,956,104</u>	<u>8,159,447</u>
FUND BALANCE:			
Nonspendable prepaid items	328,680	-	328,680
Committed for technology	621,019	-	621,019
Unassigned	5,578,009	-	5,578,009
Total fund balance	<u>6,527,708</u>	<u>-</u>	<u>6,527,708</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,731,051</u>	<u>\$ 7,956,104</u>	<u>\$ 14,687,155</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021

Total governmental fund balance	\$ 6,527,708
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	722,546
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund as follows:	
Capital leases payable	(475,336)
Net pension liability	(13,615,517)
Other postemployment benefits payable	(22,508,948)
Pension and other postemployment benefits related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year; and, therefore, are not reported in the governmental fund as follows:	
Deferred outflows of resources	10,887,918
Deferred inflows of resources	(706,566)
Net position (deficit), as reflected on the Statement of Net Position	<u>\$ (19,168,195)</u>

The accompanying notes are an integral part of these financial statements.



ST. TAMMANY PARISH CLERK OF COURT  
 GOVERNMENT FUNDS STATEMENT OF  
 REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Advance Deposit Fund	Total
REVENUES:			
Fees, charges, and commissions for services:			
Court costs, fees, and charges	\$ 495,786	\$ 3,918,855	\$ 4,414,641
Fees for recording legal documents	7,898,593	-	7,898,593
Fees for certified copies	124,081	-	124,081
Fees for on-line public access	767,796	-	767,796
Interest income	32,747	-	32,747
Other	65,983	-	65,983
Total revenues	<u>9,384,986</u>	<u>3,918,855</u>	<u>13,303,841</u>
EXPENDITURES:			
Current:			
Administration	343,228	-	343,228
Recordings and filings	1,640,121	-	1,640,121
Mortgage certificates	574,585	-	574,585
Civil suits and probates	4,305,318	-	4,305,318
Criminal suits and minutes	2,583,850	-	2,583,850
Elections	218,395	-	218,395
Information technology	658,641	-	658,641
Finance	1,028,297	-	1,028,297
Human resources	293,784	-	293,784
Records management	488,091	-	488,091
Purchasing	70,417	-	70,417
Retirees	421,883	-	421,883
Capital outlay	781,925	-	781,925
Debt service:			-
Capital lease principal	129,336	-	129,336
Capital lease interest	11,867	-	11,867
Total expenditures	<u>13,549,738</u>	<u>-</u>	<u>13,549,738</u>
Excess of revenues over expenditures	<u>(4,164,752)</u>	<u>3,918,855</u>	<u>(245,897)</u>
Other Financing Sources:			
Operating transfers in	3,918,855	-	3,918,855
Operating transfers out	-	(3,918,855)	(3,918,855)
Capital lease transaction	604,673	-	604,673
Total other financing sources	<u>4,523,528</u>	<u>(3,918,855)</u>	<u>604,673</u>
Net change in fund balance	358,776	-	358,776
Fund balance, beginning of the year	<u>6,168,932</u>	<u>-</u>	<u>6,168,932</u>
FUND BALANCE, END OF THE YEAR	<u>\$ 6,527,708</u>	<u>\$ -</u>	<u>\$ 6,527,708</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

Net change in fund balance - governmental fund \$ 358,776

Amounts reported for governmental activities in the  
Statement of Activities are different because:

The governmental fund reports capital outlays as expenditures. However,  
in the Statement of Activities, the cost of those assets is allocated  
over their estimated useful lives and reported as depreciation expense:

Capital outlay	781,925
Depreciation and amortization expense	(113,568)

Capital lease transactions are reported as other financing sources in the  
governmental funds; however, in the Statement of Activities, they are not  
reported as revenues as they increase the liability on the Statement of  
Net Position. (604,673)

The governmental fund reports payments for leased computer equipment as  
expenditures. However, in the Statement of Activities, the lease payments are  
not reported as expenditures as they reduce the liability on the Statement  
of Net Position. 129,336

Changes in the Clerk's other postemployment benefits liability, deferred  
outflows of resources, and deferred inflows of resources related to the  
other postemployment benefits not reported in the governmental funds  
but are reported on the Statement of Activities. (1,446,281)

Changes in the Clerk's proportionate share of net pension liability, deferred  
outflows of resources, and deferred inflows of resources related to the  
pension plan not reported in the governmental funds but are  
reported on the Statement of Activities. (735,026)

Change in net position, as reflected on the Statement of Activities \$ (1,629,511)

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2021

	<u>Registry of Court</u>
ASSETS:	
Cash and cash equivalents	\$ 8,643,797
Investments	<u>-</u>
 TOTAL ASSETS	 <u>\$ 8,643,797</u>
 NET POSITION:	
Fiduciary net position - held for others	<u>\$ 8,643,797</u>
 TOTAL NET POSITION	 <u>\$ 8,643,797</u>

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2021

	Registry of Court Fund
ADDITIONS:	
Deposits:	
Judgments	\$ 3,374,092
Interest earned on investments	1,783
Total additions	3,375,875
 REDUCTIONS:	
Settlement to litigants	1,843,245
Other	27,702
Total reductions	1,870,947
 Net change in fiduciary net position	1,504,928
 Net position, beginning of the year - restated	7,138,869
 Net position, end of the year	\$ 8,643,797

The accompanying notes are an integral part of these financial statements.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the St. Tammany Parish Clerk of Court (the Clerk) serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and has other duties and powers provided by law. The Clerk is elected for a four-year term. The Clerk is solely responsible for the operations of her office, which include the hiring or retention of employees, budgeting and the receipt and disbursement of funds. Accordingly, the Clerk is fiscally independent and a separate reporting entity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Statement Presentation:

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

Financial Reporting Entity:

For financial reporting purposes, the Clerk includes all funds, account groups, and activities that are within the oversight responsibility of the Clerk as an independently elected parish official.

Government-Wide Financial Statements:

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Clerk except for the fiduciary fund. Fiduciary funds are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The government-wide financial statements are reported on the full accrual basis of accounting and the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Financial Statements:

Government fund financial statements are accounted for using the modified accrual basis of accounting and a current financial resources measurement focus. Revenues are recognized when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, compensated absences, capital lease liability, pension liability, and other postemployment benefits are recorded when paid.

Fees and charges for services, interest earnings and other revenues of the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Clerk.

The fund financial statements of the Clerk consist of two major governmental funds and a fiduciary fund as follows:

General Fund:

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

Special Revenue Fund:

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

Fiduciary Fund:

The fiduciary fund accounts for one fund, the Registry of Court Fund. This fund accounts for assets held on behalf of outside parties. The fiduciary fund of the Clerk is custodial in nature and does not involve measurement of results of operations. The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary. Withdrawals of funds can be made only upon order of the court.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Financial Statements: (Continued)

Budget and Budgetary Accounting:

Formal budget integration is employed as a management control device during the year for the General Fund. The budget is prepared on the modified accrual basis of accounting, consistent with the basis of accounting for comparability of budgeted and actual revenue and expenditures. Budgets amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The proposed budget for the fiscal year 2021 was published in the official journal and made available for public inspection at the Clerk's office on May 27, 2020. The budget hearing was held at the Clerk's office on June 15, 2020. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year-end.

Cash, Cash Equivalents, and Investments:

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposit, money market-like investment pools, and certificates of deposit with original maturities of three months or less from the date of acquisition.

State law allows investments in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. government; time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic U.S. corporations. In addition, the Clerk may invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation organized under the laws of the State of Louisiana.

It is the Clerk's policy to invest in certificates of deposit and LAMP. Investments are stated at fair value based on quoted market prices.

Capital Assets:

Capital assets consist of office furniture and equipment, intangible software and office improvements. Capital assets are reported in the government-wide financial statements and are valued at historical cost, estimated cost or fair value if donated. The Clerk maintains a threshold level of \$2,500 or more for capitalizing assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Office furniture, equipment and improvements are depreciated using the straight-line method over the useful life. Intangible software is amortized using the straight-line method over the useful life.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Capital Assets: (Continued)

Useful lives of capital assets are as follows:

Office furniture and equipment	2-10 years
Office improvements	15-25 years
Intangible software	3-7 years

In the fund financial statements, capital assets used in operations are accounted for as capital outlay expenditures.

Deferred Outflows and Inflows of Resources:

*Deferred outflows of resources* represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that future time.

*Deferred inflows of resources* represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that future time.

Compensated Absences:

Employees accrue vacation leave at a rate of 10 to 20 days per year, according to the years of service with the Clerk's office. Employees accrue sick leave at a rate of 6 to 12 days per year, according to years of service with the Clerk's office. Employees are not allowed to carry forward any unused sick leave from the year. Any unused time will be forfeited at the end of the fiscal year. Upon termination, or at retirement, employees are paid for all unused vacation leave. At retirement, employees who are eligible for enrolling in the Louisiana Clerks' of Court Retirement and Relief Fund are paid for unused sick leave up to a maximum of 20 days.

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a liability in the Statement of Net Position. There was no liability reported as of June 30, 2021.

Fund Balance:

The Clerk has the highest level of decision-making authority for her agency and can establish, modify, or rescind a fund balance commitment. For assigned fund balance, the Clerk authorizes management to assign amounts for specific purpose. For the governmental fund financial statements, fund balance is classified in the following components:

- *Non-spendable* includes fund balance amounts that cannot be spent either because it is in non-spendable form or because of legal or contractual constraints.



ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Fund Balance: (Continued)

- *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers (such as grantors, bondholders, and higher levels of government) or amounts constrained due to constitutional provisions or enabling legislation.
- *Committed* includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Clerk. To be reported as *committed*, amounts cannot be used for any other purpose unless the Clerk takes the same highest level action to remove or change the constraint.
- *Assigned* includes fund balance amounts that the Clerk intends to use for specific purposes as determined by the Clerk that are neither considered restricted nor committed.
- *Unassigned* fund balance amounts include the residual amounts of fund balance which do not fall into one of the other components. Positive amounts are reported only in the General Fund.

When both restricted and unrestricted fund balances are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted as needed. When committed, assigned or unassigned fund balances are available for use it is the Clerk's policy to use committed resources first, then assigned resources and unassigned resources as they are needed.

Net Position:

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

- *Net investment in capital assets* consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted net position* consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets where constraints are placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Net Position: (Continued)

- *Unrestricted net position* is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

When both restricted and unrestricted resources are available for use, it is the policy of the Clerk to use restricted resources first, then unrestricted as needed.

Unearned Revenue:

Unearned revenues are a liability that represents amounts received, but not earned. Unearned revenue consists of fees for services collected in advance.

Advance Deposits Held:

Advance deposits held represents funds held on behalf of outside parties to be paid to other governments, and/or other agencies as dictated by law or by the court.

Pension Plans:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana Clerks' of Court Retirement and Relief Fund (LCCRRF) and changes in LCCRRF's fiduciary net position have been determined on the same basis as they are reported by LCCRRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Prepaid Expenses:

Prepaid expenses are recorded in the year that the expenditure is accrued using the consumption method.

Use of Estimates:

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

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Operating transfers in/out:

Operating transfers in/out represents the court fees earned by the advance deposit fund that are transferred to the general fund to fund operations of the Clerk.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Cash and Cash Equivalents:

At June 30, 2021, the Clerk had cash and cash equivalents as follows:

	Governmental Funds			Fiduciary Fund
	General Fund	Advance Deposit Fund	Total	
Petty cash	\$ 4,123	\$ -	\$ 4,123	\$ -
Interest bearing deposits	3,289,987	3,406,104	6,696,091	8,643,797
LAMP - pooled account	900,000	1,450,000	2,350,000	-
 Total cash and cash equivalents	 \$ 4,194,110	 \$ 4,856,104	 \$ 9,050,214	 \$ 8,643,797

Custodial credit risk is the risk that, in the event of bank failure, the Clerk’s deposits might not be recovered. At June 30, 2021, the Clerk had \$16,697,691 in deposits (collective bank balances), which included \$8,047,794 in interest bearing bank accounts within the Governmental Funds (General and Advance Deposit funds), and \$8,649,897 in interest bearing bank accounts within the Fiduciary Fund. Under state law, deposits within a bank must be secured by federal deposit insurance or the pledged securities in joint custody. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. All deposits were fully insured or collateralized.

Louisiana Asset Management Pool, Inc. (LAMP):

LAMP is a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

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

ST. TAMMANY PARISH CLERK OF COURT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Louisiana Asset Management Pool, Inc. (LAMP): (Continued)

LAMP is a money market-like investment pool. The following facts are relevant for money market-like investments pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor’s.
- Custodial credit risk: LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5% disclosure requirement.
- Interest rate risk: Money market-like investment pools are excluded from this disclosure requirement, per paragraph 15 of GASB Statement No. 40.
- Foreign currency risk: Not applicable to money market-like pools.

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

LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. The LAMP administrative office can be reached at 800-249-5267 for any questions.

Investments:

As of June 30, 2021, the Clerk had investments in certificates of deposit with original maturity dates over 90 days as follows:

	<u>General Fund</u>	<u>Advance Deposit Fund</u>	<u>Total</u>
Certificates of deposit	<u>\$ 2,200,000</u>	<u>\$ 3,100,000</u>	<u>\$ 5,300,000</u>

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS: (Continued)

Investments: (Continued)

The Clerk categorizes the fair value measurements of its investments based on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 are significant unobservable inputs. All of the Clerk's investments are measured using Level 1 inputs.

Custodial Credit Risk:

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Clerk will not be able to recover the value of its investments that are in the possession of an outside party. At June 30, 2021, certificates of deposit with original maturity dates greater than 90 days totaled \$2,200,000 for the General Fund and \$3,100,000 for the Advance Deposit Fund. These balances were fully secured by federal deposit insurance and pledged securities held by the custodial bank in joint custody as of June 30, 2021. The Clerk has no policy on custodial credit risk.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Clerk has no policy on interest rate risk. At June 30, 2021, certificates of deposit maturing in less than one year totaled \$5,050,000 and certificates of deposit maturing within one to five years totaled \$250,000.

Concentration of Credit Risk:

Concentration of credit risk relates to the amount of investments in any one entity. At June 30, 2021, the Clerk held investments in five issuers which exceeded 5% of total investments. Investments in the LAMP account, which is a pooled account, are excluded from the 5% rule. The Clerk has no policy on concentration of credit risk.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

3. CAPITAL ASSETS:

The following is a summary of changes in capital assets during the period July 1, 2020 to June 30, 2021.

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets being depreciated/amortized:				
Computers, furniture and equipment	\$ 990,956	\$ 604,673	\$ (134,396)	\$ 1,461,233
Office improvements	-	113,772	-	113,772
Intangible - software	-	63,480	-	63,480
Total capital assets being depreciated/amortized	990,956	781,925	(134,396)	1,638,485
Less: accumulated depreciation/amortization	(936,767)	(113,568)	134,396	(915,939)
Net capital assets	<u>\$ 54,189</u>	<u>\$ 668,357</u>	<u>\$ -</u>	<u>\$ 722,546</u>

Depreciation and amortization expense in the amount of \$109,336 and \$4,232, respectively, for the year ended June 30, 2021 was charged to the following governmental functions/programs:

Administration	\$ 21,240
Recording and filings	19,265
Mortgage certificates	7,019
Civil suits and probates	38,724
Criminal suits and minutes	25,213
Elections	2,107
	<u>\$ 113,568</u>

4. LONG-TERM OBLIGATIONS:

A summary of long-term obligations is as follows:

	Balance July 1, 2020	Net Increase (Decrease)	Balance June 30, 2021	Due Within One Year
Other postemployment benefits	\$ 20,933,606	\$ 1,575,342	\$ 22,508,948	\$ -
Net pension liability	10,246,527	3,368,990	13,615,517	-
Capital lease payable	-	475,336	475,336	199,321
	<u>\$ 31,180,133</u>	<u>\$ 5,419,668</u>	<u>\$ 36,599,801</u>	<u>\$ 199,321</u>

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

5. RISK MANAGEMENT:

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk, along with other Clerks of Court in the State of Louisiana, is a member of the Louisiana Association of Clerks of Court Risk Management Agency (LACCRM). LACCRM is a public entity risk pool currently operating as a common risk management and insurance program for the members of the Clerks of Court. The Clerks pay an annual premium to LACCRM for their general insurance coverage. The Articles of Association of the LACCRM provide that LACCRM will be self-sustaining through member premiums. The LACCRM pays claims, in excess of the Clerk's deductible of \$3,750, up to a maximum limit of \$1,000,000 for each insured event. No settlements exceeded insurance coverage for each of the past three fiscal years. For the year ended June 30, 2021, the Clerk's general risk insurance expenditure totaled \$51,927.

From time to time, the Clerk is involved as a defendant in actual or threatened litigation, which is not covered by insurance. At June 30, 2021, there were no pending or threatened claims, which, in the opinion of the Clerk's legal advisors, would have a material adverse effect on the financial statements, should such claims be settled in favor of the plaintiffs.

6. PENSION PLAN:

Plan Description:

Substantially all employees of the Clerk are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan administered by the Louisiana Clerk of Court Retirement and Relief Fund (LCCRRF).

LCCRRF was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:1501 for eligible employees of the clerk of the Supreme Court, each of the parish courts, each of the courts of appeal, each of the city and traffic courts in cities having a population in excess of four hundred thousand at the time of entrance into the LCCRRF, and the Louisiana Clerks' of Court Association. 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 LCCRRF in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

LCCRRF issues an annual publicly available financial report that includes financial statements and required supplementary information for LCCRRF. That report may be obtained on the Louisiana Clerks' of Court Retirement and Relief Fund website: [www.laclerksofcourt.org](http://www.laclerksofcourt.org).

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Benefits Provided:

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

Disability Benefits:

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

Survivor Benefits:

Upon the death of any active contributing member with less than five years of credited service, his/her accumulated contributions are paid to his/her designated beneficiary. Upon the death of any active contributing member with five or more years of credited service, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments are to commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced ¼ of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor



ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Survivor Benefits: (Continued)

children under 18 or disabled children shall be paid ½ of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than 12 years of service, the designated beneficiary may receive his/her accumulated contributions. Upon the death of any former member with 12 or more years of service, automatic option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

Deferred Retirement Option Plan (DROP):

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

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

Upon termination, the member receives a lump-sum payments from the DROP fund equal to the payments made to that fund on his behalf or a true annuity based in his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. Prior to January 1, 2011, the average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Deferred Retirement Option Plan (DROP): (Continued)

36 months. Effective January 1, 2011, the average compensation for members whose additional service is less than 36 months is equal to the lesser amount used to calculate his original benefit or the compensation earned in the period of additional service divided by the number of months of additional service. For former DROP participants who retire after December 30, 2010, the period used to determine final average compensation for post-DROP service is 36 months plus the number of whole months elapsed from January 1, 2011 to the date of DROP entry. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Cost-of-Living Adjustments (COLAs):

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

Contributions:

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended June 30, 2021, the actual employer contribution rate was 21.00%. For the year ended June 30, 2021, the actuarially determined employer contribution rate was 21.24%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

In accordance with state statute, LCCRRF 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. For the year ended June 30, 2021, the Clerk recognized revenue from non-employer contributing entities in the amount of \$654,983 on the Statement of Activities.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Schedule of Employer Allocations:

The schedule of employer allocations reports the historical employer contributions in addition to the employer allocation percentage. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of LCCRRF. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the Fund during the fiscal year ended June 30, 2020, as compared to the total of all employers' contributions received by the Fund during the fiscal year ended June 30, 2020.

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

At June 30, 2021, the Clerk reported a liability of \$13,615,517 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the measured net pension liability was based the Clerk's share of actual contributions to the pension plan relative to the actual contributions of all participating employers. At the June 30, 2020 measurement date, the Clerk's proportion was 5.659%, which was an increase of 0.017% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Clerk recognized pension expense of \$1,390,009. At June 30, 2021, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,702	\$ -
Changes of assumptions	1,207,581	-
Net difference between projected and actual earnings on pension plan investments	2,918,150	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	40,836	6,168
Employer contributions subsequent to the measurement date	1,268,865	-
Total	<u>\$ 5,437,134</u>	<u>\$ 6,168</u>

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: (Continued)

Deferred outflows of resources of \$1,268,865 related to pensions resulting from the Clerk’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2022	\$ 1,026,342
2023	1,367,501
2024	987,229
2025	781,029
	<u>\$ 4,162,101</u>

Actuarial Assumptions:

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.75%, net of investment expense
Inflation	2.50%
Salary Increases	6.20% (1-5 years of service) 5.00% (5 or more years of service)
Date of Experience Study	July 1, 2014 - June 30, 2019
Mortality Rates	Pub- 2010 Public Retirement Plans multiplied by 120%. Mortality Table with full generational projection using the appropriate MP-2019 improvement scale
Expected Remaining Service Lives	5 years for 2014 through 2020
Cost-of-Living Adjustment	The present value of future retirement benefits is based on benefits currently being paid by the Fund and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used are based on the assumptions used in the 2020 actuarial funding valuation which (with the exception of mortality) were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019 unless otherwise specified. In cases where benefit structures were changes after the experience study period, assumptions were based on future experiences.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

6. PENSION PLAN: (Continued)

Actuarial Assumptions: (Continued)

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

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected rate of return was 6.18% as of June 30, 1899. The best estimates of geometric real rates of return for each major asset class included in LCCRRF’s target asset allocation as of June 30, 1899 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income:		
Domestic Bonds	20.00%	2.50%
International Bonds		3.50%
Domestic Equity	33.00%	7.50%
International Equity	22.00%	8.50%
Real Estate	15.00%	4.50%
Hedge Funds	10.00%	6.59%
	100.00%	

Discount Rate:

The discount rate used to measure the total pension liability was 6.75%. 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 System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

ST. TAMMANY PARISH CLERK OF COURT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

6. PENSION PLAN: (Continued)

Sensitivity of the Clerk’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the Clerk’s proportionate share of the net pension liability of LCCRRF as of June 30, 1899 using the discount rate of 6.75%, as well as what the Clerk’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	Change in Discount Rate		
	1.0% Decrease 5.75%	Current Discount Rate 6.75%	1.0% Increase 7.75%
Net Pension Liability	\$ 19,000,254	\$ 13,615,517	\$ 9,076,851

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial report for Louisiana Clerks’ of Court Retirement and Relief Fund and can be obtained on LCCRRF’s respective website: [www.laclerksofcourt.org](http://www.laclerksofcourt.org) or on the Louisiana Legislative Auditor’s website: [www.la.gov](http://www.la.gov).

Payables to the Pension Plan:

As of June 30, 2021, the Clerk had no outstanding amount of contributions payable to LCCRRF.

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB):

Plan Description:

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

ST. TAMMANY PARISH CLERK OF COURT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Benefits Provided:

Medical, dental, and life insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees are covered by the Louisiana Clerks' of Court Retirement and Relief Fund, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: Attainment of age 55 and 12 years of service; or, attainment of age 60 and 12 years of service for employees hired on and after January 1, 2011. Employees hired on and after January 1, 2011 are not able to retire or enter DROP until age 60 without actuarial reduction in benefits.

Employees covered by benefit terms:

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	73
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	160
Total	233

Contributions:

The Clerk pays the cost of the retiree coverage, less the portion paid by the retiree, as those premiums come due each year. During the fiscal year ended June 30, 2021, the Clerk paid \$213,778 for retiree insurance premiums.

Actuarial Methods and Assumptions:

The OPEB total liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.16% annually
Salary Increases	3.0% annually
Inflation	2.0% annually
Healthcare Cost Trend Rate	5.50% annually until year 2030, then 4.5%
Mortality	SOA RP-2014 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation Index on the applicable measurement dates. The 20 – Bond Index consists of 20 general obligation bonds that mature in 20 years.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Actuarial Methods and Assumptions: (Continued)

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at June 30, 2020	<u>\$ 20,933,606</u>
Changes for the year:	
Service Cost	759,345
Interest	471,023
Differences between expected and actual experience	371,220
Changes in assumptions	187,532
Benefit payments and net transfers	<u>(213,778)</u>
Net changes	<u>1,575,342</u>
Balance at June 30, 2021	<u><u>\$ 22,508,948</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point-higher (3.16%) than the current discount rate:

	<u>1.0% Decrease (1.16%)</u>	<u>Current Discount Rate (2.16%)</u>	<u>1.0% Increase (3.16%)</u>
Total OPEB Liability	<u>\$ 27,073,836</u>	<u>\$ 22,508,948</u>	<u>\$ 18,941,871</u>

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates:

The following presents the total OPEB liability of the Clerk, as well as what the Clerk's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point-lower (4.5%) or 1-percentage-point-higher (6.5%) than the current healthcare cost trend rates:



ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB): (Continued)

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates: (Continued)

	1.0% Decrease (4.5%)	Healthcare Cost Trend Rates (5.5%)	1.0% Increase (6.5%)
Total OPEB Liability	\$ 19,451,701	\$ 22,508,948	\$ 26,436,228

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

The Clerk's total OPEB liability of \$22,508,948 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

For the year ended June 30, 2021, the Clerk recognized OPEB expense of \$1,662,023. As of June 30, 2021, the Clerk reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 579,470	\$ 700,398
Changes in assumptions	4,871,314	-
Total	\$ 5,450,784	\$ 700,398

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

Year Ending <u>June 30</u>	
2022	\$ 429,693
2023	429,693
2024	429,693
2025	429,693
2026	429,693
Thereafter	2,601,921
Total	\$ 4,750,386

Payables to the OPEB Plan:

As of June 30, 2021, the Clerk had no outstanding payable to the OPEB plan.

ST. TAMMANY PARISH CLERK OF COURT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

8. DEFERRED COMPENSATION PLAN:

Certain employees of the Clerk participate in the Louisiana Public Employees Deferred Compensation Plan (the Plan) adopted under the provisions of the Internal Revenue Code Section 457. After one year of employment, the Clerk's office matches the employee's contribution for the first \$200 contributed. Employee contributions over \$200 are matched by the Clerk's office up to 6.5% of the employee's annual salary. After 10 years of employment, the Clerk's office increases the percentage to 10.5% of the employee's annual salary. Complete disclosures related to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana, 70804-9397. Total deferred compensation expenditure at June 30, 2021 was \$256,687.

9. LEASES:

Capital Lease:

The Clerk leases computer equipment under a three-year agreement recorded as a capital lease. As of June 30, 2021, obligations under the capital lease agreement are recorded at the present value of future minimum lease payments, with an interest rate of 3.25%. The capital lease terms extend through October 1, 2023. Future minimum payments on obligations under the capital lease agreement are as follows:

Year Ending <u>June 30</u>	Lease <u>Payments</u>
2022	\$ 211,804
2023	211,804
2024	<u>70,601</u>
Total future minimum payments	494,209
Less: interest component of future minimum payments	<u>(18,873)</u>
Net capital lease obligations	<u>\$ 475,336</u>

Assets acquired through the capital lease are as follows:

Computer equipment	\$ 604,673
Less: accumulated depreciation	<u>(84,722)</u>
Total	<u>\$ 519,951</u>

Operating Leases:

The Clerk leases various office equipment on a month-to-month basis. Total rental expenditures under these leases totaled \$82,112 for the year ended June 30, 2021.

ST. TAMMANY PARISH CLERK OF COURT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2021

10. COMMITMENTS:

As of June 30, 2021, the Clerk was contractually committed to spending \$621,019 for a software license over a period of five years. The general fund will be used to fund these commitments.

11. DEFICIT NET POSITION:

The Clerk reported a deficit unrestricted net position of \$19,168,195 as of June 30, 2021. This deficit is due to the recording of net pension liability and other postemployment benefits on the government-wide financial statements.

12. NEW ACCOUNTING PRONOUNCEMENT:

As of July 1, 2020, the Clerk adopted GASB Statement No. 84, *Fiduciary Activities*. This statement establishes new criteria for identifying and reporting fiduciary activities. The focus of the criteria generally is on (1) whether the Clerk controls the assets of a fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. With the adoption of GASB Statement No. 84, the Advance Deposit Fund was reclassified as a special revenue fund; thus increasing current assets and current liabilities by \$7,956,104 in the governmental funds. Also, a statement of fiduciary net position and a statement of changes in fiduciary net position have been presented as basic financial statements. These statements consist of the Clerk's registry of court fund, which was formerly an agency fund of the Clerk (assets and liabilities). The changes for the Registry of Court financial statements had the following effect as of July 1, 2020:

	<u>As Previously Presented</u>	<u>After Adoption of GASB 84</u>
Liabilities:		
Unsettled Deposits	\$ 7,138,869	
Net Position		\$ 7,138,869

13. UNCERTAINTIES:

The COVID-19 outbreak is disrupting businesses and local governments across the United States. As a result, local, regional and national economies could be adversely impacted. The extent of any financial impact to the Clerk will depend on future developments, including the duration and spread, which are uncertain and cannot be predicted. Due to the uncertainties surrounding the outbreak, management cannot presently estimate the potential impact on the Clerk's operations and finances.

ST. TAMMANY PARISH CLERK OF COURT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Fees, charges, and commissions for services:				
Court costs, fees, and charges *	\$ 5,161,691	\$ 5,161,691	\$ 495,786	\$ (4,665,905)
Fees for recording legal documents	6,227,453	6,227,453	7,898,593	1,671,140
Fees for certified copies	160,707	160,707	124,081	(36,626)
Fees for on-line public access	530,961	530,961	767,796	236,835
Interest income	268,390	268,390	32,747	(235,643)
Other	291,789	291,789	65,983	(225,806)
Total revenues	<u>12,640,991</u>	<u>12,640,991</u>	<u>9,384,986</u>	<u>(3,256,005)</u>
<b>EXPENDITURES:</b>				
Current:				
Administration	353,744	353,744	343,228	10,516
Recordings and filings	1,651,724	1,651,724	1,640,121	11,603
Mortgage certificates	1,028,232	1,028,232	574,585	453,647
Civil suits and probates	4,062,509	4,062,509	4,084,681	(22,172)
Criminal suits and minutes	2,766,669	2,766,669	2,583,850	182,819
Elections	246,487	246,487	218,395	28,092
Information technology	349,010	349,010	658,641	(309,631)
Finance	498,618	498,618	1,028,297	(529,679)
Human resources	321,860	321,860	293,784	28,076
Records management	460,691	460,691	488,091	(27,400)
Purchasing	101,460	101,460	70,417	31,043
Slidell	249,095	249,095	220,637	28,458
Retirees	427,377	427,377	421,883	5,494
Capital outlay **	123,515	123,515	781,925	(658,410)
Debt service - capital lease	-	-	141,203	(141,203)
Total expenditures	<u>12,640,991</u>	<u>12,640,991</u>	<u>13,549,738</u>	<u>(908,747)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,164,752)	(4,164,752)
Other financing sources				
Capital lease **	-	-	604,673	604,673
Operating transfers In *	-	-	3,918,855	3,918,855
Total other financing sources	<u>-</u>	<u>-</u>	<u>4,523,528</u>	<u>4,523,528</u>
Net change in fund balance	-	-	358,776	(4,164,752)
FUND BALANCE, BEGINNING	6,168,932	6,168,932	6,168,932	-
FUND BALANCE, ENDING	<u>\$ 6,168,932</u>	<u>\$ 6,168,932</u>	<u>\$ 6,527,708</u>	<u>\$ (4,164,752)</u>

\* Court cost, fees and charges received from the Advance Deposit Fund was budgeted as revenues. Due to the implementation of GASB 84 court costs, fees and charges received from the Advance Deposit Fund was reported as operating transfers in.

\*\* Capital outlay was budgeted net of other financing sources for capital lease transaction.

ST. TAMMANY PARISH CLERK OF COURT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN OTHER POSTEMPLOYMENT  
 BENEFITS LIABILITY AND RELATED RATIOS  
FOR THE FOUR YEARS ENDED JUNE 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service cost	\$ 759,345	\$ 935,231	\$ 676,683	\$ 662,748
Interest	471,023	533,993	491,410	486,112
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	371,220	(383,905)	290,439	(482,855)
Changes in assumptions	187,532	5,261,591	300,287	-
Benefit payments	<u>(213,778)</u>	<u>(202,633)</u>	<u>(206,001)</u>	<u>(195,262)</u>
Net change in total OPEB liability	1,575,342	6,144,277	1,552,818	470,743
Total OPEB liability - beginning	<u>20,933,606</u>	<u>14,789,329</u>	<u>13,236,511</u>	<u>12,765,768</u>
Total OPEB liability - ending	<u><u>\$22,508,948</u></u>	<u><u>\$20,933,606</u></u>	<u><u>\$14,789,329</u></u>	<u><u>\$ 13,236,511</u></u>
Covered-employee payroll	\$ 5,854,848	\$ 5,684,318	\$ 5,879,642	\$ 5,708,390
Total OPEB liability as a percentage of covered-employee payroll	384.45%	368.27%	251.53%	231.88%

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

ST. TAMMANY PARISH CLERK OF COURT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE CLERK'S PROPORTIONATE SHARE OF  
 NET PENSION LIABILITY  
FOR THE SEVEN YEARS ENDED JUNE 30, 2021

Fiscal Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered- Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a % of its Covered- Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
6/30/21	5.659301%	\$ 13,615,517	\$ 5,615,188	242.48%	72.09%
6/30/20	5.642385%	\$ 10,246,527	\$ 5,463,336	187.55%	77.93%
6/30/19	5.908086%	\$ 9,826,924	\$ 5,492,342	178.92%	79.07%
6/30/18	5.404588%	\$ 8,176,785	\$ 4,871,547	167.85%	79.69%
6/30/17	5.532757%	\$ 10,235,458	\$ 5,041,284	203.03%	74.17%
6/30/16	5.696949%	\$ 8,545,603	\$ 5,030,343	169.88%	78.13%
6/30/15	5.575037%	\$ 7,756,454	\$ 4,894,769	158.46%	79.37%

The amounts presented above have a measurement date of the previous fiscal year.

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

ST. TAMMANY PARISH CLERK OF COURT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS TO THE  
 LOUISIANA CLERKS' OF COURT RETIREMENT AND RELIEF FUND  
FOR THE SEVEN YEARS ENDED JUNE 30, 2021

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
6/30/21	\$ 1,268,865	\$ 1,268,865	\$ -	\$ 6,042,215	21.00%
6/30/20	\$ 1,066,886	\$ 1,066,886	\$ -	\$ 5,615,188	19.00%
6/30/19	\$ 1,038,034	\$ 1,038,034	\$ -	\$ 5,463,336	19.00%
6/30/18	\$ 1,043,545	\$ 1,043,545	\$ -	\$ 5,492,342	19.00%
6/30/17	\$ 925,594	\$ 925,594	\$ -	\$ 4,871,547	19.00%
6/30/16	\$ 957,844	\$ 957,844	\$ -	\$ 5,041,284	19.00%
6/30/15	\$ 955,765	\$ 978,995	\$ (23,230)	\$ 5,030,343	19.46%

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

ST. TAMMANY PARISH CLERK OF COURT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021

1. BUDGETARY BASIS OF ACCOUNTING:

The General Fund budgetary comparison schedule has been presented on the modified accrual basis of accounting, which is consistent with the accounting principles generally accepted in the United States of America.

2. OTHER POSTEMPLOYMENT BENEFITS (OPEB):

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 7 to the financial statements. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

Changes in Assumptions:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Discount Rate	2.16%	2.21%	3.50%	3.62%
Mortality	RP-2000	RP-2000	RP-2014	RP-2014
Trend	5.50%	5.50%	Variable	Variable

Changes in Benefit Terms:

There were no changes to benefit terms during the years presented.

3. PENSION:

Changes in Benefit Terms:

There were no changes to benefit terms during the years presented.

Changes of Assumptions:

Valuation Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.25%
Inflation Rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%
Salary Increases							
1-5 Years of Service	6.20%	5.00%	5.00%	5.00%	5.00%	5.00%	5.75%
Above 5 Years of Service	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.75%
Mortality Rate Non-Disabled	Pub-2010 Public Retirement Plans Mortality Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables
Mortality Rate Disabled	Pub-2010 Public Retirement Plans Mortality Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables	RP2000 Tables



ST. TAMMANY PARISH CLERK OF COURT  
 OTHER SUPPLEMENTARY INFORMATION  
 GOVERNMENTAL FUNDS SCHEDULE OF REVENUES  
FOR THE YEAR ENDED JUNE 30, 2021

COURT COSTS, FEES, AND CHARGES:

Fees	\$ 3,723,047
Criminal costs	387,167
Non-support	120,202
Court attendance	39,320
Birth certificates	64,130
Marriage licenses	24,555
SE legal service costs	3,753
Other	52,467
Total court costs, fees, and charges	4,414,641

RECORDING LEGAL DOCUMENTS:

Recording	6,592,864
Portal fees	159,872
Cancellations	998,425
Certificates	22,593
UCC fees	102,234
Parish council costs	22,605
Total recording legal documents	7,898,593

CERTIFIED COPIES 124,081

FEES FOR ON-LINE PUBLIC ACCESS 767,796

INTEREST INCOME 32,747

OTHER REVENUE:

Passport fees	29,695
Other	36,288
Total other revenue	65,983

TOTAL REVENUE \$ 13,303,841

ST. TAMMANY PARISH CLERK OF COURT  
 OTHER SUPPLEMENTARY INFORMATION  
 GOVERNMENTAL FUNDS SCHEDULE OF EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2021

ADMINISTRATION:

Personnel services	\$ 254,483
Operating services	74,055
Materials and supplies	9,220
Seminars and conventions	5,470
Total administration	343,228

RECORDING AND FILINGS:

Personnel services	1,482,669
Operating services	133,115
Materials and supplies	19,309
Seminars and conventions	5,028
Total recording and filings	1,640,121

MORTGAGE CERTIFICATES:

Personnel services	454,619
Operating services	105,533
Materials and supplies	14,065
Seminars and conventions	368
Total mortgage certificates	574,585

CIVIL SUITS AND PROBATES:

Covington:	
Personnel services	2,984,493
Operating services	1,033,698
Materials and supplies	63,226
Seminars and conventions	3,264
Total Covington Office	4,084,681
Slidell:	
Personnel services	201,131
Operating services	15,280
Materials and supplies	3,901
Seminars and conventions	325
Total Slidell office	220,637
Total civil suits and probates	4,305,318

(Continued)

ST. TAMMANY PARISH CLERK OF COURT  
 OTHER SUPPLEMENTARY INFORMATION  
 GOVERNMENTAL FUNDS SCHEDULE OF EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2021

CRIMINAL SUITS AND MINUTES:

Personnel services	\$ 2,198,423
Operating services	279,516
Material and supplies	101,772
Seminars and conventions	4,139
Total criminal suits and minutes	2,583,850

ELECTIONS:

Personnel services	203,816
Operating services	8,101
Material and supplies	2,752
Seminars and conventions	3,726
Total elections	218,395

INFORMATION TECHNOLOGY:

Personnel services	212,496
Operating services	327,137
Materials and supplies	118,198
Seminars and conventions	810
Total information technology	658,641

FINANCE:

Personnel services	868,392
Operating services	139,809
Materials and supplies	16,738
Seminars and conventions	3,358
Total finance	1,028,297

HUMAN RESOURCES:

Personnel services	219,629
Operating services	58,115
Materials and supplies	10,109
Seminars and conventions	5,931
Total human resources	293,784

(Continued)

ST. TAMMANY PARISH CLERK OF COURT  
 OTHER SUPPLEMENTARY INFORMATION  
 GOVERNMENTAL FUNDS SCHEDULE OF EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2021

RECORDS MANAGEMENT:

Personnel services	\$ 409,182
Operating services	56,056
Materials and supplies	15,734
Seminars and conventions	7,119
Total records management	488,091

PURCHASING:

Personnel services	22,790
Operating services	37,524
Materials and supplies	9,440
Seminars and conventions	663
Total purchasing	70,417

RETIREEES:

Personnel services	421,883
Total retirees	421,883

CAPITAL OUTLAY:

781,925

DEBT SERVICE:

Capital lease principal	129,336
Capital lease interest	11,867
Total debt service	141,203

TOTAL EXPENDITURES

\$ 13,549,738

ST. TAMMANY PARISH CLERK OF COURT  
 OTHER SUPPLEMENTARY INFORMATION  
 SCHEDULE OF COMPENSATION, BENEFITS,  
 AND OTHER PAYMENTS TO THE CLERK OF COURT  
FOR THE YEAR ENDED JUNE 30, 2021

Clerk of Court : Honorable Melissa Henry

Salary	\$ 126,345
Certification pay	8,844
Statutory allowance expense	15,979
Statutory allowance auto expense	15,979
Statutory allowance supplemental pay	24,600
Statutory allowance custodian voting machines	2,400
Benefits - medical, dental, and life insurance	15,256
Benefits - retirement	7,470
Benefits - 457 (b) matching	13,046
Benefits - health savings account employer contribution	1,644
Reimbursements	207
Lodging	1,129
Meals	192
Convention seminar registration	<u>4,903</u>
 Total compensation, benefits, and other payments	 <u><u>\$ 237,994</u></u>

ST. TAMMANY PARISH CLERK OF COURT  
 JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

<b>Cash Basis Presentation</b>	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
Beginning Balance of Amounts Collected (i.e. cash on hand)	\$ 9,810,953	\$ 8,523,099
Add: Collections		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	\$ 3,361,804	\$ 3,555,405
Bond Fees	4,750	-
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	229	-
Other	63,005	81,706
Subtotal Collections	3,429,788	3,637,111
Less: Disbursements To Governments & Nonprofits:		
Acadia Parish Sheriff's Office	-	187
Allen Parish Sheriff's Office	-	101
Ascension Parish Sheriff's Office	20	1,354
Assumption Parish Sheriff's Office	-	71
Avoyelles Parish Sheriff's Office	-	197
Beauregard Parish Sheriff's Office	-	57
Bossier Parish Sheriff's Office	-	250
Caddo Parish Sheriff's Office	153	241
Calcasieu Parish Sheriff's Office	-	898
Caldwell Parish Sheriff's Offi	-	65
Catahoula Parish Sheriff's Office	-	47
Concordia Parish Sheriff's Office	-	54
De Soto Parish Sheriff's Office	-	74
East Baton Rouge Parish Sheriff	36,344	40,467

ST. TAMMANY PARISH CLERK OF COURT  
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

(Continued)

	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
East Feliciana Parish Sheriff's Office	\$ -	\$ 244
Evangeline Parish Sheriff's Office	-	33
Hon. Bobby Webre, Sheriff	273	-
Iberia Parish Sheriff's Office OPS	-	70
Iberville Parish Sheriff's Office	-	79
Jason Ard - Sheriff	890	43
Jefferson Parish Sheriff's Office	11,318	26,303
Lafayette Parish Sheriff's Office	1,243	3,600
Lafourche Parish Sheriff's Office	162	783
Lincoln Parish Sheriff's Office	-	33
Livingston Parish Sheriff's Office	-	3,216
Madison Parish Sheriff's Office	-	62
Natchitoches Parish Sheriff's Office	-	32
Orleans Parish Sheriff's Office	9,573	22,633
Ouachita Parish Sheriff's Office	-	410
Plaquemines Parish Sheriff's Office	240	540
Pointe Coupee Parish Sheriff's Office	75	75
Rapides Parish Sheriff's Office	-	852
Richland Parish Sheriff's Office	20	178
St. John the Baptist Parish Sheriff	-	53
St. Bernard Parish Sheriff's Office	558	1,832
St. Charles Parish Sheriff's Office	40	1,358
St. Helena Parish Sheriff's Office	-	8
St. James Parish Sheriff's Office	-	64
St. John the Baptist Parish Sheriff's Office	212	555
St. Landry Parish Sheriff's Office	-	323
St. Martin Parish Sheriff's Office	-	154
St. Mary Parish Sheriff's Office	-	264
St. Tammany Parish Sheriff's Office	10,485	26,560
Tangipahoa Parish Sheriff's Office	6,823	9,453
Terrebonne Parish Sheriff's Office	-	1,039
Vermilion Parish Sheriff's Office	-	96
Vernon Parish Sheriff's Office	-	53
Washington Parish Sheriff's Office	1,657	6,127
Webster Parish Sheriff's Office	-	150
West Baton Rouge Parish Sheriff's Office	-	144
West Feliciana Parish Sheriff's Office	-	125
Secretary of State	27,850	26,450

ST. TAMMANY PARISH CLERK OF COURT  
JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

(Continued)

	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
Commissioner of Insurance	\$ -	\$ 75
Court of Appeal	6,529	8,815
Parish Council	97,352	79,590
Supreme Court	4,990	3,258
Southeast Legal Services	38,440	30,935
Judges Supplemental Compensation Fund	113,194	90,649
Judicial Expense Fund	62,296	50,362
LA Unclaimed Property	64,249	19,587
LA Remote Access Authority	348	305
STP Domestic Violence	3,566	3,365
Supreme Court Judicial College Fund	2,049	1,668
Louisiana Department of Children and Family Services	46,240	63,705
 Less: Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	2,534,673	2,207,424
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
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)	-	-
 Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Stenographers	7,629	10,049
Curators	40,994	37,180
Bank Interest / Service Fee	25,319	3,502
Civil Fee Refunds	1,536,580	1,405,803
Bond Fee Refunds	15,455	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	450	696
Payments to 3rd Party Collection/Processing Agencies	9,352	9,542
Subtotal Disbursements/Retainage	<u>\$ 4,717,642</u>	<u>\$ 4,204,567</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 8,523,099</u>	<u>\$ 7,955,643</u>



ST. TAMMANY PARISH CLERK OF COURT  
 JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY  
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

(Continued)

Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.	\$	-	\$	-
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Other Information:

Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	\$	-	\$	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	\$	-	\$	-



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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*

March 31, 2022

To the Honorable Melissa Henry  
St. Tammany Parish Clerk of Court  
Covington, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Tammany Parish Clerk of Court (Clerk), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated March 31, 2022.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that are not identified. 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 Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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 and other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Duplantier, Chapman, Hogan and Drake, LLP*

New Orleans, Louisiana

ST. TAMMANY PARISH CLERK OF COURT  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2021

SECTION I SUMMARY OF AUDIT RESULTS:

1. The auditor's report expresses an unmodified opinion on the financial statements of the St. Tammany Parish Clerk of Court.
2. No significant deficiencies or material weaknesses.
3. No instances of noncompliance and other matters required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. A management letter was not issued for the year ended June 30, 2021.

SECTION II FINANCIAL STATEMENTS FINDINGS:

- No findings noted.

SECTION III COMPLIANCE AND OTHER MATTERS:

- No findings noted.

STATUS OF PRIOR YEAR FINDINGS:

- No prior year findings.

ST. TAMMANY PARISH CLERK OF COURT  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2021

SECTION I SUMMARY OF AUDIT RESULTS:

1. The auditor's report expresses an unmodified opinion on the financial statements of the St. Tammany Parish Clerk of Court.
2. No significant deficiencies or material weaknesses.
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4. A management letter was not issued for the year ended June 30, 2021.

SECTION II FINANCIAL STATEMENTS FINDINGS:

- No findings noted.

SECTION III COMPLIANCE AND OTHER MATTERS:

- No findings noted.

STATUS OF PRIOR YEAR FINDINGS:

- No prior year findings.

ST. TAMMANY PARISH CLERK OF COURT

AGREED-UPON PROCEDURES

JUNE 30, 2021



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES ST. TAMMANY PARISH CLERK OF COURT

February 7, 2022

To the Honorable Melissa Henry  
St. Tammany Parish Clerk of Court  
Covington, Louisiana

We have performed the procedures enumerated below solely to assist the St. Tammany Parish Clerk of Court in assessing certain controls and in evaluating management's compliance with certain laws and regulations during the period from July 1, 2020 to June 30, 2021, in accordance with Act 774 of the 2014 Regular Legislative Session requirements from the Louisiana Legislative Auditor's office (LA R.S. 24:513(J)(1)(c)(v)(aa)). Management of the St. Tammany Parish Clerk of Court is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations.

The St. Tammany Parish Clerk of Court has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, which is to meet the requirements of Act 774 of the 2014 Regular Legislative Session (LA R.S. 24:513(J)(1)(c)(v)(aa)). 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.

Our procedures and findings are as follows:

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***Agency Funds (follow-up)***

---

- 1) Obtain June 30, 2021 bank reconciliation (including bank statement) for Advanced Deposit Fund and tie numbers in bank reconciliation to supporting documentation/general ledger (may be the Advanced Account Judiciary Summary Report).

Finding:

No findings were noted as a result of applying the procedure above.

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

---

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

No findings were noted as a result of applying the procedure above.

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

---

- 3) For each location selected under #2 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.



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

No findings were noted as a result of applying the procedure above.

- 4) For each location selected under #2 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 matched the related original itemized invoice and that documentation is present indicating that the deliverables included on the invoice were received by the entity.

No findings were noted as a result of applying the procedure above.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #2, as applicable.

No findings were noted as a result of applying the procedure above.

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

---

- 5) 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, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.

- 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.

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.

### ***Sexual Harassment***

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- 6) Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials and obtain sexual harassment training documentation from management for each of the selected employees, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.

- 8) 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;

No findings were noted as a result of applying the procedure above.

- b) Number of sexual harassment complaints received by the agency;

No findings were noted as a result of applying the procedure above.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

No findings were noted as a result of applying the procedure above.

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

No findings were noted as a result of applying the procedure above.

e) Amount of time it took to resolve each complaint.

No findings were noted as a result of applying the procedure above.

We were engaged by the St. Tammany Parish 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. We were not engaged to, and did not, conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the assessment of certain controls and on the evaluation of management's compliance with certain laws and regulations during the period from July 1, 2020 to June 30, 2021, in accordance with the requirements of Act 774 of the 2014 Regular Legislative Session from the Louisiana Legislative Auditor's office (LA R.S. 24:513(J)(1)(c)(v)(aa)). 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 St. Tammany Parish Clerk of Court and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. This report is intended solely for the information and use of management of the St. Tammany Parish Clerk of Court and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Duplantier, Sharpner, Hogan and Drake, LLP*

New Orleans, Louisiana